

**EFFECT OF DIGITAL TRANSFORMATION ON INDONESIA
FINANCIAL SECTOR PERFORMANCE: TOP-TIER BANKS IN
INDONESIA**

THESIS

**Presented as Partial Fulfilment of the Requirement of the Degree of Sarjana
Management (S1) in International Business Management Program Faculty of
Business and Economics Universitas Atma Jaya Yogyakarta**



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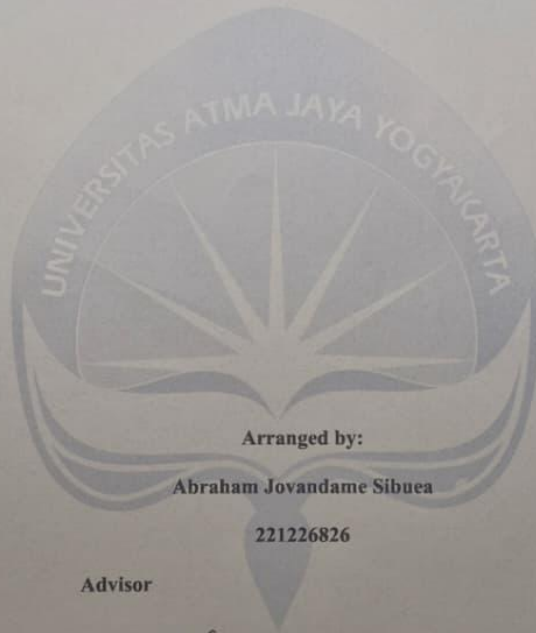
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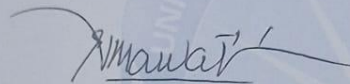
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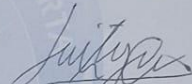
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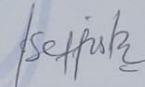


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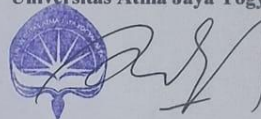


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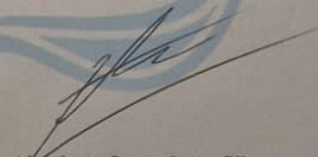
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I, Abraham Jovandame Sibuea solemnly affirm that the work presented in this thesis titled:

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is entirely my own effort, except where otherwise acknowledged. All sources used in this thesis have been duly cited and referenced. I have not used any unauthorized assistance or resources in completing this work. Furthermore, I declare that this thesis has not been submitted for any other degree or qualification at Universitas Atma Jaya Yogyakarta or any other institution.

Yogyakarta, 20 Juni 2026


Abraham Jovandame Sibuea

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Yogyakarta, May 2026

Researcher,

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Abstract

Digital transformation has slowly been implemented throughout the years, applied by companies. Nevertheless, there is a need to search for the benefits of digital transformation for companies, especially for commercial banks. This study is conducted to discover the impact of digital transformation on banking businesses. The research was conducted with Indonesian commercial banks listed on the Indonesian Stock Exchange (IDX). The analysis for digital transformation will be measured through text analysis on bank's annual report from 2020 to 2024. Research has shown that digital transformation has a negative impact on bank's performance measured by return on asset. This research shows there is a profitability paradox in banks' actions on investing in digital transformation.

Keywords: Digital transformation, bank performance, text analysis, performance

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