

Analysis of Financial Performance before and During the Covid-19 Pandemic in Telkom Property Company

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ABSTRACT

This study aims to determine and analyze the liquidity ratio (Current Assets), solvency ratio (Debt to Equity), profitability ratios (NPM and ROA), rentability ratio (Total Asset Turnover Ratio), as well as differences in the financial performance at Telkom Property company, before and during the COVID-19 pandemic. This study is a quantitative descriptive study, with samples covering all of Telkom Property's 2018-2021 financial reports, and using the financial ratio analysis technique. The results show that Telkom Property's current ratio in 2018-2020 tended to decrease but would increase in 2021. The current ratio was 0.94 times in 2018. The debt-to-equity ratio tended to increase yearly, which was unsuitable for the company's performance since it depended on the funds provided by the borrower. The 2018 NPM (Net Profit Margin) was 20.63% before the pandemic. The ROA (Return On Assets) declined in the three years (2018-2020). The TATO value for 2018-2021 decreased in terms of asset turnover, said to be less efficient even though the value was > 50.

KEYWORDS: Current Assets, Debt-to-Equity Ratio, NPM and ROA, Total Asset Turnover Ratio, and Discrimination Test.

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I. INTRODUCTION

TELKOM PROPERTY is an Indonesian property company that develops and manages properties for Telkom Indonesia and other property businesses. This company manages various properties, such as offices, office buildings, data centers, and housing. It collaborates with other companies and third parties to provide customers with innovative and quality property solutions. It is all to meet the needs of the property market in Indonesia and strengthen Telkom's position as a leading telecommunication company.

Financial ratio analysis can be used to assess the ability of a company's performance. Financial ratio analysis requires extensive knowledge of financial reports. Financial Statement Analysis assesses the company's past, present, and future financial condition. Past information on a financial position is often used to predict the future financial position. Financial reports also provide financial information to support strengthening decision-making, especially from a company's financial perspective. This research provides information on how the COVID-19 pandemic has affected the condition and financial performance of Telkom Property and information on the financial performance in the property sector when the economy has not improved. Hopefully, it can be helpful for further research and for investors who are interested in investing in this sector.

The success or failure of a company can also be seen in its financial performance. According to Rudianto (2013: 189), financial performance is the result or achievement that has been achieved by company management in carrying out its function in managing company assets effectively during a specific period. Companies need financial performance to determine and evaluate their success level based on the financial activities carried out. Hery (2015: 164) states that, compared to other financial analyses, financial ratio analysis is the most often used to assess a company's condition and financial performance. Furthermore, this research aims to:

1. To determine and analyze liquidity ratios (Current Assets) at Telkom Property before and during the COVID-19 pandemic.
2. To determine and analyze the solvency ratio (Debt to Equity Ratio) at Telkom Property before and during the COVID-19 pandemic,
3. To determine and analyze the profitability ratios (NPM and ROA) at Telkom Property before and during the COVID-19 pandemic,

4. To determine and analyze the rentability ratio (Total Turnover Assets Ratio) at Telkom Property before and during the COVID-19 pandemic,
5. To determine the differences in financial performance at Telkom Property before and during the COVID-19 pandemic.

II. THEORETICAL FRAMEWORK

The financial performance report in this study is based on the financial ratios at PT. Telkom Property Maluku, including liquidity, solvency, activity, and profitability ratios. Furthermore, the researcher needs data, i.e., the financial report, which includes balance sheets and income statements. Next, the data are then analyzed using descriptive methods, financial ratio, and comparative method.

According to Munawir 2004, the liquidity ratio is the ratio to meet financial obligations that must be fulfilled immediately. In this case, if the company is capable, it is called liquid; if not, it is called illiquid.

This ratio is also known as the leverage ratio. According to Munawir 2004, the solvency ratio is a ratio to measure a company's ability to fulfill its financial obligations if the company is liquidated, both short-term liabilities and long-term liabilities. In this case, it is not solvable if the company is able.

This ratio is also called Profitability Ratio. According to Djarwanto 2004, the profitability ratio is the ratio to measure the efficiency of the company's activities and the company's ability to earn profits. Efficiency means doing things right.

III. THEORETICAL FRAMEWORK

Quantitative descriptive data analysis is based on calculations to determine the level of liquidity, solvency, activity, and profitability used as follows: a proxy for the liquidity ratio, namely the current ratio, is the comparison between current assets and current liabilities; the proxy for the solvency ratio, namely the Debt-to-Equity Ratio, is the ratio used to assess debt to equity; profitability/profit ratio proxies, namely Net Profit Margin (NPM) and Return On Assets (ROA); profitability ratio proxy, namely the Total Asset Turnover Ratio. Differences before and during the Pandemic COVID-19 are proven using different test : wilcoxon signed test.

