Strategy for Accelerating Digital Transformation on the Financial Performance of PT Telekomunikasi Indonesia (Persero) Tbk.

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Abstract	The purpose of this research is to see the financial performance of PT. Telekomunikasi Indonesia (Persero) Tbk for the period 2016-2020. Ratio analysis used liquidity ratios, solvency ratios, activity ratios and profitability ratios. This study uses secondary data by analyzing the company's annual report. The data analysis method in this research is descriptive statistical analysis which is used to explain the company's financial ratios. The results of the liquidity ratio analysis with the Current Ratio indicator have an average value of 90.76% below the industry standard average of 200%. Quick ratios and cash ratios have values below the industry average standard. This shows that the company is not performing well. The solvency ratio with the Debt Ratio indicator on average is 44.9% above the industry average standard of 35%. The company's performance is still in the quite good category, although it is slightly above the industry average standard. The Debt to Equity Ratio indicator on average is 83.2% above the industry average standard of 90%. This shows the performance of Pt. Telekomunikas Indonesia Tbk has a good performance. The activity ratio is measured with the working capital ratio indicator on average 20.9% above the industry average standard, meaning the company has a good performance. The Total Assets Turn Over indicator is on average 0.59 miles below the industry average 2 times. This shows that the company's performance is not good. The profitability ratio through the Net Profit Margin indicator is an average of 22.9% above the industry average standard of 20%. The Return On Investment indicator is on average 13.5% below the industry average of 30%company's performance is in poor condition.
Keywords:	*Financial performance, liquidity, solvency, activities, profitability, digital transformation*

1. Introduction

At this time the human need for telecommunications is very important. Companies engaged in the telecommunications sector are increasingly making product innovations to support consumer needs (Tampi, 2013). The company engaged in telecommunications in Indonesia is

PT Telekomunikasi Indonesia (Persero) Tbk which provides information technology services, communications and telecommunications networks in Indonesia. The company's shares are 52.9% owned by the government, while 47.91% are public ownership. As a company that has gone public on the IDX, it is required not only to provide valuable performance for the company itself, but also to have an impact on the wider community. There needs to be an assessment of the company's financial performance to determine the financial condition and how well the company manages its finances.

Financial performance will provide information on the company's financial position by using certain analytical tools to see whether the company has healthy finances or not. (Dewi, 2017). Using ratio analysis in measuring financial performance, it will be useful in monitoring the company's financial activities as well as providing an overview of what steps should be taken to avoid financial difficulties. For management to evaluate business effectiveness and predict future financial conditions in order to determine appropriate and strategic policies for the smooth operation of the company (Rakhmetova, 2013).

(The company will use financial performance as a form of achievement measure in describing the level of profit earned by the company. Financial performance measurement tool by doing ratio analysis on the financial statements issued by the company. The ratio analysis (Ratio Analysis) used depends on the type of company to be analyzed (M. Barus, 2017). The main information for analyzing financial statements by looking at the profit and loss and the company's financial condition in determining the ratios that will be used to assess the company's financial management and several aspects needed by users of financial statements (Wiyani, 2017).

Ratio analysis is used by comparing the nominals in the company's financial statements. Next, compare the nominal with the aim of assessing the company's financial condition and the company's financial management carried out by management within a certain period (Hafsah, 2013). For investors, it is useful in seeing the company's financial stability and the company's ability to generate profits and predicting the company's ability to increase invested profits. This can be used as an investor in considering investment decisions.

Good Financial Performamce depends on the strategy used to maintain the business (Rakhmetova, 2013). According to Hitt (2011), strategy is a well-coordinated series is a well coordinated series of planed commitments and actions in developing competencies to achieve competitive advantage. Stategy is designed to achieve common goals by finding targets in competing to achieve competitive advantage in maintaining its business.

