Research Articles

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Comparative Analysis of Financial Performance at PT. XL Axiata Tbk and PT. Telkom Indonesia Tbk Listed on the Indonesia Stock Exchange

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Abstract: *This study aims to find out how to compare the financial performance of PT Telkom Indonesia Tbk and PT XL Axiata Tbk for the 2017-2022 period. The parameters used to compare the company's financial performance are by using financial ratios, namely Current Ratio, Quick Ratio, Debt to Assets Ratio, Debt to Equity Ratio, Fixed Assets Turnover, Total Asset Turnover Net Profit Margin, Return on Assets and Return on Equity. The research data was obtained from PT Telkom Indonesia Tbk and PT XL Axiata Tbk company data which are listed on the Indonesia Stock Exchange (IDX). The research sample consists of data on the financial statements of the companies PT Telkom Indonesia Tbk and PT XL Axiata Tbk which are listed on the Indonesia Stock Exchange for 6 years, namely the period 2017-2022. The data analysis techniques used in this study are financial ratio analysis and the two-mean difference test. -average (independent sample t-test). Based on the results of the ratio analysis, it was found that the financial performance of PT. Telkom Indonesia Tbk which is good based on industry standards in terms of Current Ratio, Quick Ratio, Debt to Assets Ratio, Debt to Equity Ratio, Total Assets Turnover, while for the financial performance of PT. XL Axiata Tbk which is good according to industry standards only in terms of Fixed Assets Turnover. The results of the Two-Average Difference Test (Independent Sample t-test) obtained that Current Ratio, Quick Ratio, Debt to Assets Ratio, Debt to Equity Ratio, Fixed Assets Turnover, Total Asset Turnover Net Profit Margin,*

Keywords: *Comparative Analysis, Financial Performance, Financial Ratios.*

Introduction

In the current modern era, developments in the field of technology have greatly increased so that the community's need for technology, especially in the field of telecommunications, is increasingly neededn.The achievement of the company's success can be seen from the company's financial condition in each period to make it easier to find weaknesses that can become company deficiencies so that the company can take business steps in the next period.

Financial statement analysis is a very important tool for obtaining company financial information related to the company's financial position and the results that have been achieved in connection with the selection of the company's strategy to be determined, it is necessary to make an analysis of financial statements. Financial ratio analysis really needs to be done by the company because by doing this analysis it will be known how the actual financial condition of the company.

Currently in Indonesia there are many telecommunications companies that have gone public and are listed on the Indonesia Stock Exchange (IDX), including: PT. XL Axiata, Tbk and PT. Telkom Indonesia, Tbk. They routinely report their financial reports, and have fluctuating company financial performance. PT XL Axiata Tbk and PT. Telkom Indonesia Tbk is a telecommunications company that controls the current market share, so the company needs to evaluate its financial performance (Lahallo, 2018).

Following is the attached financial report data presented for 2017-2022:

Table 1. Data on Assets, Liabilities and Capital of PT. Telkom Indonesia Tbk

Year	Asset	Change	Obligation	Change	Capital	Change
2017	198,484,000		86,354,000		112,130,000	
2018	206,196,000	3.74%	88,893,000	2.86%	117,303,000	4.41%
2019	221,208,000	6.79%	103,958,000	14.50%	117,250,000	-0.46%
2020	246,943,000	10.42%	126,054,000	17.53%	120,889,000	3.01%
2021	277,184,000	10.91%	131,785,000	Year	Year	16.86%

Source: Financial Report of PT. Telkom Indonesia, Tbk

Table 2. Data on Assets, Liabilities and Capital of PT. XL Axiata Tbk

Year	Asset	Change	Obligation	Change	Capital	Change
2017	56,321,441		34,690,591		21,630,850	
2018	57,613,945	2.24%	39,270,856	11.67%	18,343,098	-17.92%
2019	62,725,242	8.15%	43,603,276	9.93%	19,121,966	4.07%
2020	67,744,797	7.41%	48,607,431	10.30%	19,137,366	0.08%
2021	72,753,282	6.89%	52,664,537	7.70%	20,088,745	4.73%

It can be concluded that PT. XL Axiata Tbk in 2017-2021 finances its company's activities by using more liabilities than using capital, while at PT. Telkom Indonesia Tbk finances its company's activities by using more capital than using liabilities. The differences between the two companies, if analyzed further, will likely show the financial condition of the company, which can be a consideration for decision making for certain parties in preparing plans and determining appropriate policies, so that researchers are interested in studying more deeply by comparing the two telecommunications companies.

