

The Effect of Company Risk Management Disclosure, Intellectual Capital on Company Value And Company Size as Moderating Variables



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ABSTRACT: This research aims to *investigate* the effect disclosure of Enterprise Risk Management and Intellectual Capital as independent variables on Company Value as the dependent variable, which then tests whether company size can strengthen or weaken the effect of Enterprise Risk Management disclosure, and whether firm size can strengthen or weaken the effect *Intellectual Capital* on Company Value. The data used in this research is secondary data. The population in this study are all manufacturing companies listed on the Indonesia Stock Exchange at tahun 2018-2022. The method used to take samples is purposive sampling. Results of this research is hoped that this will provide an idea of the influence Enterprise Risk Management disclosure variables to the value of the company and how disclosure of intellectual capital influence company value, and whether company size can strengthen or weaken this influence relationship.

KEYWORDS: Enterprise Risk Management, Intellectual Capital, Company Size, Company Value.

I. INTRODUCTION

A. Research Background

Financial report information allows investors to carry out a share assessment (valuation) process that reflects the relationship between risk and returns in accordance with the preferences of each type of share. A financial report is said to have information content if the publication of the financial report causes a market reaction. This market reaction will be shown by changes in the price of the security in question (Husnan, 2002). Company value is the result of management's work from several dimensions including net cash flow from investment decisions, growth and company capital costs (Aries, 2011). Company value for investors is an important concept because company value is an indicator of how the market assesses the company. A high company value is the desire of company owners, because a high value shows that shareholder prosperity is also high. High company value indicates good company performance. One of them is the view of the company's value for investors. The value of the company for investors is related to the company's liquidity, namely whether or not the company is assessed as being able to return the capital provided by investors. If the implied value of the company is not good, investors will assess the company with a low value.

Several factors can influence company value, including Enterprise Risk Management, which is defined as a form of integrated approach to managed risk that covers all aspects of the company (Aditya and Naumi. 2017). Risk that is managed well will be able to increase the value of the company and attract investors to invest in the company. As a result, many public companies make disclosures related to risk management in their annual reports in order to gain more trust from investors and the public. ERM disclosure in manufacturing companies is also considered very important, considering that business processes or activities in non-financial companies are very complex so companies are required to be able to manage, identify and minimize risks that may occur. Company value can be increased through specific and broader Enterprise Risk Management (ERM) disclosures. However, Syifa's research (2013) states that there is still low risk disclosure for non-financial companies listed on the Indonesian Stock Exchange. This is because there is still low awareness of the implementation and disclosure of non-financial companies in Indonesia. This is supported by data that shows that some manufacturing companies have not done so despite high investor demand for ERM disclosure (Syifa 2013). Groups of non-financial companies such as manufacturing companies pose an important role for non-financial companies related to ERM and disclosure (Syifa 2013, in Devi, et al. 2017). Information such as the level and type of risk of various financial instruments can be evaluated by users of financial reports in determining decisions to be taken, however, non-

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binding obligations on non-financial companies cause gaps that give rise to minimal attention for non-financial companies in completing ERM disclosure instruments (Devi et al. 2017).

One part of asset information that contains risks includes disclosure of Intellectual Capital (IC) which is not declared as asset information but is actually information that is useful and important for investors. Suhardjanto and Wardhani (2010) in Lestari and Sapitri (2016), stated that intellectual capital is important information in a company that is able to minimize information asymmetry and capital costs in the company. According to Yuniasih et al. (2010), ownership of IC as intangible assets (intangible assets) can provide encouragement for improving the performance of companies that are increasingly competitive in business competition. Jacobb (2012) states that company value is influenced by positive IC disclosure. More and more IC disclosure reports can make the market respond to company performance so that company value increases. Another factor required by Intellectual Capital (IC) and Enterprise Risk Management (ERM) related to company value is company size. According to Pfeffer and Salancik (1978) in Devi et al. (2017), company value is also directly influenced by company size because a larger company size can provide access advantages, market power, and higher economic value of resources than smaller companies. In research by Karina Meidiawati (2016) and Aniela Nurmindia, Deannes Isywardhana, SE, MM & Annisa Nurbaiti, SE, M.Sc. (2017) stated that company size has no effect on company value. However, this is different from research conducted by Cristy Israel, Marjam Mangantar & Ivonne S. Saerang (2018) whose results state that company size has a negative effect on company value. In this research, company size is used as a moderating variable which is considered to be able to strengthen or weaken Intellectual Capital (IC) related to company value and company size is considered to be able to strengthen or weaken Enterprise Risk Management (ERM) related to company value.