PT Telekomunikasi Indonesia (Persero) Tbk implements a strategy of accelerating digital tranformastion in maintaining its performance. Digital transformation is a rule- based concept of information technology systems in carrying out campany operations. Digital transformation strategy as a company opportunity by providing products according to consumer demand. The implementation of a digital transformation strategy must require the adaptation of human resources in creating digital innovation and corporate culture (H. Kaur and A. K. Bath, 2019).

The phenomena of economic activity by minimize touch or low touch economy, during the pandemic PT Telekomunikasi Indonesia see the opportunity by carrying out a digital acceleration transformation strategy. There are three strategies implemented, namely digital connectivity, how the company provides digital connectivity for all segments of society. Both

digital platforms create a reliable platform in meeting consumer needs. The three digital services provide quality services anf innovate in creating products.

The strategy adopted by PT Telekomunikasi Indonesia (Persero) Tbk is like a startup business. Accelerate the delivery of products and provide innovative services. Efforts made in fostering a culture of innovation such as startups by applying the 4 D formula include: First Discover is how to determine customer segments. Second, Define, namely prioritizing solutions, determining value propositions and designing business models. Then Develop is an experimental action by finding a solution, experimenting with giving assumptions and preparing a design plan and how the implementation is carried out. Then the last one is deliver, where the steps that need to be done are implementing the concept, validating the concept applied, and repeating the concept.

The purpose of this research is to analyze the financial performance of PT. Telekomunikasi Indonesia (Persero) Tbk as measured by financial ratio analysis includes: profitability ratios, liquidity ratios, solvency ratios and activity ratios. In addition, the strategy for accelerating digital transformation is applied in facing business challenges. How the company maintains its performance and continues to provide innovation in the face of crisis situations during the pandemic.

1.1 LITERATURE REVIEW
Financial performance
Financial performance is an explanation of the company's financial position which can be assessed by performing ratio analysis. It aims to determine whether or not the company's financial condition and work performance in a certain period. (Hana, 2012). Financial performance is the result of decisions based on an assessment of how the company's capabilities are viewed from the aspect of profitability, liquidity ratios, solvency ratios and activity ratios carried out by stakeholders with the company. (Soelistyoningrum and Prastiwi, 2011).

Financial statements
Financial statements are used by management for information as a basis for managerial decision making. Data on the company's financial statements are needed for analysis of the company's operating activities. The function of financial statements is to provide information needed by top managers in providing investment project costs (E.A.Osadchy, 2018) Performance appraisal in financial reports is the most important thing for companies in calculating future financial prospects (Lithfiyah, Irwansyah, & Fitria, 2019).

Ratio Analysis
According to Munawir (2010) regarding financial ratio analysis using analytical tools can provide information to users of financial statements about whether or not the company's financial position is good, namely comparing the nominal in the financial statements with the ratio that becomes the standard of assessment. Financial ratio analysis is important in identifying how the movement, development, and measuring the company's overall financial position, in identifying positive or negative financial developments. It is important for investors and shareholders to evaluate the company's position (Rashid, 2018).

Digital Transformation as a Business Strategy

Strategy is the choice chosen by the company regarding the right actions for the company and actions that are not right for the company. At the strategic level in implementing a strategy means providing the best choice in the environment and internal resources in realizing the common goals expected by the company (Atkinson et al, 2012). Strategy is how to maintain a sustainable competitive advantage by having the necessary resources to improve the ability for the company's long-term performance (Lin & et al, 2014).

Strategy is an important factor to achieve company goals. PT. Telekomunikasi Indonesia Tbk as the largest company in the cellular business in Indonesia in the face of increasingly competitive business competition with regulations in the field of telecommunications. The corporate environment is changing into a competitive era (Utami, 2016). Efforts made by PT. Telkomsel does not only focus on internal resources but also provides prices and improves service quality. Telkomsel has implemented a strategy with the aim of providing changes to various aspects of the company, both human resources, corporate environment and corporate culture to seek opportunities in digital businesses that support Telkomsel in maintaining a competitive advantage in the digital business field (Syarif & Ainda, 2019). Digital transformation is a change in the completion of work no longer manually but using information technology to be more efficient and effective at work (Danuri, 2019).

