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The Role of Risk Assessment Based on Business Performance Reports as a Pillar of Sustainable Growth at PT Jasa Raharja Samarinda Branch

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Risk Assessment Based on LHU, Evaluate risk from financial indicators: liquidity, solvency, profitability, Public service and insurance functions must be sustainable.

Abstract

This study aims to analyze the implementation of risk assessment based on the Monthly Business Report (Laporan Hasil Usaha – LHU) of PT Jasa Raharja Branch Samarinda, focusing on liquidity, solvency, and profitability. Through financial ratio analysis and a review of top inherent risks, the study identifies critical issues affecting financial performance, particularly the rise in gross claim expenses. Findings show that while revenue from mandatory contributions (SWDKLLJ, KD, and fines) exceeded cyclical targets, the increased number of accident claims—especially among productive-age individuals—has resulted in a higher-than-expected underwriting cost. Risk events such as ineffective traffic safety campaigns and insufficient stakeholder engagement were identified as key contributors. As a response, mitigation strategies including joint safety forums and educational campaigns were initiated. The results suggest that while liquidity and solvency are currently stable, profitability is under pressure due to rising claims. Therefore, a proactive risk management approach, emphasizing stakeholder collaboration and safety education, is essential to ensure sustainable organizational growth.

I. INTRODUCTION

In an increasingly complex economic landscape, organizations are compelled not only to focus on short-term targets but also to ensure long-term business sustainability. A critical approach to achieving this is through the implementation of comprehensive risk management, particularly by leveraging financial statements and business performance reports (Laporan Hasil Usaha - LHU) as a foundational basis for risk assessment.

Risk assessment is a systematic process of identifying, analyzing, and evaluating potential risks that could affect the achievement of organizational objectives. According to ISO 31000:2018, risk assessment comprises three primary stages: risk identification, risk analysis, and risk evaluation. When applied within the context of financial statements and the LHU, risk assessment enables an organization to detect early warnings of potential financial failures, operational performance deviations, and resource inefficiencies that impact sustainability (ISO, 2018).

In practice, financial statements provide quantitative data regarding an entity's financial position, cash flows, and performance over a specific period, whereas the

Business Performance Report (LHU) offers a descriptive overview of target achievement, program effectiveness, and the performance evaluation of a unit or branch. The integration of these two reports as a basis for risk assessment allows an organization to gain a comprehensive understanding of critical areas requiring intervention. This aligns with the perspective of Moeller (2011), who posits that effective risk management must be grounded in accurate and current information, derived in part from financial and operational reporting.

PT Jasa Raharja Samarinda Branch, which encompasses the regions of Samarinda City, Bontang City, Kutai Kartanegara Regency, East Kutai, West Kutai, and Mahakam Ulu, operates as a state-owned enterprise in the social insurance sector. It holds a mandate to provide essential protection to accident victims optimally while upholding accountability in its financial and risk management. Therefore, the periodic preparation and analysis of financial statements and the LHU are not merely administrative obligations but also serve as a crucial foundation for evaluating performance and anticipating potential risks that could impede the organization's sustainable growth.

Liquidity reflects PT Jasa Raharja's capacity to meet its short-term obligations, especially the timely payment of claims to traffic accident victims. Within the LHU, liquidity can be analyzed through indicators such as the current ratio and operating cash balance. The risk associated with low liquidity is the potential for delays in claim payments or operational expenditures, which could adversely affect the company's reputation and public trust. Consequently, a risk assessment focusing on liquidity is vital to anticipate a mismatch between cash inflows (e.g., from Mandatory Contributions and SWDKLLJ) and cash outflows (claim payments and operational costs).

Solvency measures the long-term ability of PT Jasa Raharja to fulfill all its obligations, both operational and future claims. In the context of the LHU, a risk assessment of solvency is conducted by evaluating total assets against total liabilities, including the management of investment funds that serve as a source of long-term funding. Solvency risk materializes when liabilities exceed the value of assets, or if contribution revenues decline while claims escalate, thereby threatening the company's operational continuity. It is therefore imperative for Jasa Raharja to project its solvency based on the realization trends of long-term revenues and expenditures as reflected in the LHU.