This research is a replication of research (Devi et al. 2017) in Indonesia which tested the influence of enterprise risk management and intellectual capital disclosure on company value with empirical studies on non-financial companies listed on the BEI for the 2010-2014 period. Devi et al (2017) found that Enterprise Risk Management disclosure had a positive effect on Company Value and Intellectual Capital Disclosure had a positive effect on Company Value. The difference between this research and research (Devi et al. 2017) is that in the year of research observation, in the previous research the observations were carried out in 2010-2014 while in this research the observations were carried out in 2013-2017. There is a moderating variable in this research, namely company size. Based on the description above, this research determines the title "The Effect of Company Risk Management Disclosure, Intellectual Capital Disclosure on Company Value and Company Size as moderating variables".

B. Formulation of The Problem

This research consists of independent variables, namely ERM disclosure, IC disclosure, which are tested for their influence on the dependent variable, namely company value, then also determine whether company size can strengthen or weaken the relationship between the dependent and independent variables, so that the development concept is different from several previous studies. . The research sample used is a number of manufacturing companies listed on the IDX during the 2019-2023 period. This research only focuses on manufacturing companies as a control to distinguish emerging possibilities and regulations that can result in differences in research results between manufacturing companies and other companies. From the problem description above, several questions can be formulated as follows:

1. Does Enterprise Risk Management disclosure affect company value?
2. Does Intellectual Capital disclosure affect company value?
3. Can company size strengthen or weaken the influence of Enterprise Risk Management on company value?
4. Can company size strengthen or weaken the influence of Intellectual Capital disclosure on company value?

II. LITERATURE REVIEW

Enterprise Risk Management (ERM) is a process that is influenced by the board of directors, management and other personnel of a particular organization as an implemented strategy that has a broad scope in the organization and is created to be able to identify an event that has the potential to have an impact on the organization with tolerance in risk management so that it can provide appropriate guarantees for the process of achieving organizational goals (COSO, 2004). In identifying company risks, management is applied to each activity with the aim of being able to measure and overcome it at a certain level of tolerance (Meizaroh, 2011). Regulations relating to risk management by regulatory bodies in Indonesia, explicitly state that financial reports (mandatory disclosure) are required to include disclosure of risk management information by companies, namely in the 2010 Revision of PSAK No. 60 and the Decree of the Chairman of Bapepam-LK Number KEP-431/BL/2012 which is used as the basis for regulations that require companies to explain various risks that can have an impact on the survival of the company and the various efforts that have been carried out to overcome these risks.

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The scope of information that must be practiced in minimum risk management is regulated in Bank Indonesia Regulation Number 14/14/PBI/2012, including legal risk, compliance risk, reputation risk, strategic risk, liquidity risk, operational risk, market risk and credit risk. Risk as the chance that some unfavorable event will occur. Windi and Andri (2012) explain that risk is an opportunity that causes destruction/loss. Risk disclosure can be used as a strategy to provide guarantees for stakeholder relationships. The existence of this can help stakeholders to determine decisions.

Intellectual Capital disclosure is informed to both external and internal stakeholders, namely through a combination of narrative reports, visualizations and numbers to achieve an increase in company value so that it can provide a competitive advantage for the company (Devi, et al. 2017). IC is defined as all resources (skills, experience and knowledge) related to employee abilities, ownership of information technology capacity and good relationships with customers that contribute significantly to the stages of value formation that give rise to a competitive advantage for the company. Intellectual Capital (IC) can be grouped into 3 main organizational components, namely 1) human capital (human capital) is the expertise of the company's human resources; 2) organizational capital or structural capital (organizational capital) is the company's competence in carrying out routine company activities; and 3) customer capital or relational capital (customer capital) is a good relationship with external stakeholders. Annual reports require the submission of IC information in order to assist the decision-making process by investors. According to Singh and Zahn (2007), IC disclosure is classified as voluntary disclosure which can contain positive signals of financial information for users. In general, there are two points of view related to IC, namely internal and external. Internally, IC assessment and reporting will provide better benefits to the company with improvements in resource allocation, employee motivation, increased morale and operational efficiency. Externally, companies that voluntarily disclose IC can make the invisible visible (render the invisible visible) for users (Mangn et al. 2010 in Faradina. 2015). IC reporting by companies can reduce capital costs, reduce information asymmetry, improve external reputation, and increase confidence with stakeholders.