2. Research Method

The types of data in this study are qualitative and quantitative. According to Sugiyono (2011), explaining that qualitative data is data in the form of sentences, pictures or words, while quantitative data is data in the form of nominal. Quantitative data seen from the financial statements of PT. Telekomunikasi Indonesia in 2016 to 2020 from www.idx.co.id

2.1. Method of collecting data

In this study, the data collection method was by looking at various literatures and documentation to obtain information by obtaining data both from the internet and also data from financial reports published on the IDX (www.idx.co.id). The object of this research was conducted at PT. Telekomunikasi Indonesia Tbk, on the IDX (www.idx.co.id) 2016-2020, for the year 2020 as of 31 September because the research was conducted before the annual report was published.

2.2. Data analysis method

Data analysis in this study used descriptive statistical analysis. According to Sugiyono (2011), descriptive statistical research is an analysis of data by describing or describing the data that has been collected according to what the data is with no intention of making a general conclusion

The ratio analysis used in this study can be explained as follows:

2.2.1 LIQUIDITY RATIO

Liquidity ratio which explains how the company is able to meet short-term obligations (debt) in paying (debt) in a timely manner.

Current Ratio
According to Kasmir (2016: 134), the ratio is used to assess the company's ability to meet short-term debt. The following Current ratio formula:

$$Current\ Ratio = \frac{Current\ Assets}{Current\ liabilities}\ x\ 100\%$$

Quick ratio
According to Kasmir (2016:138) is the ratio used in assessing the company's ability to meet short-term debt by looking at the company's assets without considering the inventory value. The quick ratio formula used is

$$Quick\ Ratio = \frac{Currrent\ Assets - Inventory}{Current\ liabilities}\ x\ 100\%$$

Cash Ratio
According to Kasmir (2016:138) Cash ratio is a tool used to perform analysis with the aim of knowing the cash owned by the company in paying obligations. The cash ratio formula is as follows:

$$Cash\ Ratio = \frac{Cash + Cash\ Equivalents}{Current\ liabilities}\ x\ 100\%$$

Table 1. Industry standard liquidity ratio

No	Ratio Type	Industry standard
1	Current ratio	2 kali
2.	Quick ratio	1,5 kali
3.	Cash ratio	50 %
4.	Cash ratio	10 %
5.	*Inventory to net working capital*	12 %

2.2.2. SOLVENCY RATIO.
According to Kasmir (2016), the Solvency Ratio or leverage ratio is a ratio to assess how much assets owned by the company can be used to meet obligations.

Debt to Assets Ratio
According to Kasmir (2016:156), the Debt To Assets Ratio is the ratio of debt used in assessing the comparison of total debt and total assets. The formula can be explained as follows:

$$Debt\ Ratio = \frac{Total\ Debt}{Total\ Assets}\ x\ 100\%$$

Debt to equity ratio

According to Kasmir (2016:157), the debt to equity ratio is assessed by comparing all company debt with all equity. The formula can be explained as follows:

$$Debt\ \text{To Equity}\ Ratio = \frac{\text{Total Debt}}{\text{Total Equity}}\ x\ 100\%$$

Table 2. Industry standard solvency ratio

No	Ratio type	Industry standard
1	Debt to Equity Ratio	90%
2.	Debt to Assets Ratio	35%
3.	Times Interest Earned	10 kali
4.	Long Term Debt to Equity Ratio	10 kali
5.	Fixed Charge Coverage	10 kali

2.2.3. RASIO AKTIVITY

According to Kasmir (2016), the activity ratio is to assess how companies manage company assets effectively to obtain sales.

