

ABSTRACT

This research aims to examine the association between board of commissioner characteristics and firm characteristics to the Risk Management Committee (RMC) disclosure. RMC disclosure in question is the existence of RMC in the company, whether affiliated with the audit committee or separate from the audit committee and independent. Characteristics of the board of commissioners used in the study are independent commissioners, board size, and commissioner of education background. While the characteristics of companies that used such a reputation of auditors, financial reporting risks, type of industry, leverage, firm size, and concentration of ownership.

Collecting data using a purposive sampling method to non-financial companies listed on the Indonesia Stock Exchange in 2009 until 2010. A total of 264 non-financial companies used as a sample. Hypothesis testing is done by using logistic regression analysis.

The results of this study indicate the variables that affect the existence of RMC which affiliated with the audit committee are independent commissioners, firm size, and type of industry. While the variables that affect the existence of separate RMC from the audit committee are board size, reputation of auditors, firm size, and concentration of ownership.

Keywords: Risk Management Committee, Board of Commissioner Characteristics, Firm Characteristics