Profitability (Rentabilitas) indicates the extent to which PT Jasa Raharja can generate a surplus from its operational activities and investment management. Although it is not a profit-oriented entity, the efficient use of public funds remains a priority to ensure that collected funds are utilized optimally and sustainably. In the LHU, profitability is analyzed based on the difference between revenues (mandatory contributions, investment returns) and expenses (claims, operations), as well as ratios such as Return on Assets (ROA) or net surplus margin. Risk in this aspect arises when expenses increase significantly without a corresponding rise in revenue, which can signal inefficiency and diminish the company's capacity to expand its services to the public. Thus, a profitability risk assessment is essential as a basis for performance improvement and strategic decision-making.

Sustainable growth, in this context, is not viewed solely through the lens of revenue enhancement but also encompasses operational stability, regulatory compliance, increased efficiency, and the quality of public service. Accordingly, the application of risk assessment based on LHU and financial data becomes a strategic step to detect risks such as non-compliance in mandatory contribution receipts, a decline in service effectiveness, and budget leakages. This supports the creation of a more robust and

adaptive internal control system capable of responding to changes in the external environment.

By understanding the critical importance of integrating risk assessment, financial statements, and the LHM, an organization such as Jasa Raharja can more proactively manage risks and safeguard the continuity of its growth in a sustainable manner.

II. LITERATURE REVIEW

Fundamentally, Risk Management is a set of coordinated activities designed to direct and control an organization with regard to risk. This definition is predicated on the core concept of risk itself. According to the international standard ISO 31000:2018, which serves as a primary reference for PT Jasa Raharja, risk is defined as the "effect of uncertainty on objectives." This definition can be deconstructed into three main components:

- 1) **Effect:** A deviation from what is expected. This effect is not invariably negative (such as a loss or threat) but can also be positive (such as an opportunity or gain).
- 2) **Uncertainty:** A state characterized by a deficiency of information or understanding regarding an event, its consequences, and its likelihood of occurrence.
- 3) **Objectives:** The goals that the organization aims to achieve. In the absence of clearly defined objectives, risk becomes irrelevant, as there is no benchmark against which the impact of uncertainty can be measured.

Thus, Risk Management can be defined as a structured and systematic approach to managing the uncertainty associated with threats and opportunities, with the aim of enhancing the certainty of achieving corporate objectives. Its purpose is to minimize threats (downside risk) and to maximize or capture opportunities (upside risk) (Susilo, L. J., & Kaho, V. R., 2018).

2.1 The Risk Management Process

PT Jasa Raharja implements a systematic risk management process in accordance with the ISO 31000 cycle, which encompasses:

- 1) **Establishing the Context:** Understanding the external and internal environment of the company to define the scope and risk criteria to be used in the subsequent process.
- 2) **Risk Assessment:** This is the core of the process, consisting of three sub-processes:
 - a. **Risk Identification:** The process of finding, recognizing, and describing risks that could affect the achievement of objectives.
 - b. **Risk Analysis:** The process of comprehending the nature of a risk by determining its likelihood and consequence to establish a risk level.
 - c. **Risk Evaluation:** The process of comparing the results of the risk analysis with the established risk criteria to determine the priority for treatment.
- 3) **Risk Treatment/Mitigation:** The process of modifying risk by selecting and implementing one or more control options, such as avoiding, reducing, transferring (sharing), or accepting the risk.
- 4) **Communication and Consultation:** Conducted continuously at every stage of the process to ensure the effective exchange of information with stakeholders.
- 5) **Monitoring and Review:** An ongoing process to ensure the effectiveness of the risk management framework, process, and outcomes.

2.2 Governance Structure : The "Three Lines of Defence" Approach

To ensure accountability and clarity of roles, PT Jasa Raharja explicitly adopts the "Three Lines of Defence" model within its risk governance structure.

- 1) **First Line:** Comprises the operational units or Risk Taking Units (RTUs) that own and manage risks on a day-to-day basis. They are responsible for identifying and controlling the risks inherent in their activities.