Company value is a form of company achievement that maximizes the company's managerial performance. Increasing high company value is the company's desire because this reflects prosperity for stakeholders. Mayogi and Fidiana (2016) in Habibi (2017). Company value is the value of the company's growth and development or sales value which can be seen from the share price on the capital market. Sartono (2008) in Novita Santi Puspita (2011) explains that maximizing the present value of all shareholder profits that are expected to be obtained in the future aims to maximize shareholder prosperity. The prosperity of shareholders will increase as the price of the shares they own increases. The main goal of the company is to increase the value of the company because it can have an effect on increasing the prosperity of shareholders or company owners. The company's share price in the capital market is a tool for measuring company value because it can show the shareholder's assessment of all equity in the company (Wahyudi and Pawestri 2006 in Devi et al. 2017). Determining company value can use various financial ratios. This ratio indicates management's prospects and performance based on shareholder assessments. Sukamulja (2004) in Devi et al (2017) states that the Tobin's Q ratio can be used as a proxy for company value because it can provide the best information. Total real assets as a denominator can be useful as an illustration of estimated replacement costs which shows the current value of real assets. This can strengthen the validity of the Tobin's Q calculation. The greater the Tobin's Q value will give rise to a better value for the company's growth prospects and greater ownership of the company's intangible assets.

Indicators of a company's development can be seen from the size of the company. The size of this company can be seen from the total assets on the financial balance sheet. If the total assets of a company are large, this indicates that the company has reached maturity in its operations. A company at this stage is predicted to have positive cash flow and a relatively long period of time for each prospect. Apart from that, the size of total assets also shows that the company is relatively stable and has the ability to create profits (Daniati and Suhairi in Sofyaningsih and Hardiningsih, 2011). Large companies tend to attract the interest of investors. This is because there are better future business prospects and guaranteed operational certainty. Investor interest will be responded to by increasing share prices, which will then increase the company's value.

Research Framework

The Effect of ERM Disclosure on Company Value

ERM disclosure is information about the company's risk management that is disclosed so that it has an impact on the company in the future. ERM plays a very important role in ensuring the level of company stability. High ERM indicates that the company's risk management is getting better and can provide certainty regarding the maintenance of the company's internal control. The high quality of ERM disclosure can have a positive influence on the perceptions of market stakeholders in the capital market so that it can encourage stakeholders to provide high share prices which can increase company value. Hoyt and Leinberg (2006) in Devi et al (2017) stated that ERM disclosure information can add company value. ERM has the main objective of maintaining and maximizing company value. Liebenberg and Hoyt's research (2008, 2011); Bertinetti, Cavezzali, and Gardenal

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(2013) in Kartika Sanjaya and Linawati (2015) concluded that company value is influenced by the positive and significant implementation of ERM, where the implementation of ERM in companies can result in an increase in company value compared to companies that do not implement ERM.

H1: There is a significant positive effect of ERM disclosure on firm value.

The Effect of IC Disclosure on Company Value

Disclosure of ownership and utilization of intellectual resources is very important non-financial disclosure information. IC is a collection of knowledge assets that can be used to improve a competitive position in the business world (Solikhah et al. 2010 in Devi et al (2017). IC) can be grouped into 3 main organizational components, namely human capital, organizational capital or structural capital (organizational capital), and customer capital or relational capital (customer capital). All potential IC ownership that is managed optimally and well and optimally can help shape the encouragement of financial performance, added value and intervention orientation of stakeholders in company management. This can increase stakeholders' interest in obtaining information about management and IC in a company. These stakeholders are the main consideration for companies in disclosing IC. Companies that are motivated to carry out voluntary IC disclosures hope that the interpretation of this information can be an effort to improve company performance which will have an impact on positive responses from stakeholders. A positive value in IC disclosure can change the volume of stock trading because there is a tendency that if the company owns more ICs, the company's shares will be paid by market players at a higher price which causes an increase in company value (Chen et al. 2005 in Devi et al, 2017).

H2: There is a positive influence of IC disclosure on firm value.

