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COVID-19: ASSESSING THE PERFORMANCE OF THE PROPERTY AND REAL ESTATE COMPANIES

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Abstract

This research is a quantitative research type with the aim of testing the impact of Covid-19 on the financial performance of Property and Real Estate companies listed on the IDX. The research sample was selected using purposive sampling method with a population of 62 companies. Data collection is done by using the Documentation technique. In this study the data source used is secondary data. The analytical methods used in this study include: By using the Normality Test, Paired Test, Paired Sample Correlations Test and Paired Sample Test. The results of the study show data using statistical calculations through the Statistical Package For The Social Science (SPSS) application regarding the impact of Covid-19 on the financial performance of property and real estate companies listed on the IDX using Liquidity Ratio (CR), Solvency (DER), Profitability (ROA), and Activity Ratio (TATO) to measure the comparison of financial performance before and after the announcement of the COVID-19 pandemic in Indonesia. The results of the study show that: Covid-19 has an impact on the company's financial performance as measured by Total Asset Turnover.

Keywords: Covid-19, company's financial performance, activity ratio

INTRODUCTION

The first case of Covid-19 appeared in Wuhan, China, at the end of 2019. The spread of this virus pandemic was so fast that it spread throughout Indonesia, two cases were announced on March 2, 2020. Data on March 31, 2020 showed that there were 1,528 confirmed cases and 136 deaths (Susilo et al., 2020). Indonesian government moving quickly in anticipating the spread of this virus by immediately implementing Physical Distancing which can also be called Large-Scale Social Restrictions (PSBB) to minimizing the spread of the Covid-19 virus. However, on the other hand, with the implementation of this Large-Scale Social Restriction policy, Indonesia's economic conditions began to decline.

Declining condition was triggered by a very massive restriction by the Indonesian government without exception in the corporate sector which enforces a work system of 50% of normal company activities. This 50% work system is called Work From Home (WFH), because company employees do their work

DOI :
ISSN :

online. The reduced performance of the company ultimately has an impact on the stagnation of activities and even the company's performance begins to be inefficient, plus the company is starting to experience losses due to consumers currently preferring more important needs in order to survive in the midst of the ongoing global pandemic. The company is currently also experiencing a very significant decrease in the volume of investors that was triggered because investors prefer to hold cash rather than in the form of securities due to stock fluctuations that have started to become abnormal since the corona virus began to spread in March 2020.

One of the companies affected by Covid-19 is a property and real estate company where there has been a decline in property purchases and demand, as well as delays in the distribution of homeowner loans (KPR). Property and real estate companies play an important role in the economy and development sector in Indonesia. Property and real estate companies are engaged in the construction of houses, buildings, roads, and other facilities. The company is heavily influenced by economic conditions. The better the economic conditions, the greater the sales opportunities for companies in this sector because more and more people are able to buy these products. The property and real estate sector is a large sector capable of absorbing large numbers of jobs.

The condition of a company can not only be seen from the turnover received, it can also be seen from the company's stock price. The stock price shows how much the supply and demand for the stock increases, so the stock price also increases. Meanwhile, if the demand for the stock falls, the stock price will also fall. In addition to stock prices, the company's condition can also be seen from the number of stock transactions traded on the Indonesia Stock Exchange. The number of stock transactions shows the interest of investors both to buy and to sell the company's shares. The value of the number of stock transactions can be seen in the transaction volume of the company's shares.

Financial ratio analysis serves as a determinant of company performance. Meanwhile, financial ratio analysis for investors serves to determine the place of investment based on the financial condition of the company that will be used as a place of investment. A number of important aspects can affect a company's success, including efficacy and efficiency, authority or authority, compliance with applicable rules and regulations, and activities related to innovation and thinking within the company. By using the compared company's financial statements, we can perform financial ratio analysis which is useful for determining the company's financial performance which is useful for company management. Liquidity ratios, profitability ratios, solvency ratios, and activity ratios are all measures of company health that can be found in financial statements.

METHOD

The method of data collection in this research is use documentation. The data used or needed in this study is the annual financial report of Property and Real Estate companies listed on the Indonesia Stock Exchange for 2019-2020 obtained from (www.idx.co.id). The type of data that will be used in this research is secondary data. The data needed includes balance sheets and income statements

DOI :
ISSN :

from Property and Real Estate companies listed on the Indonesia Stock Exchange for 2019-2020 (www.idx.co.id). The data source in the data collection technique used in this study is through documentation in the form of financial reports from Property and Real Estate companies listed on the Indonesia Stock Exchange in 2019-2020 (www.idx.co.id).