- 2) Second Line: Consists of the risk management function, in this case, the Risk Management and Corporate Transformation (MR & TP) Division, which is tasked with overseeing risk. They develop the framework, policies, and tools, and monitor the implementation of risk management by the first line.
- 3) Third Line: Is the internal audit function, namely the Internal Supervisory Unit (SPI), which provides independent assurance that the overall risk management process is effective.

This model establishes a system of checks and balances that ensures risk is managed effectively across all layers of the organization, from operational activities to strategic oversight by the Board of Directors and the Board of Commissioners. In the context of a public or state-owned enterprise like PT Jasa Raharja, risk assessment is not merely an administrative task but an integral part of a management strategy aimed at safeguarding organizational sustainability. The Business Performance Report (LHU) is a document that details the achievement of work results in both financial and non-financial aspects over a specific period. For PT Jasa Raharja, the LHU reflects the branch's ability to meet targets for mandatory contributions, claims management, operational cost efficiency, and investment returns. This is supported by the work of Anthony & Govindarajan (2013), who emphasize the importance of performance reports as a managerial tool for decision-making and performance control.

In this literature review, risk is examined through three primary lenses: liquidity, solvency, and profitability. Liquidity, according to Harahap (2015), represents an entity's ability to meet its short-term obligations. This is particularly crucial for Jasa Raharja, which is responsible for disbursing compensation swiftly. Solvency pertains to the long-term viability of the entity, namely its ability to meet all financial obligations. According to Kieso et al. (2019), a low solvency ratio may indicate a company's dependence on debt, which ultimately poses a risk to its operational continuity. Profitability, while not the primary objective for a non-profit entity like Jasa Raharja, remains a vital indicator for measuring efficiency and effectiveness. Moeller (2011) highlights that risk analysis must include an efficiency component, as operational inefficiency often underlies greater financial risks.

The literature cited above indicates that a risk assessment based on the LHU is not only technical but also possesses a strategic dimension within the context of good governance and sustainable growth.

2.2 Problem Statement

- 1) What are the conditions of liquidity, solvency, and profitability at PT Jasa Raharja Samarinda Branch based on the Business Performance Report (LHU) up to May 2025?
- 2) What are the primary risks that impact financial performance, particularly within the gross claims sub-sector?
- 3) How effective are the risk mitigation strategies that have been and will be implemented in response to the risk of increasing claim costs?

2.3 Research Objectives

- 1) To analyze the liquidity, solvency, and profitability conditions of PT Jasa Raharja Samarinda Branch based on the Business Performance Report (LHU) for the first semester of 2025.
- 2) To identify and evaluate the primary risks affecting the achievement of financial performance, specifically in the gross claims sub-sector.
- 3) To assess the effectiveness of control and risk mitigation measures undertaken by the company to suppress claim costs that exceed the cyclical budget.

- 4) To provide strategic recommendations for strengthening the LHU-based risk management system to support the organization's growth and sustainability.

III. RESEARCH METHODOLOGY

This study employs a descriptive quantitative methodology, designed to provide a systematic, factual, and accurate depiction of the financial condition of PT Jasa Raharja Samarinda Branch, based on data from the Business Performance Report (LHU). The research places a specific focus on measuring risks associated with liquidity, solvency, and profitability. This approach was selected due to the numerical and measurable characteristics of the research problem, where the data analyzed are derived from the branch's internal financial statements and LHU over a specified period.

According to Sugiyono (2017), quantitative methods are utilized to test theories by numerically measuring research variables, which are then analyzed using statistical techniques. In the context of this study, these variables encompass financial ratio indicators such as the Current Ratio, Debt to Asset Ratio, and Return on Assets, which respectively represent the dimensions of liquidity, solvency, and profitability. Consequently, this research concentrates on the process of a financially-grounded risk assessment, viewed not merely as a performance measurement tool, but also as an early warning indicator of potential risks that could impede the organization's sustainable growth.

Data collection was conducted through the method of documentation, which involved compiling monthly and annual Business Performance Reports (LHUs) from PT Jasa Raharja Samarinda Branch, along with other supporting data such as budget realizations, investment reports, and claim reports. The data were then processed and analyzed using financial ratio analysis, which, according to Harahap (2015), is a commonly employed method for evaluating a company's financial health from multiple perspectives.