Working Capital Turnover

According to Kasmir (2016; 182), the working capital turnover ratio is to assess how the company manages working capital well in a certain period. The formula for calculating working capital turnover is as follows:

$$\frac{\text{Net Sales}}{\text{Current Assets} - \text{Current Liability}}\ \text{X 1 kali}$$

Total Asset Turnover

According to Kasmir (2016:185), Total asset turnover is comparing sales owned by the company with total assets. The formula for calculating total asset turnover can be explained as follows:

$$Total\ Asset\ Turn\ Over = \frac{\text{Sales}}{\text{Total Assets}}\text{X 1 kali}$$

Table 3. Industry standard activity ratio

No	Ratio Type	Industry Standard
1	*Inventory Turn Over*	20 kali
2.	*Receivable Turn Over*	15 kali
3.	*Total Assets Turn Over*	2 kali
4.	*Fixed Assets Turn Over*	5 kali
5.	*Working Capital Turn Over*	6 kali

2.2.4. PROFITABILITY RATIO
According to Kasmir (2016), the profitability ratio is to determine the company's ability to earn profits in a certain period.

Net Profit Margin
According to Kasmir (2016: 200), net profit margin is to find out the company's profit / Earning After Interest and tax divided by company sales. The following is the formula for Net Profit Margin.

$$NPM = \frac{\text{Earning After Interest and Tax}}{\text{Sales}} \text{X } 100\%$$

Return On Invesment
According to Kasmir (2016:201), it is an assessment of how management can effectively manage the company. The Return on Investment Formula is as follows:

$$ROI = \frac{\text{Earning After Interest and Tax}}{\text{Total Assets}} \text{X } 100\%$$

Table 4. Industry standard profitability ratio

No	Type Ratio		Industry Standard
1	*Net Profit Margin*	(NPM)	20%
2.	*Return On Equity*	(ROE)	40%
3.	*Return On Invesment*	(ROI)	30%

3. Result and Discussion
3.1. Result
3.1.1. Likuidity Ratio
Analysis of the liquidity ratio at Pt Telkomunikasi Indonesia Tbk in 2016-2020. The liquidity ratios used are cash ratios, quick ratios and current ratios can be explained as follows:

Current Ratio **PT.Telekomunikasi Indonesia Tbk 2016-2020.**

The results of the liquidity ratio analysis for the Current Ratio of PT. Indonesian telecommunications in 2016-2020 can be presented in table 5 as follows

Tabel 5. Current Ratio Analysis Results

Year	Current Assets (a)	Current Liabilities (b)	Ratio c= (a/b)
2016	47.701.000.000	39.762.000.000	119,9 %
2017	47.561.000.000	45.376.000.000	104,8%
2018	43.268.000.000	46.261.000.000	93,5 %
2019	41.722.000.000	58.369.000.000	71,5 %

2020	40.677.000.000	63.486.000.000	64,1 %
$\bar{x}$	43.185.800.000	50.650.800.000	90,76 %

Quick Ratio Pt Telekomunikasi Indonesia Tbk 2016-2020.

From the results of the Quick Ratio analysis of PT Telekomunikasi Indonesia in 2016-2020 it can be explained in the following table:

Table 6. Quick Ratio Analysis Results

Year	Current Assets (a)	Inventory (b)	Current Liabilities (c)	*Quick Ratio* d=(ab/c)
2016	47.701.000.000	584.000.000	39.767.000.000	118%
2017	47.561.000.000	631.000.000	45.376.000.000	103%
2018	43.268.000.000	717.000.000	46.261.000.000	92 %
2019	41.722.000.000	585.000.000	58.369.000.000	70%
2020	40.677.000.000	1.026.000.000	63.486.000.000	62%