Method

The type of research used in this research is comparative research with a quantitative approach.The research data was obtained from PT Telkom Indonesia Tbk and PT XL Axiata Tbk company data which are listed on the Indonesia Stock Exchange (IDX). The research sample consists of data on the financial statements of the companies PT Telkom Indonesia Tbk and PT XL Axiata Tbk which are listed on the Indonesia Stock Exchange for 6 years, namely the period 2017-2022. The data analysis techniques used in this study are financial ratio analysis and the two-mean difference test. -average (independent sample t-test).

Results And Discussion

Comparison of Average Financial Ratios

Table 3. Ratio Comparison

Financial Ratios	Industry Standard	PT. Telkom Indonesia Tbk	Points	PT. XL Axiata Tbk	Points
Current Ratio	≥50.71%	83.99%	1	40.35	0
Quick Ratio	≥49.63%	82.64%	1	39,43	0
Debt To Asset Ratio	≤63.53	46.62%	1	68.68%	0

Financial Ratios	Industry Standard	PT. Telkom Indonesia Tbk	Points	PT. XL Axiata Tbk	Points
Debt To Equit Ratio	≤206.60	86.79%	1	224.33%	0
Fixed Asset Turnover	≥31.03	0.74	0	42.00	1
Total Asset Turnover	≥6.14	0.58	0	0.38	0
Net Profit Margins	≥16.89%	21.77%	1	4.81%	0
Return On Assets	≥6.45%	12.72%	1	1.86%	0
Return On Equity	≥17.00%	23.84%	1	5.98%	0
Total Points			7		1

As for the comparison of the grand ratio, it can be seen that the company's liquidity ratio of PT. Telkom Indonesia Tbk is better than PT. XL Axiata Tbk which is measured usingfinancial ratios.

Hypothesis test

a. Normality test

Table 4. Data Normality Test with Kolomogorov-Smirnov for Ratio Current Ratio and Quick Ratio One-Sample Kolmogorov-Smirnov Test

		Current Ratio	Quick Ratio
N		12	12
Normal Parameters, b	Means	62.1717	61.0342
	std. Deviation	24.96035	24.72608
	absolute	,226	,226
Most Extreme Differences	Positive	,226	,226
	Negative	-,126	-,130
Kolmogorov-Smirnov Z		,784	,781
asymp. Sig. (2-tailed)		,571	,575

Table 5. Data Normality Test with Kolomogorov-Smirnov for Debt-to-Equity Ratio Ratio and Debt to Asset Ratio One-Sample Kolmogorov-Smirnov Test

		Debt To Equity Ratio	Debt To Asset Ratio
N		12	12
Normal Parameters, b	Means	57.9575	155.5601
	std. Deviation	12.32754	75.86075
	absolute	,218	,251
Most Extreme Differences	Positive	,218	,251
	Negative	-,213	-,196
Kolmogorov-Smirnov Z		,754	,868
asymp. Sig. (2-tailed)		,621	,439

Table 6. Data Normality Test with Kolomogorov-Smirnov for Fixed Asset Ratios Turnover and Total Asset Turnover One-Sample Kolmogorov-Smirnov Test

		Fixed Asset Turnover	Total Asset Turnover
N		12	12
Normal Parameters, b	Means	22.0408	,4817
	std. Deviation	22.34595	,11028
Most Extreme Differences	absolute	,329	,242
	Positive	,329	,242
	Negative	-,269	-,128
Kolmogorov-Smirnov Z		1.138	,839
asymp. Sig. (2-tailed)		,150	,483

Table 7. Data Normality Test with Kolomogorov-Smirnov for Net Profit Ratio Margins, Return on Assets and Return On Equity One-Sample Kolmogorov-Smirnov Test