The Effect of Company Size on Company Value

Differences in company size can affect company value. Ownership of total assets by a company can be useful in company operations. The large value of total assets in the company indicates that management has freedom in using the company's existing assets. This is directly proportional to the level of concern of asset owners. When viewed from the perspective of the company owner, the large total assets can cause a decrease in company value. However, when viewed from a management perspective, the value of the company will actually increase with the ease of controlling the company owned by managers (Hardiyan and Asyik, 2016). The value of a company's total assets is a reflection of how big the company is as seen in the value of the company's total assets. The large size of the company can cause investors' attention to be focused on related companies. This is because there is high stability in large companies which then causes investors to compete to buy company shares. The increase in share prices is the cause of this condition. Large companies are expected to be able to realize investors' big expectations, namely high dividend values. The increasing demand for shares can result in an increase in share prices in the capital market (Hardiyan and Asyik, 2016). Research by Suffah and Ridwan (2016) shows that company value is positively influenced by company size. Research by Sofyaningsih and Hardiningsih (2011) in Bernandhi (2013) shows that company value is positively influenced by company size. The larger the company size, the higher the level of investor confidence in the level of return on investment.

H3: Company size strengthens or weakens the influence of Enterprise Risk Management on company value

H4: Company size strengthens or weakens the influence of Intellectual Capital disclosure on company value

This research was conducted to determine the effect of disclosure of company risk management and Intellectual Capital on company value. The independent variables are disclosure of company risk management, Intellectual Capital, Company Size, Profitability and Leverage. while the dependent variable is Company Value. Based on these hypotheses, this research can describe the framework of thought as follows:

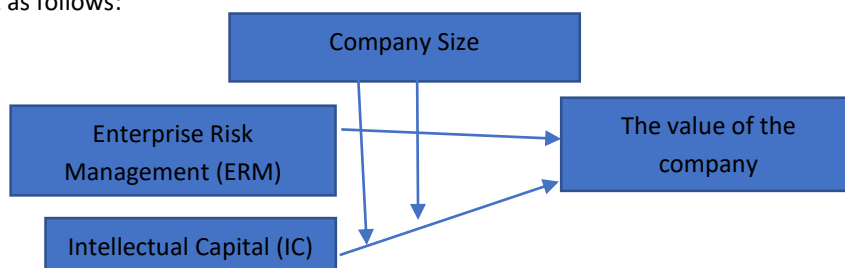


Figure 1. Conceptual Framework

Source: Author, 2023

III. RESEARCH METHODS

A. Research Objects

Intellectual Capital Disclosure, Company Value and Company Size as Moderating Variables. In connection with the research object, the unit of analysis in this research is classified as company level, namely covering manufacturing company listed on the

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Indonesian Stock Exchange in 2018-2022. The consideration for selecting the target population of manufacturing companies was based on previous empirical studies showing that disclosure of corporate risk management in companies manufacturers listed on the Indonesian Stock Exchange in Indonesia which has different variations for each type of sector. The sample is a part or unit of the population. The sample for this research was determined using a purposive sampling method, selecting samples according to certain criteria. Data This research collects research data using library study techniques and documentation methods.

B. Research Variables

ERM (Enterprise Risk Management) Disclosure

Company risk management disclosure is a disclosure of the risks that the company has managed or a disclosure of how the company controls risks related to the future. Enterprise Risk management has the potential to have benefits for analysts, investors and stakeholders (Fathimiya, et al., 2012 in Devi et al. 2017). According to Kristiono, et al. (2014) Corporate Risk Management disclosure is an effort made by the company to inform users of the annual report regarding various forms of threats that disrupt the stability of the company which must be taken into account in every decision to be taken.

Based on the ERM framework published by COSO, there are 108 ERM disclosure items divided into 8 dimensions, namely: 1) internal environment; 2) goal setting; 3) incident identification; 4) risk assessment; 5) response to risk; 6) supervision activities; 7) information and communication; and 8) monitoring (Meizaroh and Lucyanda 2011). Similar to research by Meizaroh and Lucyanda (2011), this research uses the year 2013-2014, where the use of the ERM disclosure item checklist is in accordance with the latest COSO regulations. In achieving company goals (compliance, financial reporting, operational and strategic), these 8 components are really needed. According to Bank Indonesia Regulation Number 14/14/PBI/2012, the scope of information that must be met in minimum risk management practices is legal risk, compliance risk, reputation risk, strategic risk, liquidity risk, operational risk, market risk and credit risk. The proxy used to measure ERM disclosure is the ERM disclosure index. The Enterprise Risk Management (ERM) disclosure index can be calculated using the following formula:

$$ERM DI = \frac{\sum_{ij} Diitem}{\sum_{ij} ADitem}$$

Information:

ERM DI : ERM Disclosure Index

$\sum_{ij} Item$: disclosed ERM

$\sum_{ij} ADitem$: ERM that should be disclosed.