Cash Ratio Pt Telekomunikasi Indonesia Tbk 2016-2020

Table 7. Results of Cash Ratio Analysis

Year	Cash + Cash Equivalents (a)	Current Liabilities (b)	Ratio c= (a/b)
2016	29.767.000.000	39.762.000.000	74,9 %
2017	25.145.000.000	45.376.000.000	55,4%
2018	17.439.000.000	46.261.000.000	37,7 %
2019	18.242.000.000	58.369.000.000	31,3 %
2020	17.420.000.000	63.486.000.000	33,3 %
$\bar{x}$	21.602.000.000	51.050.800.000	46,5 %

3.1.2. Solvency Ratio
Debt To Assets Ratio

Table 8. Results of Debt To Assets Ratio Analysis

	Total Debt (a)	Total Assets (b)	DAR c %
	76.067.000.000	179.611.000.000	42,4
	86.354.000.000	198.484.000.000	43,5
	88.893.000.000	206.196.000.000	43,1
	103.958.000.000	221.208.000.000	46,1
	115.330.000.000	223.219.000.000	49,5
	2.470.602.000.000	207.743.600.000	44,9

Debt To Equity Ratio
Table 9. Results of Debt To Equity Analysis

Year	Total Debt (a)	Total Equity (b)	DER c= (a/b)
2016	76.067.000.000	105.544.000.000	72,1%
2017	86.354..000.000	112.130.000.000	77,0%
2018	88.893.000 .000	117.303.000.000	75,8 %
2019	103.958.000.000	117.250.000.000	88,7 %
2020	115.330.000.000	117.889.000.000	97,8 %
$\overline{x}$	94.120.200.000	114.023.200.000	82,3 %

3.1.3. Ativity Ratio.
Working Capital Turn Over
Table 10. Results of Analysis of Working Capital Turnover

Year	Sales (a)	Current Assets - Current liabilities (b)	c= (a/b)
2016	116.333.000.000	7.939.000.000	14,6 kali
2017	128.256.000.000	2.185.000.000	58,7 kali
2018	130.784.000.000	2.993.000.000	43,7 kali
2019	135.567.000.000	16.647.000.000	8,14 kali
2020	99.941.000.000	22.809.000.000	4,38 kali
$\overline{x}$	122.176.200.000	10.514.600.000	20,9 kali

Total Asset Turn Over
Table 11. Results of Total Asset Turnover Analysis

Year (a)	Sales (b)	Tota Assets c= (a/b)	
2016	116.333.000.000	179.611.000.000	0,65 kali
2017	128.256.000.000	198.484.000.000	0,65 kali
2018	130.784.000.000	206.196.000.000	0,63 kali
2019	135.567.000.000	221.208.000.000	0,61 kali
2020	99.941.000.000	233.219.000.000	0,43 kali
$\overline{x}$	122.176.200.000	207.743.600.000	0,59 kali

3.1.4. Proitability Ratio

Net Profit Margin

Table 12. Results of Net Profit Margin . Analysis

Year a)	Net Profit (b)	Sales c= (a/b)	NPM
2016	29.172.000.000	116.333.000.000	25,1 %
2017	32.701.000.000	128.256.000.000	25.5 %
2018	26.979.000.000	130.784.000.000	20,6%
2019	27.592.000.000	135.567.000.000	20,4%
2020	22.951.000.000	99.941.000.000	23,0%
$\overline{x}$	27.879.000.000	122.176.200.000	22,9%

Return Table

Table 13. Results of Analysis of Return On Investment On Investment

Year	Net Profit (a)	Total Assets (b)	c= (a/b)
2016	29.172.000.000	179.611.000.000	16,2 %
2017	32.701.000.000	198.484.000.000	16.5 %
2018	26.979.000.000	206.196.000.000	13,1%
2019	27.592.000.000	221.208.000.000	12,5%
2020	22.951.000.000	233.219.000.000	9,1%
Rat–rata	27.915.200.000	207.743.600.000	13,5%