		Net Profit Margins	Return On Assets	Return On Equity
N		12	12	12
Normal Parameters, b	Means	13.2917	7.2867	14.9075
	std. Deviation	9.58485	5.99332	10.44528
Most Extreme Differences	absolute	,229	,238	,216
	Positive	,229	,238	,216
	Negative	-,217	-,199	-,207
Kolmogorov-Smirnov Z		,792	,824	,748
asymp. Sig. (2-tailed)		,558	,505	,630

The results of the data normality test using the Kolmogorov-Smirov, the result was that Asymp. Sig. (2-tailed) for all financial ratios greater than the Asymp value. Sig. (2-tailed) 0.05, where it can be said that the research data is normally distributed.

b. Test Independent Sample T-Test

Table 6 Independent Sample T-test PT. Telkom Indonesia Tbk and PT. XL Axiata Tbk

		Levene's Test for Equality of Variances		t-test for Equality of Means					95% Confidence Interval of the Difference	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Differences	std. Error Difference	Lower	Upper
Current Ratio	Equal variances Assumed	7,834	,019	7,077	10	,000	43,637	6,166	29,897	57,376
	Equal variances not assumed			7,077	6,219	,000	43,637	6,166	28,676	58,598
Quick Ratio	Equal variances assumed	8,446	,016	7,058	10	,000	43.208	6,122	29,568	56,849
	Equal variances not assumed			7,058	6,129	,000	43.208	6,122	28.305	58,111
Debt to Assets Ratio	Equal variances assumed	,341	,572	-10,927	10	,000	-22,675	2.075	-27,299	-18,051
	Equal variances not assumed			-10,927	9,030	,000	-22,675	2.075	-27,367	-17,983
Debt to Equity Ratio	Equal variances assumed	3,446	,093	-9,311	10	,000	-137,547	14,772	-170,460	-104,633
	Equal variances not assumed			-9,311	5,903	,000	-137,547	14,772	-173,836	-101,257
Fixed Assets Turnover	Equal variances assumed	12,950	,005	-34,281	10	,000	-42,608	1,243	-45,378	-39,839
	Equal variances not assumed			-34,281	5.007	,000	-42,608	1,243	-45,802	-39,415
Total Assets Turnover	Equal variances assumed	9,412	,012	8,089	10	,000	, 197	.024	,142	,251
	Equal variances not assumed			8,089	7,197	,000	, 197	.024	,139	,254
Net Profit Margins	Equal variances assumed	,776	,399	7,645	10	,000	16,960	2,218	12.017	21,903
	Equal variances not assumed			7,645	7,378	,000	16,960	2,218	11,768	22,152
Return on Assets	Equal variances assumed	,011	,918	9,283	10	,000	10,863	1,170	8,256	13,471
	Equal variances not assumed			9,283	9,936	,000	10,863	1,170	8,254	13,473
Return on Equity	Equal variances assumed	1.023	,336	6,276	10	,000	17,862	2,846	11,520	24.203
	Equal variances not assumed			6,276	7,808	,000	17,862	2,846	11,270	24,453

If seen from table F, calculate the ratio with Equal Variance Assumed (assuming both variances are equal). If the probability of the data above is less than 0.05, then it can be said that there is a difference in variance and if it is greater than 0.05, then it can be said that there is no difference in variance in the comparative data of PT. Telkom Indonesia Tbk with PT. XL Axiata Tbk,

If the two variances are different, then the basis used is Equal Variance not Assumed (the two variances are different). If the value of Sig. $thitung < ttabel$ (0.000 <0.05), it can be said that there is a

significant difference between PT. Telkom Indonesia Tbk with PT. XL Axiata Tbk when viewed from the ratio of Current Ratio.

Table 7 Summary of Differences in Statistical Tests

Financial ratios	PT. Telkom Indonesia Tbk and PT. XL Axiata Tbk	
	There are differences	No Difference
Current Ratio	I	
Quick Ratio	I	
Debt To Asset Ratio	I	
Debt To Equity Ratio	I	
Fixed Asset Turnover	I	
Total Asset Turnover	I	
Net Profit Margins	I	
Return on Assets	I	
Return On Equity	I	
	9	**0**

Based on the summary table of statistical test results above, it can be seen that between PT. Telkom Indonesia Tbk and PT. XL Axiata Tbk there is a significant difference, so the hypothesis in this study is accepted, namely there is a significant difference.