RESULTS AND DISCUSSION

a. Normality Test

Tabel 2. Normality Test

Ratio	Before Covid-19	During Covid-19
Current Ratio (CR)	0.078	0.064
Debt to Equity Ratio (DER)	0.596	0.364
Return On Asset (ROA)	0.177	0.343
Activity	0.462	0.409

Source: Data processed by Researchers (2022)

Based on the normality test output table in the Kolmogorov Smirnov test section, it is known that the value of sig. the current ratio before and during covid 19 was 0.078 and 0.064. Because this value is greater than 0.05, it can be concluded that the current ratio value data before and after COVID-19 is normally distributed. Thus, the requirements or assumptions of normality in the use of the paired sample test have been met. Value of sig. debt ratio before and after covid 19 is 0.596 and 0.364. Because the value is greater than 0.05, it can be concluded that the data on the debt ratio value before and after COVID-19 is normally distributed. Thus, the requirements or assumptions of normality in the use of the paired sample test have been met. Value of sig. Return on Asset ratio before and after covid 19 is 0.177 and 0.343. Because this value is greater than 0.05, it can be concluded that the return ratio data before and after COVID-19 is normally distributed. Thus, the requirements or assumptions of normality in the use of the paired sample test have been met. Value of sig. the activity ratio before and after covid 19 was 0.462 and 0.409. Because this value is greater than 0.05, it can be concluded that the activity ratio value data before and after COVID-19 is normally distributed. Thus, the requirements or assumptions of normality in the use of the paired sample test have been met.

b. Paired Test

A summary of descriptive statistical results from the two samples studied, namely the current ratio before and after covid-19. The CR value before covid 19 is 3.14750. While the CR value at the time of covid-19 obtained an average value of 4.38220. The number of samples used is 50 samples. The Std deviation value for the CR before is 2.356095 and the CR after covid 19 is 10.945836. Finally, the mean Std Error value for CR before is 0.333202 and CR after covid-19 is 1.547975.

Because the average value of CR before covid-19 < CR at the time of covid 19, then that means descriptively there is no difference in the average cr

DOI :
ISSN :

before and during covid 19. Next to prove whether the difference is really real (significant) or not, then we need to interpret the paired sample test results contained in the paired sample test output.

A summary of descriptive statistical results from the two samples studied, namely the debt ratio before and after covid 19. The DER value before covid 19 was 1.84578. While the DER value at the time of covid 19 obtained an average value of 1.88992. The number of samples used is 50 samples. For the Std deviation value in the DER before it was 1.068470 and the DER after covid 19 was 1.373727. Finally, the mean Std Error value for DER before was 0.151104 and DER after covid 19 was 0.194274.

Because the average DER value before covid-19 < DER after covid 19, that means descriptively there is no difference in the average DER before and during covid 19. Furthermore, to prove whether the difference is really real (significant) or not, then we need to interpret the paired sample test results contained in the paired sample test output.

A summary of descriptive statistical results from the two samples studied, namely the return ratio before and after covid 19. The ROA value before covid 19 is 0.04742. While the ROA value after covid 19 obtained an average value of 2,51528. The number of samples used is 56 samples. The Std deviation value for the ROA before is 0.052489 and the ROA after covid 19 is 16.897034. Finally, the mean Std Error value for ROA before is 0.007423 and ROA after covid 19 is 2.389601.

Because the average value of ROA before covid-19 < ROA at the time of covid 19, then that means descriptively there is no difference in the average ROA before and after covid 19. Furthermore, to prove whether the difference is really real (significant) or not, then we need to interpret the paired sample test results contained in the paired sample test output.

A summary of descriptive statistical results from the two samples studied, namely the Total Assets Trunover Ratio before and after covid 19. The activity value before covid-19 is 0.14834. While the value of activity after covid 19 obtained an average value of 0.10618. The number of samples used is 56 samples. For the Std deviation value in the activity before is 0.141865 and the Activity after covid 19 is 0.089005. Finally, the mean Std Error value for activity before is 0.018957 and activity after covid 19 is 0.011894.