3.2. Discussion

3.2.1. Liquidity Ratio

Current Ratio **of Pt Telekomunikasi Indonesia Tbk 2016-2020.**
In table 5 the calculation results for the current ratio of PT Telekomunikasi Indonesia in 2016 the value is 119.9% and in 2017 it decreased to 104.8%. In 2018 it was 93.5% and in 2019 it was 71.5%. In 2020 also decreased to 64.1%. The current ratio decreases every year due to the increase in the company's accrued expenses and accounts payable. According to Kasmir (2016), it is determined that the industry average current ratio is 2 times or 200%. PT telecommunication for 5 years from 2016-2020 showed results below the industry average standard for each year. The industry average for 5 years is 90.76% below the industry standard, which is 200%, meaning that current assets are able to guarantee current liabilities only as much as 90.76% or 0.91 times not exceeding the established industry standards. This explains that the financial performance for 5 years is in poor condition.

Quick Ratio **Pt Telekomunikasi Indonesia Tbk 2016-2020.**
Based on table 6 the results of PT Telekomunikasi's Quick Ratio analysis for five years from 2016-2020, it shows that 2016 is worth 118%, there is always a decline from year to year. In 2017, 103% decreased to 92%. In 2018 it was 92%, while for 2018 it was 70% and decreased

to 62%. Quick ratio for 5 years has decreased due to an increase in current liabilities from year to year. According to Kasmir (2018) the industry average standard is 150% or 1.5. The results of the quick ratio analysis for five years are less than the specified industry average standard. It can be concluded that the position of the company's financial performance for 5 years is not good.

Cash Ratio Pt Telekomunikasi Indonesia Tbk 2016-2020

Discussion of the results of the analysis for the cash ratio shown in table 7. PT Telekomunikasi Indonesia 2016-2020. In 2016 the cash ratio was 74.9%. In 2017 it was 55.4% and in 2018 it also decreased to 37.7% and in 2019 it was 31.3%. In 2020 it increased to 33.3%. The industry standard for cash ratio is 50% (Kasmir, 2016). In 2016 it was 74.9%, for 2017 it was 55.4% above the industry standard average of 50%. In 2018 to 2020 below industry standards. The company is judged to be unable to meet its short-term obligations with the cash it has. The company's average cash ratio for the last 5 years is 46.5% below the industry average that has been determined, with the results of this assessment explaining that the company is having poor financial performance.

3.2.2. Solvency Ratio

The discussion on the results of the solvency ratio seen from the Debt To Assets Ratio and Debt To Equity Ratio can be explained as follows:

Debt To Assets Ratio

Table 8 shows that the Debt to assets ratio, in 2016 of 42.4%, above the industry average standard of 35% (Kasmir, 2016) can be said to be quite good. In 2017, the Debt to Assets ratio rose to 43.5%. In 2018 it fell slightly to 43.1% and rose to 46.1% in 2019. In 2020 it rose to 49.5%. The increase was due to an increase in total assets and an increase in total debt over the past 5 years. The average Debt to Assets ratio in 2016-2020 is 44.9% above the industry average of 35%. This explains that the company is able to cover the total debt with its assets. From the analysis results, the company has a fairly good financial performance category.

Debt To Equity Ratio

In table 9 the results of the Debt to equity ratio can be seen in 2016 of 72.1%. In 2017 it was worth 77.0%. In 2018 it rose to 75.8% and for 2019 it rose to 88.7%. In 2020 the value of the debt equity ratio increased to 97.8%. During the last 5 years, the increase in the debt ratio was due to the company's funding coming from an increase in the company's current debt. When compared to the industry standard of 90% (Kasmir, 2016), the value of the debt equity ratio is below the industry standard. The average DER of PT.Telekomunikasi Indonesia Tbk for 5 years is 82.3%, below the industry standard. It can be concluded that the company has a fairly good financial performance because the debt to equity ratio (DER) does not exceed the industry standard. If the DER value does not exceed the industry standard, the company has a good *performance.*

