e-ISSN: 2686-522X, p-ISSN: 2686-5211
Received: 03 June 2023, Revised: 21 June 2023, Publish: 20 July 2023
DOI: https://doi.org/10.31933/dijms.v4i6

DIJMS
DINASTI INTERNATIONAL JOURNAL OF MANAGEMENT SCIENCE
https://dinastipub.org/DIJMS
editor@dinastipub.org
0811 7401 455
DINASTI PUBLISHER

Comparative Financial Performance of Companies in the Hotel, Restaurant, and Tourism Subsector Listed on the Indonesia Stock Exchange Before and During the COVID-19 Pandemic

Nurwiyanta Nurwiyanta[1], Andika Andika[2*], Anisa Kusuma Hermatien[3], Kartinah Kartinah[4]
[1]Universitas Janabadra, Yogyakarta, Indonesia, nurwiyanta@janabadra.ac.id
[2]Universitas Janabadra, Yogyakarta, Indonesia, andika@janabadra.ac.id
[3]Universitas Janabadra, Yogyakarta, Indonesia, anisakuher@gmail.com
[4]Universitas Janabadra, Yogyakarta, Indonesia, kartinah@janabadra.ac.id

*Corresponding Author: Andika Andika

Abstract: The objective of this study is to examine, quantify, and analyze the variations in the financial performance of companies operating in the hotel, restaurant, and tourism subsector that are listed on the Indonesia Stock Exchange (BEI). The analysis focuses on the years 2019 (pre-COVID-19) and 2020–2021 (during the COVID-19 pandemic). Key financial ratios, including the return on assets, the current ratio, the debt-to-equity ratio, and the total asset turnover, are employed to assess the companies' performance. The study's target population comprises hotel, restaurant, and tourism businesses operating between 2019 and 2021. Sample selection employs purposive sampling based on specific criteria. Data analysis encompasses descriptive statistical analysis and the Kolmogorov-Smirnov normality test, which reveals non-normal data distributions. Consequentially, a non-parametric hypothesis test, the Wilcoxon signed the rank test, is employed to determine differences. The findings indicate significant variations in return on assets, the current ratio, the debt-to-equity ratio, and the total asset turnover between the pre-pandemic year of 2019 and the pandemic years of 2020 and 2021.

Keywords: COVID-19 Pandemic, Financial Performance, Tourism Sector

INTRODUCTION

The global economy is currently facing a severe impact as a result of the widespread COVID-19 pandemic, which has affected almost every country, including Indonesia. In March 2020, the World Health Organization (WHO) declared COVID-19 a pandemic. The virus initially emerged from cases of pneumonia in Wuhan, China. Pneumonia is a respiratory illness that causes inflammation in the air sacs of the lungs (WHO, 2020). Indonesia officially reported its inaugural COVID-19 infection on March 2, 2020. Apart from presenting substantial health obstacles, the pandemic has also deeply affected the Indonesian economy. In an effort to contain the virus's spread, a considerable number of businesses have been mandated to temporarily cease their operations (Arianto, 2021).

Surveys conducted by the Central Statistics Agency (BPS) show that COVID-19 has a significant impact on company operations (BPS, 2021a). One reason is the implementation of policies that force companies to impose various restrictions on their operational activities. These restrictions undoubtedly have a significant impact on various aspects of the company, such as its financial performance.

Financial performance refers to a company's financial achievements over a specific period, including the collection and allocation of funds measured by capital adequacy, liquidity, solvency, efficiency, leverage, and profitability (Fatihudin et al., 2018). The financial performance of a company demonstrates its ability to manage and utilize its resources. The success of a company can be measured, in part, by its good financial performance, including earning profits from its core business activities. Profit serves as a benchmark for assessing a company's financial performance, so any decrease or increase in profits will have an impact on the evaluation of the company's performance (Asha & Fatimah, 2022).