IC (Intellectual Capital) Disclosure

IC disclosure is a level of disclosure of ownership of intellectual capital by a company that has been identified in the form of intangible assets which can provide encouragement for value creation due to greater motivation for organizational performance. The IC Disclosure Proxy is an IC disclosure index similar to Singh and Zahn's (2007) research, with 81 items divided into 6 groups, namely: (1) employees; (2) customers; (3) information technology; (4) process; (5) research and development; and (6) strategic statement. This research also uses checklist items from the International Federation of Accountants (1998) in CIMA (2004) with 3 main components (human capital, relational capital, and organizational capital). Each main component is a special item. The researcher decided to use the research of Singh and Zahn (2007) in Devi et al (2017) because the IC disclosure item checklist is up to date with 3 main components which is more complete than the IFA checklist (1998) in CIMA (2004). Content analysis is used to collect ERM disclosure and IC disclosure data. To give a score to each item disclosed, researchers used the Unweighted Dichotomous Scale in the annual report. Score 1 if disclosed and score 0 if not disclosed.

$$ICDI = \frac{\sum_{ij} Item}{\sum_{ij} ADitem}$$

Information:

ICDI : IC Disclosure Index

$\sum_{ij} Diitem$: IC disclosed

$\sum_{ij} ADitem.$: IC that should be disclosed

The value of the company

Company value is the market value that can produce maximum prosperity for shareholders if there is an increase in the company's share price. The proxy for company value in this research is Tobin's Q. All elements of the company's debt and share capital are used to calculate the Tobin's Q ratio, which causes the information obtained to be the best and only creditor-oriented.

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Therefore, company operational financing does not only come from equity, but also comes from creditors (Sukamulja 2004). Tobin's Q ratio is able to describe market expectations and is free from managerial engineering. The Tobin's Q formula version of Chung and Pruitt (1994) in Devi et al (2017) can be used consistently because it is in the simplest form for various conditions. Tobin's Q formula is:

$$\text{Tobin's Q} = \frac{\text{MVS} + \text{D}}{\text{TA}}$$

Information:

Tobin's Q : Company value

MVS : Market value of shares (number of outstanding shares multiplied by share price)

D : Market value of debt (current liabilities – current assets + long-term liabilities)

TA : Total company assets

Company Size

Company value is also directly influenced by company size because a larger company size can provide access advantages, market power, and higher economic value for resources than smaller companies. A large company size indicates that the company is experiencing development so that investors will respond positively and the value of the company will increase. The company size proxy is the natural logarithm (Ln) of the company's total assets. The choice of total asset proxy is due to the relatively more stable asset value than sales value and market capitalization (Wuryatiningsih 2002 and Sudarmadji and Sularto 2007 in Anieda Nurmindia 2017). It can be formulated as follows:

$$\text{Firm Size (Sz)} = \text{Natural Logarithm of Total Assets}$$

Information:

Firm Size : Company Size

Ln(Total Assets) : Natural Logarithm of Total Assets

C. Data Analysis Methods

Some of the research data collected was in the form of Tobin's Q, ERM disclosure index, IC disclosure index, logarithm of total assets, ROE, and DAR obtained through downloads in the form of annual reports which were then observed. The data analysis techniques used are descriptive statistics and panel data regression analysis. The regression model is processed with the following equation:

$$\text{NPit} = \alpha + \beta_1 \text{ERMDIit} + \beta_2 \text{ICDIit} + \beta_3 \text{LnTAit} + \beta_4 \text{ROEit} + \beta_5 \text{DERit} + \epsilon \text{it}$$

Information:

NP : Company value

α : Constant

β_1 - β_5 : Regression coefficient of each independent variable

ERMDI : ERM Disclosure Index

ICDI : IC Disclosure Index

LnTA : Natural logarithm of total assets

ROE : Return on Equity

DER : Debt to Equity Ratio

ϵit : Error term

Descriptive statistics are used to describe and explain the variables in research through existing sample or population data. Descriptive statistics relate to methods of grouping, summarizing, presenting data in a more informative way (Rani, 2016). This data must be summarized properly and regularly to be used as a basis for decision making. Descriptive analysis is aimed at providing an overview and description of data from the dependent variable, namely Company Value and independent variables, namely disclosure of Company Risk Management, Intellectual Capital Disclosure, Company Size, Profitability and Leverage.