Because the average value of activity before covid 19 > activity after covid 19, that means descriptively there is a difference in average activity before and after covid 19. Furthermore, to prove whether the difference is really real (significant) or not, we need to interpret the results of the paired sample test contained in the paired sample test output.

c. Paired Sample Correlations Test

Tabel 3. Paired Sample Correlations Test

Ratio	Correlation Coefficient	Significant Value
Current Ratio (CR)	0.018	0.89
Debt to Equity Ratio (DER)	0.478	0.000

DOI :
ISSN :

Return On Asset (ROA)	0.331	0.019
Activity	0.123	0.394

Source: Data processed by Researchers (2022)

The output above shows the results of the correlation or relationship between the two data or the relationship between the pre-test and post-test variables. Based on the output above, it is known that the correlation coefficient value is 0.018 with a significant value of 0.899. Because the significant value is > 0.05, it can be said that there is no relationship between CR before and during covid-19. Based on the output above, it is known that the correlation coefficient value is 0.478 with a significance of 0.000. Because the significance value is < 0.05, it can be said that there is a relationship between DER before and DER after covid 19. Based on the output above, it is known that the correlation coefficient value is 0.331 with a significance of 0.019. Because the significance value is < 0.05, it can be said that there is a relationship between DER before and DER during covid 19. Based on the output above, it is known that the correlation coefficient value is 0.123 with a significance of 0.394. Because the significance value is > 0.05, it can be said that there is no relationship between ROA before and ROA during covid 19.

d. Paired Sample Test

Tabel 4. Paired Sample Test

Ratio	**Significant Value**
Current Ratio (CR)	0.89
Debt to Equity Ratio (DER)	0.000
Return On Asset (ROA)	0.019
Activity	0.394

Source: Data processed by Researchers (2022)

Based on the paired sample test output table above, it is known that the value of sig. is 0.438 > 0.05 then Ho (Null hypothesis) is accepted and Ha (alternative hypothesis) is rejected. So it can be concluded that there is a significant difference in the liquidity ratio in the form of the current ratio both before covid 19 and during covid 19. This means that there is no significant effect on the liquidity ratio in the form of the current ratio both before and during the announcement of covid 19 on the IDX.

Based on the paired sample test output table above, it is known that the value of sig. is 0.829 > 0.05 then Ho (null hypothesis) is accepted and Ha (alternative hypothesis) is rejected. So it can be concluded that there is no significant difference in the solvency ratio in the form of a debt ratio both before covid 19 and during covid 19. This means that there is no significant effect on the solvency ratio in the form of DER ratio both before and at the time of the announcement of covid 19 on the IDX.

DOI :
ISSN :

Based on the paired sample test output table above, it is known that the value of sig. is 0.307 > 0.05, then Ho (null hypothesis) is accepted and Ha (alternative hypothesis) is rejected. So it can be concluded that there is no significant difference in Profitability Ratios in the form of Return On Assets both before covid 19 and during covid 19. This means that there is no significant effect on Profitability Ratios in the form of Returns On Assets both before and at the time of the announcement of covid 19 on the IDX.

Based on the paired sample test output table above, it is known that the value of sig. is 0.011 < 0.05, then Ho (null hypothesis) is rejected and Ha (alternative hypothesis) is accepted. So it can be concluded that there is a significant difference in the Activity Ratio in the form of Total Asset Trunover both before covid 19 and during covid 19. This means that there is a significant influence on the Activity Ratio in the form of Total Asset Trunover both before and at the time of the announcement of covid 19 on the IDX.

e. Effect of Covid-19 on liquidity ratio

Based on the results of the tests carried out, there is no significant difference in the liquidity ratio in the form of the current ratio both before covid-19 and during covid 19. This means that there is no significant impact on the liquidity ratio in the form of the current ratio both before and after the announcement of covid 19 on the IDX.

It is proven by the Kolmogorov Smirnov test, it is known that the sig. the current ratio before and during covid-19 was 0.078 and 0.064. Because this value is greater than 0.05, it can be concluded that the current ratio value data before and during COVID-19 is normally distributed. Thus, the requirements for the assumption of normality in the use of the paired sample test have been met.