3.2.3.Activity Ratio

The activity ratio in this study is seen from Total Asset Turn over and Working Capital Turn over as follows**:**

Working Capital Turn Over

In table 10 the working capital turnover ratio of PT. Telekomunikasi Indonesia Tbk, in 2016 worth 14.5 times. In 2017 it was worth 58.7 times and in 2018 each was worth 43.7 times. In 2019 it was 8.14 times. When compared to similar industry standards, which is 6 times (Kasmir, 2016) then from 2016-2019 it is above the industry average. While in 2020 it was 4.38 less than the industry average standard. The decline in the value of working capital turnover in 2020, due to declining sales, but increasing capital turnover. The industry average for the last 5 years is 20.9 times, exceeding the industry average standard, meaning that the company has a good financial performance category**.**

Total Asset Turn Over

Discussion for table 11 Total Asset Turn over Pt. Telekomunikasi Indonesia Tbk. 2016 worth 0.65 times. In 2017 it also had the same value of 0.65 times. In 2018 it fell to 0.63 times. In 2019 it had a value of 0.61 times and fell in 2020 to 0.43 times. When compared to the industry average standard, which is 2 times (Kasmir, 2016). From 2016-2020 has a value below the industry average standard. In addition, the average Total Asset Turn Over for 5 years is 0.59 times, far below the industry average of 2 times. This means that every IDR 1 of total assets will only increase the company's sales by 0.43. This shows that the company has a poor performance.

3.2.4. Profitability Ratio

The profitability ratios in this study seen from the net profit margin (NPM) and return on investment (ROI) can be explained as follows

Net Profit Margin

Based on table 12, the results of Net Profit Margin (NPM), Pt. Telekomunikasi Indonesia (Persero).Tbk. In 2016 it was 25.1%, slightly increased in 2017 to 25.5% and decreased in 2018 to 20.6%. In 2019 it fell to 20.4% while in 2020 it rose to 22.9%. According to Kasmir (2016), the industry average for Net Profit Margin (NPM) is 20%. When compared to the industry average standard, every year from 2016-2020 has a Net Profit Margin value above the industry average standard. These results explain the company's performance in good condition. The average Net Profit Margin (NPM) for five years is 22.9 times, above the industry average standard. This means that every Rp. 1 sale will contribute 22.9% of the company's net profit.

Return On Investment

Based on table 13, it can be explained that the results of the analysis of Return On Investment (ROI). PT Telekomunikasi Indonesia (Persero) Tbk, in 2016 had a value of 16.2%. In 2017 it rose to 16.2% and in 2018 it fell to 13.1%. In 2019 it fell to 12.5%. In 2020 it fell to 9.1%. From 2016-2020 it has a value far below the industry average standard, which is 30% (Kasir, 2016). The average Return On Investment for 5 years is 13.5%, far below the industry

average of 30%. This is due to the company's net income fluctuating while total assets are increasing. The performance of PT Telekomunikasi Tbk in terms of investment returns is not good or is in an illiquid position.

3.2.5. Digital Transformation Acceleration Strategy

The strategy of accelerating digital transformation can encourage companies to maintain performance. Pt Telekomunikasi Indonesia (Persero) Tbk, in 2016 is undergoing a process transformation into a digital company with a focus on business, human resources and corporate culture. Created major programs focusing on Big Data and Lead 4G. The company's revenue in 2016 was IDR 116.3 trillion EBTIDA and Net Income increased by 14% and 17% and 26% YoY compared to the previous year. In 2017 the company's revenue grew 10.2% to Rp 128.3 trillion compared to 2016. EBTIDA grew by 8.6% to 64.6 trillion. For the total expenses of 9.6% rose to 85.4 trillion. Meanwhile, net profit of 14.4% increased by Rp. 22.1 trillion. Then the net profit margin increased by 17.3% compared to 2016 of 16.6%.