Based on the results of research showing that the industry standard of financial performance at PT. Telkom Indonesia is better than the financial performance of PT. XL Axiata. From the results of the normality test for the two companies with normal distribution and the results of the independent T-test, it shows that the financial performance of PT. Telkom is better than the financial performance of PT. XL Axiata.

1. Liquidity Ratio Differences

Value of Current Ratio and Quick Ratio at PT. Telkom Indonesia is higher than the industry standard. PT. Telkom Indonesia Tbk is better than PT. XL Axiata Tbk. This means that the ability of PT. Telkom Indonesia is better at meeting short-term debt than its assets.

2. Differences in solvency ratios

Value of Debt to Asset Ratio PT. Telkom Indonesia Tbk is higher than PT XL Axiata Tbk, which means that based on industry standards the Debt to Asset Ratio value of PT. XL Axiata Tbk is considered not good. In terms of funding, PT XL Axiata Tbk has a high debt value, it is increasingly difficult for PT XL Axiata Tbk to obtain additional loans because it is feared that PT XL Axiata Tbk will not be able to cover its debts with its assets.

3. Activity ratio difference

PT. XL Axiata Tbk is better than PT. Telkom Indonesia Tbk in terms of managing company resources. the results of total asset turnover during the study period (2017-2022) in the two companies based on the ratio were below the set industry standard, which means that PT. Telkom Indonesia Tbk and PT. Based on industry standards, XL Axiata is considered to be poor in terms of managing funds invested

Nurkhaeriah Amir et al

Comparative Analysis of Financial Performance at PT. XL Axiata Tbk and PT. Telkom Indonesia Tbk Listed on the Indonesia Stock Exchange

in fixed assets to generate profits.

4. Differences in profitability ratios

PT Telkom Indonesia Tbk's Net Profit Margin, Return on Assets and Return on Equity values are greater than the average value of PT XL Axiata Tbk under industry standards. This indicates that PT Telkom Indonesia Tbk in terms of profit margin capability in sales during the study period is better than PT. XL Axiata Tbk. The return on assets of PT Telkom Indonesia Tbk was better than that of PT XL Axiata Tbk during the study period. Based on industry standards, PT Telkom Indonesia Tbk's Return on Investment is considered good, while PT XL Axiata Tbk is considered not good.

5. The difference between the Normality Test and the Independent Sample T-test

Based on the research results show that the financial report data at PT. Telkom Indonesia and PT. XL Axiata is normally distributed. While the results of the independent sample T-test by comparing the financial performance of PT. Telkom Indonesia and PT. XL Axiata uses liquidity ratios as measured by the Current Ratio and Quick Ratio, Solvability Ratios as measured by Debt To Asset and Debt To Equity, activity ratios as measured by Total Asset Turnover and Fixed Asset Turnover, and profitability ratios as measured by Return On Assets and Return On Equity with the help of SPSS version 23 shows the result that there is a significant difference between the financial performance of PT. Telkom Indonesia and PT. XL Axiata.

Conclusion

Based on a comparison of financial ratio analysis, the financial performance of PT Telkom Indonesia Tbk is included in the healthy financial performance measured based on industry standards in terms of liquidity ratios, solvency ratios, profitability ratios, while for the financial performance of PT. XL Axiata Tbk is included in healthy financial performance measured based on industry standards in terms of activity ratios. The financial performance of PT. Telkom Indonesia Tbk is better than the financial performance of PT. XL Axiata Tbk.

Based on the results of the Independent Sample t-test statistical test, it was found that the ratio of Current Ratio, Quick Ratio, Debt to Assets Ratio, Debt to Equity Ratio, Fixed Assets Turnover, Total Asset Turnover, Net Profit Margin, Return on Assets and Return on Equity there is a significant difference between the financial performance of PT Telkom Indonesia Tbk and PT XL Axiata Tbk, because the value of Sig. $thitung > ttabel$.

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