The effect of Corporate governance and firm characteristics on firm performance and risk management as an Intervening Variable
5. Conclusions

This study has several objectives. Firstly, to analyse the effect of corporate governance on the existence of Risk Management Committee. Secondly, to analyse the effect of firm characteristics on the existence of Risk Management Committee. Thirdly, to analyse the effect of the existence of Risk Management Committee on firm performance. Fourthly, to analyse the role of Risk Management Committee as mediating variable between corporate governance and firm performance. And fifthly, to identify and analyse the role of Risk Management Committee as mediating variable between firm characteristics and firm performance. This study found that corporate governance and firm characteristics affect the existence of RMC. The study also proved that the existence of RMC enhances firm performance. The result suggests that the effect of corporate governance and firm characteristics on firm performance are indirect through the existence of a RMC. The results of this study add up to our understanding about the mediating or intervening role of a RMC. The finding of this study has an implication to the company to form RMC since it will contribute to the enhancement of firm performance. Further research can replicate or extend this study by including the Chief Executive Officer turn over (Trisnantari, 2013), as well as the uncertainty of the environment and strategy (Tjahjadi, 2011).