The company's financial report, Pt Telekomunikasi Indonesia, for 2018 explains the company's consolidated revenue performance of Rp. 13.8 trillion, growing by 2.0% compared to the previous year. Digital business revenue in 2018 contributed from 52.1% in 2017, an increase of 63.0%. Pe EBTIDA of IDR 59.2 trillion and net profit of 18.0 trillion decreased compared to 2017. In 2019 the company had a total revenue of IDR 135.6 trillion, an increase of 3.7% compared to the previous year. EBTIDA from 45.3% increased to 47.8% compared to the previous year. For the company's net profit of IDR 18.7 trillion and an increase of 3.5% compared to net profit in 2018.

PT. Telekomunikasi Indonesia (Persero) Tbk, for 2020 sees the law touch economy phenomenon during the Covid-19 pandemic to accelerate the momentum in carrying out digital transformation. The company's performance in 2020 generated revenue of Rp. 66.9 trillion while net profit of Rp. 10.99 trillion. EBTIDA increased by 8.9 YoY to Rp 36.08 trillion. Meanwhile, EBTIDA increased by 54.0%. For the company's net profit margin in 2019 of 16.0%, an increase of 16.4%. Previously, Indihome's revenue of 19.1% increased to Rp. 10.4 trillion. Then the digital business itself increased from 13.5% to IDR 31.9 trillion, this contributed to revenue from 62.2% in the previous year, to 72.4%. Telkomsel's Digital Business and Indihome are currently the driving factors for revenue growth for PT Telekomunikasi Indonesia Tbk in the face of the current Covid-19 pandemic.

4. Conclusion

Based on the results of the analysis of the financial statements of PT. Telekomunikasi Indonesia (Persero) Tbk from 2016-2020. So the conclusions in this study, as follows:
1. Liquidity Ratio. The results of the ratio analysis for indicators of the current ratio and Quick Ratio and Cash ratio for 5 years have values below the industry average standard. This explains that Pt Telekomuikasi Indonesia (Persero) Tbk can be categorized as having poor performance.
2. Solvency Ratio of PT. Telekomunikasi Indonesia (Persero) Tbk. The results of the 2016-2020 ratio analysis, measured from the Debt Ratio indicator, have a value slightly above the Industry Average Standard. This explains that the company in the performance

category is quite good. The year 2016-2020 has a Debt to Equity Ratio below the industry average standard, but is still in the category of fairly good performance.

3. Activity Ratio of PT. Telekomunikasi Indonesia (Persero) Tbk through the Working Capital Turn Over indicator has a value above the industry average standard. This explains that the company is in the category of good performance because the company has an effective capital turnover. The results of the ratio analysis for Total Assets Turn Over have a value below the industry average standard. These results explain that the company has a poor performance.

4. Result of Profitability Ratio analysis of PT. Telekomunikasi Indonesia (Persero) Tbk through the Net Profit Margin indicator has a value above the industry average standard. This shows that the company has a good performance. The Return On Investment indicator has a value below the industry average standard. This explains that the company has a poor performance.

5. Implementation of the digital transformation acceleration strategy by PT. Telekomunikasi Indonesia (Persero) Tbk requires changes in human resources and digital culture in the company as an effort to increase the ability to innovate products. The strategy implemented is expected to have an impact in maintaining the company's financial performance.

Suggestion

Suggestions from the results of research that can be given by researchers to companies in order to increase the liquidity ratio. The company pays more attention to reducing current debt so that it does not increase every year and increasing current assets in ensuring the company's current liabilities. For the solvency ratio, the company must try to reduce the company's debt and increase the capital in order to guarantee the company's debt. Then the company's activity ratio can improve how effective management is in using working capital and company assets to the maximum. As well as the company's profitability ratios can increase in maximizing company profits and reducing costs. Suggestions for further researchers to increase the scope of research in order to produce broader research. Furthermore, you can use different research methods and add variables other than those already used in this study

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