THE EFFECT OF LIQUIDITY, ACTIVITY, AND DIVIDEND POLICY ON THE FINANCIAL PERFORMANCE OF TELECOMUNICATION COMPANIES LISTED ON THE IDX

SKRIPSI

Disusun Untuk Memenuhi Syarat Menyelesaikan Pendidikan Sarjana Terapan (D-IV) Akuntansi Sektor Publik pada Jurusan Akuntansi Politeknik Negeri Sriwijaya

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POLITEKNIK NEGERI SRIWIJAYA
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(DELVI PUTRI)

Bachelor in Accounting and Finance

THE EFFECT OF LIQUIDITY, ACTIVITY, AND DIVIDEND POLICY ON THE FINANCIAL PERFORMANCE OF TELECOMUNICATION COMPANIES LISTED ON THE IDX

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ABSTRACT

The financial performance of telecommunication companies is critical for their sustainability and competitiveness, yet the factors driving it remain underexplored in the context of the Indonesia Stock Exchange (IDX). This study aims to analyze the effect of liquidity (Current Ratio, CR), activity (Total Asset Turnover, TATO), and dividend policy (Dividend Payout Ratio, DPR) on the financial performance of 12 telecommunication companies listed on the IDX. Utilizing a quantitative approach, data were collected from the financial statements of these companies and analyzed using Stata 17. The findings reveal that activity (TATO) has a significant positive effect on financial performance, indicating that efficient asset utilization is a key driver of profitability in this sector. In contrast, liquidity (CR) and dividend policy (DPR) show no significant impact on financial performance, suggesting that these factors may play a less critical role in the telecommunication industry's financial outcomes. These results contribute significantly to both theoretical and practical domains. Theoretically, the study enriches the understanding of financial performance determinants in emerging markets, particularly within the telecommunication sector. Practically, it provides valuable insights for company managers and investors, emphasizing the importance of optimizing asset turnover to enhance financial outcomes. The findings underscore the need for telecommunication firms to prioritize operational efficiency to achieve sustainable financial performance in a competitive market environment.

Keywords: Financial performance, Liquidity, Activity, Dividend policy.

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