

ABSTRACT

This study aims to examine the impact of board characteristics and companies characteristics to the structuring of Risk Management Committee (RMC) in non-financial firms. Structuring RMC is referred to this study is the disclosure of the existence of RMC in the firms whether affiliated with the audit committee or separate from the audit committee and independent. Board characteristics variables used in the study are proportion of independent commissioners, board size, and meeting frequency of board commissioners. While the characteristics of companies represented by auditor reputation, financial reporting risk, Leverage, Profitability, and Complexity. Firm size used as control variable in research.

Collecting data using purposive sampling method to non-financial companies listed on the Indonesia Stock Exchange in 2008 until 2010. A total of 168 non-financial firms to be sampled in the research. Statistical methods that used to test the hypothesis is logistic regression analysis.

The results of this study showed that the variables that affect significantly the existence of RMC which affiliated with the audit committee are control variables firm size. While the variables that affect significantly the existence of separate RMC form audit committee are meeting frequency of board commissioner and control variables firm size.

Keywords: Corporate Governance , Risk Management Committee, Audit Committee, Structurization of RMC, Logistic Regression, Meeting Frequency of Board Commissioners