DETERMINANTS OF REPUTATION RISK MANAGEMENT: EMPIRICAL EVIDENCE FROM INDONESIA BANKING INDUSTRY

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Abstract

This study aims to examine the effect of risk awareness, reputation awareness, solvency, return on assets, and size on the implementation of risk reputation management in Indonesia banking industry. The research sample is banks listed on Indonesia Stock Exchange (IDX) in 2011-2018. The sample was selected using purposive sampling. This study used both quantitative and qualitative methods. Content analysis and text mining approach are used to gain insight about risk awareness, reputation awareness, and the implementation of risk management as reflected in annual reports. The results showed that banks with higher reputation awareness, higher solvency ratio, and larger size are significantly more likely to implement reputation risk management better.