The classical assumption test is used as an econometric criterion to see whether the estimation results meet the classical linear basis or not (Silfiana and Maswar, 2016). This test aims to obtain a good equation and be able to provide unusually reliable estimates so that decisions can be made correctly. The tests in this research were carried out to test four classic assumptions, namely Normality Test, Multicollinearity Test, Autocorrelation Test and Heteroscedasticity Test. The t test is carried out by testing jointly (F test) and partial testing (t test) to determine whether or not there is an influence of the independent variables on the

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dependent variable. Statistical calculations if the statistical test value is in the critical area (the area where H0 rejected) is called significant. Meanwhile, if the statistical test value is in the area where H0 is accepted, it is called significant.

IV. RESEARCH RESULTS AND DISCUSSION

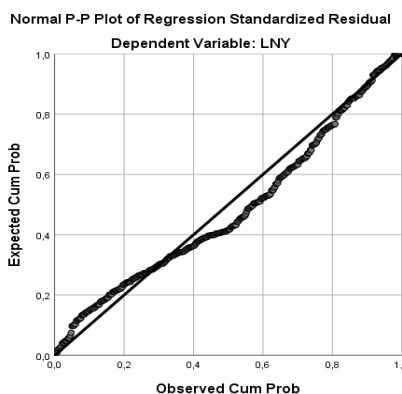
A. Research Results

The amount of data used in this research is 400 years, where X1 in this research is Enterprise Risk (ERM) with a minimum value of -0.99, a maximum of -0.13, a mean of -0.5030 and a standard deviation of 0,18401. Then X2 in this research is Intellectual Capital (ICD) with a minimum value of -1.94, a maximum of -0.58, a mean of -1.2008 and a standard deviation of 0.25242. Then Moderation in this research is Company Size with a minimum value of 2.76, maximum 3.56, mean 3.3600 and standard deviation 0.8397. And the Y variable in this research is Company Value with a minimum value of -1.61, maximum 2.91, mean 0.3152 and standard deviation 0.68009.

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
LNx2	400	-1.94	-.58	-1,2008	,25242
LNx1	400	-.99	-,13	-,5030	,18401
LNm	400	2.76	3.56	3.3600	,08397
LNy	400	-1.61	2.91	,3152	,68009
Valid N (listwise)	400				

Normality Test Results



Based on the table above, it can be seen that the number of samples used in this test was 400 data. In the Normal PP Plots image above, all points approach the diagonal line. Thus all residual data is normally distributed.

Multicollinearity Test

Multicollinearity occurs if there is a perfect or almost perfect linear relationship between some or all of the independent variables in the regression model. The multicollinearity test aims to test whether the regression model finds a correlation between the independent variables. A good regression model should have no correlation between independent variables. The results of the multicollinearity test of the data used as a sample are as follows:

Coefficientsa

Model		Collinearity Statistics	
		Tolerance	VIF
1	LNx1	,990	1,010
	LNx2	,944	1,059
	LNm	,951	1,052

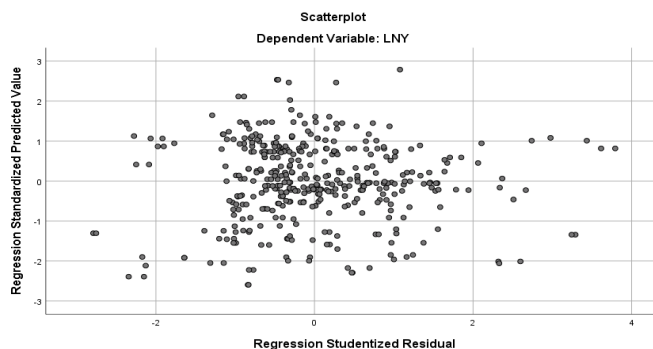
a. Dependent Variable: LNY

Based on the output results above, using the Tolerance (a) and Variance Inflation Factor (VIF) quantities, if you use alpha/tolerance = 10% then VIF = 10. From the output results, the VIF calculated from variable X1 (ERM), Variable, 0.944 = 94.4% and 0.951 = 95.1% above 10% can be concluded that there is no multicollinearity between the independent variables.