IV. RESULTS AND DISCUSSIONS

Table 1 above shows that the Telkom Property's current ratio in 2018-2020 tended to experience a decrease, while it increased in 2021. The current ratio was 0.94 times in 2018, meaning the company had current assets of 0.94 times total current liabilities, so the short-term debt per IDR 1 was borne by IDR 0.94 of its current assets. The Telkom Property's current ratio in 2019 decreased to 0.72, which means that the company had current assets of 0.72 times the total current liabilities, so the short-term debt per IDR 1 was borne by IDR 0.72 of its current assets. The Telkom Property's current ratio decreased to 0.67 in 2020, which means that the company had current assets of 0.67 times the total current liabilities, so the short-term debt per IDR 1 was covered by IDR 0.67 of its current assets. The Telkom Property's current ratio in 2021 increased to 0.89, which means that the company had current assets of 0.89 times the total current liabilities, so the short-term debt per IDR 1 was borne by IDR 0.89 of its current assets.

Table 1. 2018-2021 Current Ratio of Telkom Property

Year	Current Asset	Current Debt	CR
	(Billion IDR)		
BEFORE PANDEMI			
2018	43,268	46,261	0.94
2019	41,722	58,369	0.72
DURING PANDEMI			
2020	46,503	69,093	0.67
2021	61,277	69,131	0.89

Table 2 above shows that the debt-to-equity ratio for Telkom Property in 2018-2020 tended to increase but decreased in 2021. The Telkom Property's debt-to-equity ratio decreased to 75.78% in 2018, which means the company was financed by as much as 75.78% debt. The Telkom Property's debt-to-equity ratio in 2019 increased to 88.66%, which means that creditors provided IDR 88.66 for every IDR 100 provided by shareholders. The debt-to-equity ratio increased to 104.27% in 2020, indicating that the company was financed by debt of 104.27%. The debt-to-equity ratio dropped to 90.64% in 2021, meaning that the company was financed by a debt of 90.64%.

the Telkom Property's debt-to-equity ratio tended to increase yearly, which was not good for the company's performance since it depended on the funds provided by the borrower (creditor).

Tabel 2. 2018-2021 Debt to Equity Rasio of Telkom Property

Year	Total Debt	Equity	DER (%)
	(Billion IDR)		
BEFORE PANDEMI			
2018	88,893	117,303	75.78
2019	103,958	117,250	88.66
DURING PANDEMI			
2020	126,054	120,889	104.27
2021	131,785	145,399	90.64

Before the pandemic, the NPM was 20.63% in 2018, which means that Telkom Property's net profit was IDR 20.63 billion from IDR 100 billion in sales revenue. The NPM decreased to 20.35% in 2019, which means that Telkom Property's net profit was IDR 20.35 billion from IDR 100 billion in sales revenue.

During the pandemic, the NPM was 21.67% in 2020, which means that Telkom Property's net profit was IDR 21.67 billion from IDR 100 billion in sales revenue. Then the NPM increased to 23.71% in 2021, which means that Telkom Property's net profit was IDR 23.71 billion from IDR 100 billion in sales revenue.

Tabel 3. 2018-2021 Net Profit Margin of Telkom Property

Year	Earning After Tax	Sale	NPM (%)
	(Billion IDR)		
BEFORE PANDEMI			
2018	26,979	130,784	20.63
2019	27,592	135,567	20.35
DURING PANDEMI			
2020	29,563	136,462	21.67
2021	33,948	143,210	23.71

ROA (Return On Assets) currently shows that the decline in this three-year period (2018-2020) is due to the company's ineffectiveness in managing assets to generate profits. Then, in 2021 there will be an increase due to a significant increase in assets

Tabel 4. 2018-2021 Return On Assets of Telkom Property

Year	Earning After Tax	Total Assets	ROA (%)
	(Billion IDR)		
BEFORE PANDEMI			
2018	26,979	206,196	13.08
2019	27,592	221,208	12.47
DURING PANDEMI			
2020	29,563	246,943	11.97
2021	33,948	277,184	12.25

(4.5) As a result, from 2018 to 2021, the company experienced a decline in asset turnover. It could be said: less efficient; even if the value was > 50; for a good asset turnover is close to 100% or close to 1.

Tabel 5. 2018-2021 Asset turnover ratio Telkom Property

Year	Sale	Total Assets	Total Asset Turnover Ratio
	(Billion IDR)		(%)
BEFORE PANDEMI			
2018	130,784	206,196	63.43
2019	135,567	221,208	61.29
DURING PANDEMI			
2020	136,462	246,943	55.26
2021	143,210	277,184	51.67

The discrimination test used in this study was the Wilcoxon-signed test, a non-parametric test to measure the differences between two groups of data pairs on an ordinal or interval scale, yet the data are not normally distributed; this test is also known as the match pair test. The results of the discrimination test can be seen in Table 4.6 below:

Table 6. Test Statistics

	During Covid - Before Covid
Z	-.051 ^a
Asymp. Sig. (2-tailed)	.959

a. Based on negative ranks.

b. Wilcoxon Signed Ranks Test

It can be seen from the Wilcoxon Significance value more than 5% ($0.959 > 0.05$). or in other words, Telkom property's financial performance did not change before the Covid-19 Pandemic and during the Covid-19 Pandemic.

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