Then the paired test, showing a summary of the descriptive statistical results from the two samples that were examined the current ratio value before and during covid-19. The CR value before covid-19 is 3.14750. Meanwhile, the CR value for Covid-19 is 4.38220. The number of samples used is 50 samples. The Std deviation value for the CR before was 2.356095 and the CR during covid-19 was 10.945836. Finally, the mean Std Error value for CR before was 0.333202 and CR during covid-19 was 1.547975. Because the average CR value before < CR during covid-19, it means that descriptively there is no difference in the average CR before and during covid-19. Furthermore, to prove whether the difference is really real (significant) or not, we need to interpret the paired sample test results contained in the paired sample test output.

Then the Paired Sample Correlations test, it is known that the correlation coefficient value is 0.018 with a significance value of 0.889. Because the significance value is > 0.05, it can be said that there is no relationship between CR before and CR after covid 19.

Finally, test the paired sample test. Know the value of sig. is 0.438 > 0.05 then Ho (null hypothesis) is accepted and Ha (alternative hypothesis) is rejected. So it can be concluded that there is a significant difference in the Liquidity Ratio in the form of the Current Ratio both before and during covid-19. This means that

DOI :
ISSN :

there is no significant impact on the Liquidity Ratio in the form of the Current Ratio both before and during the announcement of covid 19 on the IDX.

f. The Effect of Covid 19 on the Solvency Ratio

Based on the results of the tests carried out, there was no significant difference in the solvency ratio in the form of a debt to equity ratio both before and after Covid-19. Which means that there is no significant impact on the solvency ratio in the form of a debt to equity ratio both before and after the announcement of the COVID-19 on the IDX.

It is proven by the Kolmogorov Smirnov test, it is known that the sig. debt to equity ratio before and during covid-19 was 0.596 and 0.337. Because this value is greater than 0.05, it can be concluded that the data on the debt to equity ratio before and during COVID-19 is normally distributed. Thus, the requirements for the assumption of normality in the use of the paired sample test have been met.

Then the paired test, showing a summary of the descriptive statistical results of the two samples examined for the value of the debt to equity ratio before and during covid 19. For the DER value before and during covid-19, it was 1.84578 & 1.88992. The number of samples used is 50 samples. For the Std deviation value in the DER before it was 1.068470 and the DER during covid-19 was 1.373727. Finally, the mean Std Error value for DER before was 0.151104 and DER during covid-19 was 0.194274. Because the average DER value before < DER during covid-19, it means that descriptively there is no difference in the average DER before and during covid-19. Furthermore, to prove whether the difference is really real (significant) or not, we need to interpret the paired sample test results contained in the paired sample test output.

Then the Paired Sample Correlations test, it is known that the correlation coefficient value is 0.331 with a significance value of 0.019. Because the significance value is < 0.05, it can be said that there is a relationship between DER before and DER during covid-19.

Finally, test the paired sample test. Know the value of sig. is 0.829 > 0.05 then Ho (null hypothesis) is accepted and Ha (alternative hypothesis) is rejected. So it can be concluded that there is no significant difference in the solvency ratio in the form of a debt to equity ratio both before covid-19 and during covid-19. This means that there is no significant impact on the solvency ratio in the form of a debt to equity ratio both before and after the announcement of COVID-19 on the IDX.

g. Effect of Covid-19 on profitability ratio

Based on the results of the tests carried out, there were no significant differences in the profitability ratios in the form of return on assets both before and after Covid-19. This means that there is no significant effect of the profitability ratio in the form of return on assets both before and at the time of the announcement of covid 19 on the IDX.

It is proven by the Kolmogorov Smirnov test, it is known that the sig. ROA before and after covid-19 was 0.177 and 0.343. Because this value is greater

DOI :
ISSN :

than 0.05, it can be concluded that the return on asset value data before and during COVID-19 are normally distributed. Thus, the requirements for the assumption of normality in the use of the paired sample test have been met.

Then the paired test, showing a summary of the descriptive statistical results of the two samples which were examined for the return on assets before and after Covid-19. The ROA value before covid-19 was 0.04742. Meanwhile, the ROA value during COVID-19 is 2,51528. The number of samples used is 50 samples. The Std deviation value for the ROA before was 0.0502489 and the ROA during covid-19 was 16.897034. Finally, the mean Std Error value for ROA before was 0.007423 and ROA during covid-19 was 2.389601. Because the average ROA value before <ROA during covid-19, it means that descriptively there is no difference in the average ROA before and during covid-19. Furthermore, to prove whether the difference is really real (significant) or not, we need to interpret the paired sample test results contained in the paired sample test output.

