

ABSTRACT

This research purpose is to examine the effect of voluntary risk management disclosure towards firm value of manufacturer sector firm that listed on the stock exchange in Indonesia in 2014. In addition, this research also examine the effect of firm value when firm disclose more information to external part can reduce the asymetri information. Based on signalling theory, when firm disclose more then they should have higher firm value.

The population in this research is manufacturing firms which have been listed on the stock exchange in Indonesia in 2014. Resulting in total companies selected are 40 firms from 138 population. The analytical tools that used in this research is multiple regression analysis.

The results show that operational risk, empowerment risk and integrity risk disclosure has no significant effect on firm value. With this result, concluded that investor will choose the firm that have lower risk than the risky one.

Keywords: Voluntary Risk Management Disclosure, Firm Value, Operational Risk, Empower Risk, Integrity Risk