Subsequently, the results of this ratio analysis are linked to the concept of Enterprise Risk Management (ERM), as articulated by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). This framework posits that financial risks must be identified, measured, and mitigated to achieve long-term strategic objectives. In this regard, organizational sustainability serves as the ultimate basis for evaluation, wherein each finding from the financial ratios is utilized to assess whether the company is in a secure, cautionary, or high-risk financial state.

To enhance the analytical depth, horizontal and vertical comparative techniques were also employed across the different LHU periods. This approach allows for the identification of trends, such as increases or decreases, in financial ratios over time. This technique provides a richer depiction of the financial dynamics occurring within the organization and aids in the formulation of more targeted risk mitigation strategies. Overall, this research methodology is designed to provide a realistic and data-driven account of how financial risk assessment can be applied within the context of a state-owned, non-profit organization such as PT Jasa Raharja. The ultimate objective is to formulate recommendations that are not only quantitatively based but also take into consideration operational continuity and the sustainability of public service delivery.

IV. RESULTS

4.1 Revenue Performance Analysis

Revenue realization through the first semester of 2025 for the sector governed by Law No. 33 of 1964, which includes the Mandatory Contribution for Public Motor Vehicles / Iuran Wajib Kendaraan Bermotor Umum (IWKBU) and the Mandatory

Contribution for Sea Vessels / Iuran Wajib Kapal Laut (IWKL), demonstrated relatively stable achievement in line with cyclical targets. Specifically, the realization of IWKBU reached a level just surpassing the halfway point of its annual target. This figure represents a slight increase from the same period in the previous year, with only a marginal Year-on-Year (YoY) growth. Although this growth is positive, from a risk assessment perspective, this minimal increase indicates a potential risk of future revenue stagnation or fluctuation that requires close monitoring. Risk mitigation measures to maintain this revenue stability typically involve the continuous monitoring of data on active public vehicles and enhanced coordination with relevant partners to ensure payment compliance.

Conversely, a more robust performance was observed in the Mandatory Contribution for Sea Vessels (IWKL) sector, which realized a level comfortably exceeding the halfway point of its annual target and exhibited a solid and positive Year-on-Year growth. This achievement suggests that the risk assessment applied to the IWKL revenue sector has been effective. Risks such as a potential decline in shipping activities or payment delays from vessel operators have been successfully identified and managed, with their impact remaining within a controlled category to date. Potential mitigation strategies to sustain this positive trend include maintaining strong relationships with port authorities and shipowner associations to ensure data validity and an unimpeded revenue stream.

Revenue performance from the sector under Law No. 34 of 1964 was notably strong through the first semester of 2025, serving as a primary pillar supporting the company's financial health. Specifically, the realization of the Mandatory Contribution for Road Traffic Accident Funds / Sumbangan Wajib Dana Kecelakaan Lalu Lintas Jalan (SWDKLLJ) achieved a level well over half of the total annual target for 2025. This figure reflects an exceptional Year-on-Year (YoY) growth, representing more than double the performance of the same period in the previous year, indicating successful optimization of motor vehicle tax revenue intensification, which was supported by the implementation of a vehicle tax amnesty program in East Kalimantan. This highly positive revenue growth was not limited to SWDKLLJ but was also bolstered by solid performance from other revenue items.

From a liquidity standpoint, the achievement of above-target revenue from the Law No. 34 of 1964 sector directly indicates a very healthy and substantially increased cash inflow. This condition fundamentally enhances the company's capacity to meet its primary obligation: the prompt and timely payment of accident compensation claims. Consequently, it can be concluded that liquidity risk—defined as the risk of a cash shortfall in meeting short-term obligations—is currently at a very low and controlled level.

However, notwithstanding the currently favorable conditions, the company must remain vigilant against potential future risks. This is particularly crucial because the revenues from SWDKLLJ is intrinsically linked to the Motor Vehicle Tax (PKB) payment process at the Samsat (One-Stop Administration System) office. Several potential risks that frequently occur and have a high impact on revenue generation from this sector warrant careful monitoring. These include:

1. Taxpayer Compliance Risk

Risk: A potential decline in the level of public compliance with on-time vehicle tax payments. This can be attributable to various factors, such as an economic slowdown that reduces purchasing power, a shift in societal priorities, or a lack of awareness regarding tax obligations. A decline in compliance would directly and adversely impact the collection of SWDKLLJ and Fines.

