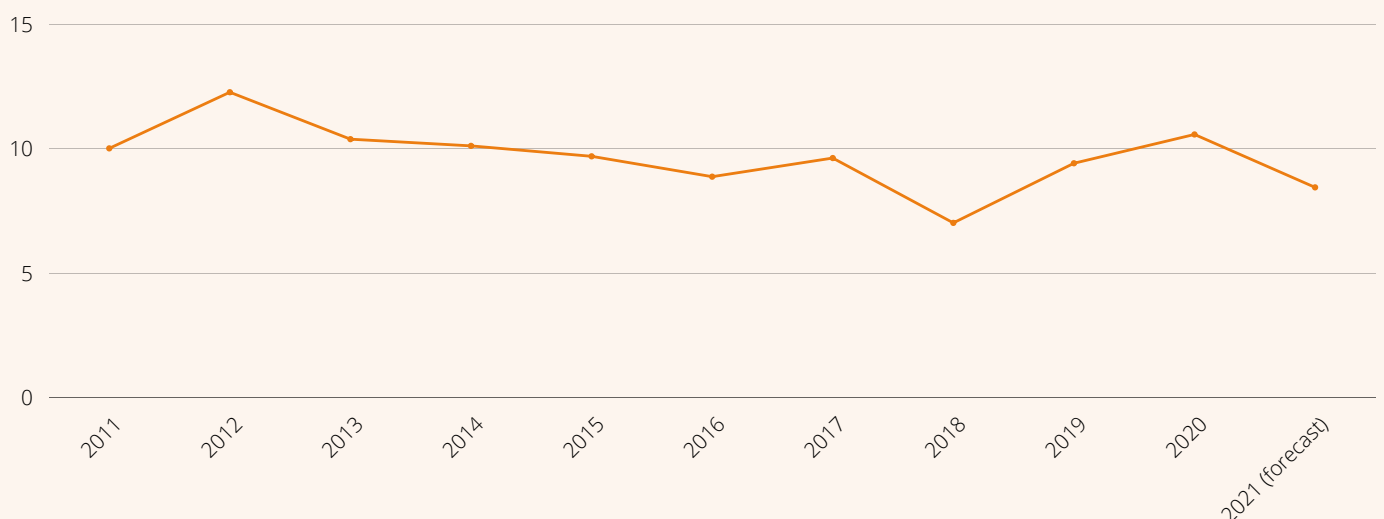


INFORMATION AND COMMUNICATION TECHNOLOGY INDUSTRY



Based on data from the Statistics Indonesia (BPS), the Information, Communication and Technology (ICT) sector is one of the sectors that is growing rapidly in the midst of the COVID-19 pandemic. It is proven that in 2020 the sector grew 1.16% from 9.42% (YoY) in 2019 to 10.58% (YoY) in 2020. This is due to the increasing demand for goods and services based on technology, information and communication, in line with the work and learn from home policy to reduce the spread of COVID-19 by the government.



Meanwhile, in Q1/2021, growth decreased at 8.72%. This value is smaller than Q4 2020 which was 10.91% as well as Q1/2020 which was 9.80%. This is possible because many sectors have returned to work from the office so that the increasing need for ICT-based goods and services is not as big as before. However, this sector is one of the sectors that experienced positive growth in addition to the Pharmaceutical, Chemical and Traditional Medicine Industries.

In addition, entering Q2 to Q4/2021 it is estimated that this sector will again grow positively even though the growth is not as big as 2020, which is in the range of 9%. The condition of Indonesia, which is still unable to recover from the pandemic, is even getting worse, forcing the government to take a policy of limiting community activities. So that the need for ICT-based goods and services is increasing again because people have to return to work and study from home.