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Heteroscedasticity Test

If the variance from the residual from one observation to another is constant, it is called homoscedasticity and if it is different it is called heteroscedasticity. A good regression model is one where heteroscedasticity or homoscedasticity does not occur. To detect whether heteroscedasticity is occurring or not, this is done by looking at whether there is a certain pattern on the Scatterplot graph between SRESID and ZPRED where the Y axis is the Y that has been predicted, and the X axis is the residual (predicted Y – actual Y) that has been standardized. The basis of the analysis is that if there is a certain pattern, such as the points forming a certain regular pattern (wavy, widening then narrowing), this will indicate that heteroscedasticity has occurred. If there is no clear pattern, and the points spread above and below the number 0 on the Y axis, then heteroscedasticity occurs.



From the output of the scatterplot image above, a point spread is obtained in all directions outside the zero point and does not have a regular and unclear pattern. So it can be concluded that the independent variables above do not have heteroscedasticity or homoscedasticity. From the irregularity of the data above, there are no symptoms of heteroscedasticity.

Autocorrelation Test

This test aims to identify whether or not in the linear regression model there are deviations from the classic assumption of autocorrelation, namely the correlation that occurs between the residuals from one observation to another in the regression model. One way to detect whether there is autocorrelation is by using the Runs Test. The results of the autocorrelation test carried out in this study are as follows:

The results of the autocorrelation test show the Asymp. Sig. (2-tailed) of 0.267 is greater than 0.05 ($0.2677 > 0.05$). This means that the Runs Test is greater than 0.05 so it can be stated that there is no autocorrelation.

Verification Statistics

ANOVAa

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	,622	2	,311	1,208	,300b
	Residual	102,253	397	,258		
	Total	102,876	399			

a. Dependent Variable: LNY

Multiple Linear Regression Analysis Test Results

Multiple linear regression analysis aims to test the influence, leverage and Enterprise Risk (ERM) on company value with Company Size as a moderating variable in manufacturing companies listed on the BEI in 2018-2022. The following are the results of multiple regression analysis carried out using the SPSS program.

Coefficientsa

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	22,430	8,917		2,515	,012
	LN1	,774	8,633	,210	,090	,929
	LN2	12,932	4,953	4,800	2,611	,009
	LN3	-6,549	2,652	-,809	-2,469	,014

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X1M	-,150	2,569	-,136	-,058	,954
X2M	-3,859	1,483	-4,680	-2,603	,010

a. Dependent Variable: LNY

Based on the determined regression formula, the regression model obtained is as follows:

$$\text{Tobin's Q} = 22.430 - 0.774 \text{ ERM} + 12.932 \text{ ICD} - 6.549 \text{ Company Size} - 0.150 \text{ ERM} * \text{Company Size} - 3.859 \text{ ICD} * \text{Company Size}$$

1. A constant value of 22.430 indicates that if all independent and moderating variables have a value of 0, then the value of the Company (Tobin's Q) is 22.430
2. For the Enterprise Risk (ERM) variable, the coefficient value is 0.774 with a positive sign. This shows that if the Enterprise Risk (ERM) variable increases by 1 unit, the Enterprise Value variable (Tobin's Q) will increase by 0.774 assuming the other independent and moderating variables are in a constant condition.
3. For the Intellectual Capital (ICD) variable, the coefficient value is 12.932 with a positive sign. This shows that if the Intellectual Capital (ICD) variable increases by 1 unit, the Company Value variable (Tobin's Q) will increase by 12.932 assuming the other independent and moderating variables are in a constant condition.
4. For the Company Size variable, the coefficient value obtained is - 6.549 with a negative sign. This shows that if the Company Size variable increases by 1 unit, the Company Value variable (Tobin's Q) will decrease by 6.549 assuming the other independent and moderating variables are in a constant condition.
5. The regression coefficient value of the Enterprise Risk (ERM) variable with Company Size (ERM*Company Size) is -0.150 with a negative sign. This shows that when the ERM*Company Size variable increases by 1 unit, the Company Value variable decreases by 0.150 assuming the independent and moderating variables are constant.
6. The regression coefficient value of the Intellectual Capital (ICD) variable with Company Size (ICD*Company Size) is -3.859 with a negative sign. This shows that when the ICD*Company Size variable increases by 1 unit, the Company Value variable decreases by 3.859 assuming the independent and moderating variables are constant.

Coefficient of Determination Test

The coefficient of determination (Adjusted R2) was measured to determine the percentage influence of the independent variable on changes in the dependent variable. The results shown explain how much the independent variable can explain the dependent variable, while the rest is explained outside the model. The results of the analysis of the coefficient of determination in the model are presented as follows:

Model Summary b

Model	R	R Square	Adjusted Square	R	Std. Error of the Estimate
1	,240a	,058	,046		,66440

a. Predictors: (Constant), X2M, LNM, X1M, LNX2, LNX1

b. Dependent Variable: LNY

The results of the analysis show that the coefficient of determination (Adjusted R2) is 0.058 or 5.8%. These results indicate that the size of the company value variable is influenced by the Enterprise Risk (ERM), Intellectual Capital (ICD) and company size variables by 5.8%, and the remaining 94.2% of company value is influenced by other variables.