Risk Mitigation:

- a. Integrated Socialization Programs: To engage in collaboration with the Samsat Supervisory Team (comprising the Police and the Regional Revenue Agency - Bapenda) to regularly conduct campaigns and public outreach initiatives on the importance of timely payment of taxes and SWDKLLJ.
- b. Joint Law Enforcement Operations: To enhance the deterrent effect through coordinated enforcement activities. This involves conducting routine joint raids at strategic locations with three key agencies: the Police (for inspection of vehicle documentation), Bapenda (for verification of tax payment status), and Jasa Raharja (for direct outreach regarding SWDKLLJ). During these operations, mobile Samsat services can be provided on-site to facilitate immediate payments for offenders, thereby combining an enforcement function with a service-oriented approach.
- c. "Gebyar Pajak" (Taxpayer Gala) Appreciation Program: To create a large-scale appreciation program to reward compliant taxpayers. Implementation involves organizing an event such as the "Gebyar Pajak Kaltim" at year-end, where every taxpayer who pays on time is automatically entered into a prize lottery. Prizes can range from electronic devices and motorcycles to Umrah pilgrimage packages or a car. This program functions not only as a reward mechanism but also as an effective promotional tool to encourage early payments and foster positive public sentiment.
- d. Proactive Billing System: To transition from a passive system (awaiting taxpayer initiative) to a proactive system for issuing reminders and billing for obligations.
 - 1) For Individuals: This includes dispatching mass due-date notifications via SMS, WhatsApp, or issuing official invoices to individual vehicle owners several weeks prior to the payment deadline.
 - 2) For Corporations: This involves sending official notification letters or invoices to companies that own large vehicle fleets. This assists corporate finance or general affairs departments in budgeting for and managing their asset tax payments in a more structured manner.
- e. Incentive Program through Merchant Partnerships: To establish strategic partnerships with various local merchants in Samarinda and East Kalimantan, such as supermarkets, automotive workshops, restaurants, or cafes. Taxpayers who have settled their PKB and SWDKLLJ obligations can present valid proof of payment (a validated vehicle registration certificate - STNK) to receive special vouchers or discounts at participating merchants. This program aims to shift the perception of paying taxes from a mere obligation to an activity with tangible benefits, providing direct incentives while simultaneously stimulating the local economy.
- f. Joint Commitment Program for the Corporate and Governmental Sectors: This strategy involves engaging large corporations and government agencies to serve as exemplars of tax compliance through a formal commitment or integrity pact. This is operationalized by initiating a Memorandum of Understanding (MoU) or a "Joint Commitment to Tax Compliance" between the Samsat Supervisory Team (Jasa Raharja, Bapenda, the Police) and corporations with significant vehicle fleets (such as those in the mining, logistics, and plantation sectors), as well as local government agencies. In return, committed companies and agencies are offered facilitated services, such as proactive collection for collective tax payments and a widely publicized "Best Corporate Taxpayer" award. This measure targets substantial revenue sources and is intended to create a domino

effect, wherein major corporations become role models for the broader business ecosystem and the community at large.

- g. **Enhancement of Service Accessibility:** To continuously drive innovation and convenience within the payment process, including the optimization of digital platforms such as the National Digital Samsat (SIGNAL) and e-Samsat, as well as mobile services like Samsat Keliling (Mobile Samsat), in order to minimize barriers for taxpayers.

2. Regulatory and Government Policy Risk

Risk: The implementation of regional government policies, such as tax amnesty programs or discounts on vehicle tax fines. While intended to boost Motor Vehicle Tax (PKB) revenue, such policies can significantly diminish potential income from SWDKLLJ Fines, which constitute a critical component of non-underwriting revenue.

Risk Mitigation:

- a. **Advocacy and Coordination:** To engage in proactive advocacy with the regional government to articulate the vital role of funds collected from Fines in financing compensation for traffic accident victims.
- b. **Policy Impact Analysis:** To conduct simulations and financial impact analyses of any potential amnesty policies to inform the development of responsive budgetary adjustment strategies.