Then the Paired Sample Correlations test, it is known that the correlation coefficient value is 0.123 with a significance value of 0.394. Because the significance value is > 0.05, it can be said that there is no relationship between ROA before and ROA during covid-19.

Finally, the paired sample test is known to have a sig value. is 0.307 > 0.05 then Ho (null hypothesis) is accepted and Ha alternative hypothesis) is rejected. So it can be concluded that there is no significant difference in the Profitability Ratio in the form of Return on Assets both before and during covid-19. This means that there is no significant influence on the Profitability Ratio in the form of Return On Assets both before and after the announcement of covid 19 on the IDX.

h. Effect of Covid-19 on activity ratio

Based on the results of the tests carried out, there was no significant difference in the activity ratio in the form of Total Asset Trunover both before and during Covid-19. This means that there is no significant effect of the activity ratio in the form of Total Asset Trunover both before and after the announcement of covid 19 on the IDX.

It is proven by the Kolmogorov Smirnov test, it is known that the sig. Total Asset Trunover before and during covid-19 was 0.462 and 0.409. Because the value is > 0.05, it can be concluded that the Total Asset Trunover value data before and during covid-19 is normally distributed. Thus, the requirements for the assumption of normality in the use of the paired sample test have been met.

Then the paired test, showing a summary of the descriptive statistical results of the two samples examined for the Total Asset Trunover value before and after covid-19. The activity value before covid-19 is 0.16376. Meanwhile, the activity value during covid-19 is 0.11680. The number of samples used is 50 samples. For the Std deviation value in the activity before it was 0.121809 and the activity during covid-19 was 0.093358. Finally, the mean Std Error value for activity before was 0.017226 and activity during covid-19 was 0.013203. Because the average value of activity was before > during covid-19, it means that

DOI :
ISSN :

descriptively there is a difference in the average Total Asset Trunover before and during covid-19. Furthermore, to prove whether the difference is really real (significant) or not, we need to interpret the paired sample test results contained in the paired sample test output.

Then the Paired Sample Correlations test, it is known that the correlation coefficient value is 0.349 with a significance value of 0.013. Because the significance value is < 0.05, it can be said that there is a relationship between Total Asset Trunover before and during covid-19.

Finally, the paired sample test is known to have a sig value. is 0.011 < 0.05, then Ho (null hypothesis) is rejected and Ha (alternative hypothesis) is accepted. So it can be concluded that there is a significant difference in the Activity Ratio in the form of Total Asset Trunover both before covid 19 and during covid 19. That is, there is a significant effect on the Activity Ratio in the form of Total Asset Trunover both before and after the announcement of covid 19 on the IDX.

CONCLUSION

This study looks at how Covid-19 affects a company's financial performance. Analysis of the liquidity, solvency, profitability, and activity ratios predicted with the CR, DER, ROA and TATO ratios, can be used to draw conclusions based on the results of research calculations regarding the impact of COVID-19 on a company's financial performance.

The results of this study indicate that there is no big difference in the level of ability to pay the obligations of property and real estate companies listed on the Indonesia Stock Exchange before and during the entry of covid-19. This means that many companies listed on the Indonesia Stock Exchange have no effect in paying their current or short-term obligations during the COVID-19 pandemic.

The results of this study indicate that there is no difference in the level of debt and equity of property and real estate companies on the Indonesia Stock Exchange before and at the time of the entry of Covid-19 in Indonesia. This means that companies listed on the IDX have no effect in managing their assets during the COVID-19 pandemic.

The results of this study indicate that during the COVID-19 pandemic there was no big difference in the investment returns of property and real estate companies listed on the IDX before and during the entry of Covid-19 in Indonesia. This means that many companies listed on the IDX have no effect in managing their company assets on net profit during the COVID-19 pandemic.

The results of this study indicate that the company's financial performance was negatively affected during the covid-19 pandemic because the large difference in terms of sales activity of property and real estate companies listed on the IDX decreased. This means that many companies listed on the IDX cannot operate effectively and efficiently, resulting in decreased sales during the COVID-19 pandemic.

DOI :
ISSN :

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It cannot be denied that this study has some limitations which should be addressed for further research. Future research is expected to be able to examine the company's performance post-pandemic or after the Covid-19 pandemic is officially declared over by the government. So that it can be known whether COVID-19 can affect the health of companies, especially companies engaged in property and real estate.

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