Hypothesis Testing

Next, to find out whether the hypothesis proposed in this research is accepted or rejected, the following hypothesis testing will be carried out:

1. First Hypothesis Testing

Based on the t test for the Enterprise Risk (ERM) variable, a regression coefficient value with a negative direction was obtained of 0.774, which indicates a negative influence and a significance value of 0.929 which is greater than 0.05; So it can be concluded that the first hypothesis which states that Enterprise Risk (ERM) has a significant positive effect on Company Value is not supported.

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2. Second Hypothesis Testing

Based on the t test for the Intellectual Capital (ICD) variable, the regression coefficient value was obtained in a positive direction of 12.932, which indicates a positive influence and a significance value of 0.009, which is smaller than 0.05; It can be concluded that the second hypothesis which states that Intellectual Capital (ICD) has a significant positive effect on Company Value is supported.

3. Influence of the Third Hypothesis

Based on the results of the analysis, the calculated t value of the interaction variable between the interaction between Enterprise Risk (ERM) and Company Size (ERM*Company Size) is -0.150 with a significance value of the interaction variable between Leverage (DTA) and Company Size (ERM*UP) of 0.951 shows a value that is greater than the value at the previously determined significance level, namely 0.05 ($0.951 > 0.05$). Based on the results of the hypothesis test, it can be concluded that the Company Size variable is unable to moderate the influence of Enterprise Risk (ERM) on Company Value. The interaction variable between Leverage and Company Size (ERM*UP) has a negative and insignificant effect on Company Value. Thus, the third hypothesis which states that "Company size has a positive effect on the relationship between Enterprise Risk (ERM) and Company Value" is not supported.

4. Effect of the Fourth Hypothesis

Based on the results of the analysis, the calculated t value of the interaction variable between Tax Risk and Company Size (ETR*Company Size) is -3.859 with a significance value of the interaction variable between Intellectual Capital (ICD) and Company Size (ICD*UP) of 0.010, indicating a value of which is greater than the value at the previously determined significance level, namely 0.05 ($0.10 > 0.05$).

Based on the results of the hypothesis test, it can be concluded that the variable is able to moderate the influence of Intellectual Capital (ICD) on Company Value. The interaction variable between Tax Risk and Company Size (ICD*UP) has a negative and significant influence on Company Value. Thus, the fourth hypothesis which states that "Company size influences the relationship between Intellectual Capital (ICD) and Company Value" is supported.

V. CONCLUSIONS AND RECOMMENDATIONS

Conclusion

The conclusions that researchers can convey based on the discussions that have been carried out are:

1. From the research results, it was concluded that Enterprise Risk (ERM) had no significant influence on Company Value (Tobin's Q), individually.
2. From the research results, it was concluded that Intellectual Capital (ICD) had a significant influence on Company Value (Tobin's Q), individually.
3. Inability of the Company Size variable to moderate Enterprise Risk (ERM) on Company Value (Tobin's Q)
4. Company size as proxied by Size is able to moderate the relationship between Intellectual Capital (ICD) and Company Value (Tobin's Q) in manufacturing companies in the Consumer Good sector on the Indonesia Stock Exchange (BEI) for the 2018-2022 period.

Suggestion

Some suggestions that researchers can convey based on the analysis that has been carried out are:

1. Based on the research results, it is known that partially Intellectual Capital Risk (ICD) has an effect on Company Value (Tobin's Q). Therefore, investors who wish to invest are advised to consider the industry and stage of development of the Company. The need for ICDs will vary depending on the industry and stage of development of the company, as they can increase the value of the company. By understanding and utilizing ICDs, investors can make more informed investment decisions and increase their chances of achieving success.
2. For stakeholders, the results of this research can be used as a guide to increase company value, so that stakeholders can control financial stability more effectively and efficiently.
3. Future researchers should use other proxies besides Tobin's Q in measuring company value, for example by: a) cash flow approach, including the cash flow discount method; b) dividend approach, including the dividend growth method; c) asset approach, including asset valuation methods; d) share price approach; and e) economic value added approach

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