3. Operational Risk in Systems

Risk: The potential for technical disruptions within the Samsat IT system, such as system downtime, data errors, or unstable network connections. Such disruptions can impede service delivery and delay the recognition and collection of revenue.

Risk Mitigation:

- a. **Strengthening of the Host-to-Host System:** To ensure that the data reporting system between Jasa Raharja and its Samsat partners operates at an optimal level and is supported by a reliable backup mechanism.
- b. **Routine Audit and Maintenance:** To conduct regular audits and evaluations of the shared information technology infrastructure to preemptively identify potential vulnerabilities before major disruptions can occur.

4.2 Cost and Claims (Underwriting) Analysis

An analysis of the underwriting cost sector through the first semester of 2025 indicates that the majority of operational and technical operational cost sub-sectors remained under control and in alignment with the established budget. However, the primary area of focus continues to be the Gross Claims sub-sector.

The realization of Gross Claim payments through the first semester, as of June 2025, was recorded at 50% of the total annual budget for 2025. This 50% realization at the midpoint of the year indicates that claim cost expenditures are proceeding in line with budgetary projections and are considered on target. More importantly, when compared to the corresponding period of the previous year, a significant decrease of 16% in claim payments was observed.

Based on summary data, the overall trend in the number of traffic accident victims within the operational area of the Jasa Raharja Samarinda Branch—which encompasses the City of Samarinda, the City of Bontang, the Kutai Kartanegara Regency, the East Kutai Regency, the West Kutai Regency, and the Mahakam Ulu Regency—demonstrates a positive downward trend through the current period of 2025. In total, the number of accident victims (including both fatalities and injuries) decreased by 12.09% in 2025. This reduction was driven by an 8.13% decrease in the number of fatalities and a more significant decline of 14.44% in the number of non-fatal injuries. This positive trend indicates that various accident prevention programs and synergistic efforts with relevant

stakeholders are beginning to yield effective results in reducing the rates of fatalities and injuries on the road. In relation to service performance, the Jasa Raharja Samarinda Branch met its Service Level Agreement (SLA) for the settlement of fatality compensations within an average of 2.04 days.

This reduction serves as a positive indicator that the implemented risk management strategies are beginning to yield results. Nevertheless, the company must not become complacent, as claims are inherently volatile and continue to represent the most crucial risk event, with a direct impact on the company's cash reserves and organizational profitability.

4.3 Identification of Key Risk Events

Historical analysis and risk evaluation have identified three primary risk events that consistently trigger high compensation costs:

- 1) The potential for increased accident fatalities: This encompasses the risk that an accident results in outcomes beyond minor injury, such as permanent disability or death, thereby necessitating maximum compensation payouts.
- 2) Ineffective accident prevention strategies: This pertains to the risk that existing safety programs are not entirely successful in modifying public driving behaviors, resulting in persistently high accident rates.
- 3) An increase in accident victims within the productive age group: This demographic exhibits high mobility, which is often associated with high-risk driving behaviors, rendering them particularly vulnerable to fatal accidents.

Historically, these three risks have been assigned a high inherent risk value (12, based on a Likelihood of 4 and an Impact of 3), and they have subsequently become the primary focus of cost control initiatives.

4.4 Implemented Mitigation Measures

The 16% Year-on-Year (YoY) decrease in claim realization was not incidental but was rather the outcome of implementing various proactive and preventive mitigation programs. These mitigation efforts included, among others:

- 1) Traffic Safety Forums: Conducting regular discussion forums involving multiple stakeholders, such as the Police, the Department of Transportation, and academics, to formulate collaborative strategies aimed at reducing accident rates within the Samarinda region.
- 2) Early Age Education via Traffic Safety Pioneer Teachers (PPKL) in Schools: Implementing the Accident Prevention and Eradication (PPKL) program, which targets secondary schools (SMA/SMK), to instill road safety awareness from an early age, thereby directly engaging the productive age demographic.
- 3) Safety Riding Training: Collaborating with community groups and the police to organize safety riding training sessions, which provided motorcyclists with practical skills in safe and defensive riding techniques.