2. Obstacles in the Information and Communication Technology Industry Sector

Entering the Industry 4.0 era, of course, the use of ICT-based goods and services will increase. However, every convenience that comes with new technology will certainly be accompanied by a number of obstacles. There are several obstacles in the ICT sector, including:

a. High investment cost

Financial constraints are considered a challenge among business organizations to develop their capabilities in terms of advanced equipment and machinery, facilities and continuous process innovation.

b. Loss of job opportunities

The application of Industry 4.0 eliminates some work opportunities for humans in manufacturing companies because they have been replaced by robots/automation machines. So that the application of ICT in various sectors still has its pros and cons.

c. Lack of user skills and competencies

The lack of skilled and qualified human resources with digital capabilities, both technical and non-technical, makes it difficult to develop the application of ICT-based goods and services.

d. Lack of digital infrastructure

High infrastructure, facilities based on information systems and technology are very important as supporting various sectors of life. However, internet-based technology that is not spread evenly is considered to be a barrier to growth.

e. Cyber security risk problems

Weak understanding of state officials related to the cyber world makes many users still afraid to use ICT-based goods and services. In addition, low awareness or awareness of the existence of international cyberattack threats that can paralyze a country's vital infrastructure.

f. Legal issues and government policies

Government policies and directives are needed on data protection laws, accountability for artificial intelligence and standardization.

g. Environmental problems

The massive automation implemented can cause serious problems to the environment.

h. The problem of complexity in integration

The complexity of integrating ICT into existing systems and the lack of qualified human resources will hinder the success of implementing ICT in various sectors.

i. Reluctant behavior towards change

Most of the Indonesian people are still foreign and unsure of the topic of ICT, because they do not know the benefits and feel that they have had enough of the existing skills.

j. Lack of responsiveness to digital

Most of our society is not used to digitization.

3. The Growth of Several Financial Accounts From Public Companies (Tbk)

Based on data from the Indonesian Stock Exchange (IDX), it is known that there are 34 corporate entities that run their business in this sector. Then from the results of your analysis of the financial statements of the thirty-four companies, the percentage growth results for several financial accounts from Public Companies (Tbk) (Q1/2020-Q1/2021) are as follows:

Growth of Total Assets	4.25%
Growth of Total Liabilities dan Equity	4.24%
Growth of Net Sales/Revenue	0.07%
Growth of COGS	-347.00%
Growth of EBIT	15.11%
Growth of Net Income	38.12%

SOURCE: <https://visiglobal.co.id/cantingnews/information-and-communication-technology-industry/2021/07/>

We can conclude that in Q1/2020, the increase in net sales/revenue in the ICT sector tended to stagnate, growing only 0.07% (Y-o-Y). However, net income experienced a significant increase, reaching 38.12% (Y-o-Y). On the other hand, the value of Cost of Goods Sold (COGS) in this sector experienced a significant decrease of -347%. Meanwhile, the total assets of players in this sector experienced an average growth of 4.25%.

Meanwhile, the calculation of the portion of the account size based on net sales/revenue is as follows:

Account	Median Q1/2021	Range Q1/2021	
Total Assets: Net Sales/Revenue	436.57%	58.45%	12654.93%
Total of Liabilities and Equities: Net Sales/Revenue	436.57%	58.45%	12654.93%
Net Sales/Revenue: Net Sales/Revenue	100.00%	100.00%	100.00%
COGS: Net Sales/Revenue	-58.15%	-163.65%	103.34%
EBIT: Net Sales/Revenue	3.26%	- 2691.53%	54.56%
Net Income: Net Sales/Revenue	2.69%	- 2691.53%	47.19%

SOURCE: <https://visiglobal.co.id/cantingnews/information-and-communication-technology-industry/2021/07/>

Based on the table above, it is known that the median amount of total assets owned by public companies (tbk) in Q1/2021 was 436.57% of net sales with varying amounts and a fairly high range between 58.45% to 12654.93%.

Meanwhile, the median amount of COGS owned by public companies (tbk) in Q1/2021 was -58.15% of its net sales with amounts varying from -163.65% to 103.34%.

Notes: From the overall data analyzed, there is one company that is an outlier or a company that has a value far from the median, namely PT. Tourindo Guide Indonesia Tbk (PGJO). PGJO has total assets, total liabilities and Equity of 632814.57% of its Net Sales. COGS value is -84.11% of net sales, EBIT value is -44715.19% of net sales and Net Income is -44715.19% of net sales.

SOURCE: <https://visiglobal.co.id/cantingnews/information-and-communication-technology-industry/2021/07/>