PT Jasa Raharja Samarinda Branch demonstrates a strong commitment to service delivery by upholding the AKHLAK corporate culture, particularly in the expediency of settling compensations for deceased victims, which is reflected in its achievement of the Service Level Agreement (SLA) within an average of 2.04 days. However, the role of Jasa Raharja is not confined to post-accident handling (the curative aspect) but also extends to a preventive dimension through various accident prevention initiatives. These mitigation efforts are undertaken proactively in response to the primary identified risks, such as the potential for increased fatalities and the high incidence of accidents involving the productive age group. The implementation of this prevention strategy is actualized through educational and public outreach activities, such as the organization of traffic safety forums, the "Caring Teacher for Traffic Safety" (PPKL) program in schools, and

safety riding training. Thus, the Jasa Raharja Samarinda Branch employs a holistic risk management approach, integrating the efficiency of its compensation services with educational efforts aimed at reducing accident rates.

4.5 Reinterpretation Based on Recent Data

High claim risk will always be relevant to profitability, as an increase in claims that is not offset by a corresponding increase in revenue will erode the operating margin. However, data as of June 2025 indicates that an aggressive and preventive risk management strategy has successfully safeguarded profitability. The reduction in claim costs, coupled with rapid revenue growth, has been the primary driver of the surge in the company's profits.

In conclusion, the claims burden, which previously posed a serious threat, now demonstrates a trend of improvement. This success substantiates the effectiveness of a mitigation strategy focused on safety education and external collaboration. The forthcoming challenge is to maintain the consistency of these programs to ensure that this positive trend can be sustained over the long term.

Although the Business Performance Report (LHU) does not explicitly contain a balance sheet or data on total assets and liabilities required for a formal solvency ratio calculation, the performance data on revenues and costs provide a strong indirect illustration of the company's long-term financial health.

Revenue performance through June 2025, dominated by the exceptionally strong SWDKLLJ and KD sectors, showed a total revenue growth of 50% compared to the previous year. Concurrently, total costs demonstrated remarkable efficiency, with realization decreasing to just 87% of the figure from the same period last year. This positive dynamic—of soaring revenues amidst controlled costs—fundamentally indicates that the company possesses a very sound financial structure and is not reliant on external financing to support its operations.

4.6 Capital Structure and Solvency Analysis

Although the Business Performance Report (LHU) does not explicitly contain a balance sheet or the total asset and liability data required for a formal solvency ratio calculation, the performance data on revenue and costs provide a robust indirect indicator of the company's long-term financial health.

Revenue performance through June 2025, which was dominated by a very strong revenue sector, demonstrated a total revenue growth of 50% compared to the previous year. Concurrently, total costs exhibited exceptional efficiency, with realization declining to only 87% of the figure from the same period in the prior year. This positive dynamic—of rapidly increasing revenues amidst controlled costs—fundamentally indicates that the company possesses a very sound financial structure and is not reliant on external financing to sustain its operations.

For a social insurance company such as PT Jasa Raharja, a solvency analysis would be incomplete without a specific focus on the Gross Claims subsector, which constitutes the largest and most risk-laden cost component. The primary long-term risk to solvency arises when the claims burden increases sharply and erodes the company's capital base. However, the LHU data as of June 2025 reveals a highly positive trend. The realization of Gross Claims showed a significant year-on-year decrease of 16%. The successful control of this risk has a direct and substantial impact on the strengthening of solvency.

Consequently, the combination of strong revenue and, more importantly, the successful containment of claim costs, directly fortifies the company's internal capital structure. This condition affirms that long-term solvency is not only secure but is also on a strengthening trend. Nevertheless, prudent risk management practices dictate that the company must continue to conduct periodic solvency reviews (e.g., on a quarterly basis)

to ensure that its capacity to meet long-term obligations is maintained in the face of future dynamics.

4.7 Effectiveness of Risk Control

The effectiveness of risk control at PT Jasa Raharja Samarinda Branch is not merely an administrative function; it serves as an active strategic foundation for decision-making. The report accurately demonstrates that this process is executed systematically. The use of a Risk Map (Risk Scale) is the primary visual tool for prioritizing risk treatment. In accordance with procedure, any risk event with an inherent value exceeding 5—placing it in the yellow (Moderate) to red (High) zones—receives special attention and is subject to measured mitigation.

The following is a detailed explanation of how this approach is operationalized for two primary objectives:

1. The Role of Risk Management in Cost Control

The principal focus of cost control is on the Gross Claims sub-sector, which represents the largest and most volatile expenditure component.

- a. **Risk Identification and Assessment:** Key risks, such as the "potential for increased accident fatalities" and an "increase in victims within the productive age group," are identified. Utilizing the Risk Map, these risks are assessed based on their impact (the magnitude of the cost) and likelihood (frequency of occurrence). For instance, a risk with a high financial impact (score of 4) and a reasonably high likelihood of occurrence (score of 3) would yield a risk value of 12, placing it in the yellow (Moderate) zone. This process is referred to as "targeted intervention."
- b. **Prioritization and Mitigation:** Due to its classification in the moderate zone, this risk is designated as a priority. Management then formulates specific mitigation strategies, such as traffic safety education programs, safety riding training, and collaborative forums with the police.
- c. **Tangible Outcomes:** The success of this strategy is directly reflected in the June 2025 LHU data, which shows a 16% year-on-year reduction in the realization of Gross Claims. This serves as concrete evidence of how a systematic process of risk identification and mitigation can directly control and even reduce the company's largest cost.

2. The Role of Risk Management in Revenue Enhancement

Risk management also plays a crucial role in securing and enhancing revenue sources, including SWDKLLJ, IWKBU, and Fines.

- a. **Risk Identification and Assessment:** Risks on the revenue side are also identified and mapped. Examples include the "risk of a decline in public compliance with tax payments" and the "risk of stagnation in IWKBU revenue." Such risks may have a significant impact (score of 3 or 4) and varying likelihoods, thus categorizing them for mitigation on the Risk Map.
- b. **Prioritization and Mitigation:** To address these risks, a series of proactive mitigation measures are developed. These include programs designed to increase the "willingness" to pay (such as the "Gebyar Pajak" and merchant partnerships) as well as those that encourage "compliance" (such as joint enforcement operations and proactive billing to corporations).
- c. **Tangible Outcomes:** The effectiveness of these mitigation efforts is clearly evident in the June 2025 LHU, where revenue from SWDKLLJ grew by 154%, and revenues from Fines and the Card Fund also increased substantially. By managing risks that could impede revenue collection, the company not only protected its income but also succeeded in significantly increasing it.

Overall, effective risk management functions as a dual-engine driver. On one hand, it acts as a "brake" to control unnecessary costs, particularly claims. On the other hand, it serves as an "accelerator" that ensures all potential revenue can be maximally realized by eliminating risk-related impediments.

V. CONCLUSION

Based on the analysis conducted, the impact of risk control on PT Jasa Raharja Samarinda Branch is both fundamental and transformative, serving as a primary pillar that has driven its successful financial performance through the first semester of 2025. This influence operates through two primary, mutually reinforcing mechanisms:

1. The Defensive Impact on Costs: Proactive risk control has successfully suppressed the largest and most uncertain cost component: claims. By identifying risks and implementing appropriate preventive mitigation measures, such as Traffic Safety Forums, safety education, and stakeholder collaboration, the company was able to reduce its gross claim cost realization by 16% compared to the previous year. This demonstrates that effective risk control successfully protects the company's profitability from erosion by unforeseen costs.
2. The Offensive Impact on Revenue: On the revenue side, risk control has not only served a protective function but has also optimized potential. By identifying the risk of declining taxpayer compliance and implementing a comprehensive suite of mitigation strategies (ranging from incentives to enforcement), the company successfully secured and accelerated its revenue streams.

In aggregate, the influence of risk control functions as a dual-engine driver that creates an ideal financial condition: costs were successfully suppressed below target, while revenues were driven beyond target. It is this combination that has directly resulted in a surge in net profit, which in turn strengthens solvency, and proves that effective risk management is the most critical strategy for achieving strong and sustainable growth.

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