Financial reports play a vital role in conveying information regarding a company's performance and its financial status within a specified timeframe (Kasmir, 2018). When the company's performance is favorable, these reports can be effectively utilized, whereas if it is unfavorable, appropriate measures should be taken to mitigate the adverse effects (Safitri et al., 2022). Ratio analysis is a commonly employed analytical tool to evaluate company performance, particularly in the financial domain. By conducting ratio analysis, companies can interpret crucial relationships and trends, which, in turn, serve as a foundation for assessing their future potential for success (Tukwain & Simamora, 2021). The study employs various ratios, including profitability ratios (return on assets), liquidity ratios (current ratio), solvency ratios (debt to equity ratio), and activity ratios (total asset turnover).

The COVID-19 pandemic has had a significant impact on the tourism industry, particularly in the accommodation or hotel sector. The number of international tourists visiting Indonesia has significantly decreased since the onset of the pandemic. Data from (BPS, 2021b), confirms a notable decline in the number of foreign tourist arrivals in Indonesia compared to previous years.

Figure 1, displays the pattern of foreign tourist arrivals between 2017 and 2020, with 2020 recording the lowest number of arrivals at around 4.05 million individuals. This represents a significant decrease of 75.3 percent compared to the previous year's figure of 16.1 million people. The decline in foreign tourist arrivals to Indonesia can be attributed to the rapid and widespread transmission of COVID-19, particularly during the final week of January 2020 (BPS, 2021c). As a result, the tourism industry in Indonesia has entered a low season due to the ongoing pandemic.

In Figure 2, the occupancy rate of starred hotels in Indonesia in December 2020 averaged 40.79 percent, indicating an 18.60 percentage point decline compared to the same month in 2019, which recorded a rate of 59.39 percent. The food and beverage sector has also experienced a similar impact, with a 2.83 percent decline in 2020. The implementation of total PSBB (large-scale social restrictions) had a significant impact on the sector, resulting in the closure of many restaurants and food outlets (Prakoso, 2020). Therefore, the food and beverage sector needs to adjust its sales and operational systems to survive the ongoing COVID-19 pandemic, which is predicted to continue until 2021 (Carmelia et al., 2021).

Based on the information presented, it is clear that the COVID-19 pandemic in Indonesia has had a notable impact on the performance of companies, particularly those in the Hotel, Restaurant, and Tourism Sub-Sector listed on the Indonesia Stock Exchange. As a result, the author intends to conduct a research study titled "A Comparative Analysis of Financial

Performance of Companies in the Hotel, Restaurant, and Tourism Sub-Sector Listed on the Indonesia Stock Exchange Before and During the COVID-19 Pandemic".

LITERATURE REVIEW

Signal theory

Company management undertakes actions in signal theory to communicate their views on the company's prospects to investors (Brigham & Houston, 2019). This theory emphasizes the importance of management providing information through financial reports to investors. These reports serve as signals to external parties, and investors respond to them in two ways: interpreting them as positive news or negative news (Bataha et al., 2023).

Profitability Ratio

Return on assets (ROA) is a financial metric that provides insights into a company's profitability by assessing its ability to generate profits from its assets (Iskandar Zulkarnain et al., 2022). It is widely used as an indicator of financial performance because it quantifies how effectively a company utilizes its assets to generate earnings. To calculate ROA, one divides the pre-tax profit by the total assets of the company. A higher ROA signifies that the company is earning greater profits relative to its asset base. Consequently, a company with a high ROA is perceived to have greater potential for growth. Conversely, if a company's total assets fail to generate profits, it will experience losses and hinder its growth prospects (Islamiyah & Sukaris, 2023). According to (Kuswati et al., 2022), an ROA that exceeds 1.5% is considered advantageous and indicative of a positive performance.

The COVID-19 pandemic has had a significant negative impact on the economy and the financial performance of numerous companies. The decrease in net income can be attributed to a combination of reduced consumer purchasing power and increased interest burdens, leading to a substantial decline in overall profitability. A decline in consumer purchasing power directly affects a company's sales, resulting in lower profits unless operational costs can be reduced. Research conducted by (Nguyen, 2022) demonstrates that profitability and efficiency ratios have declined during the COVID-19 pandemic. The global disruption caused by the pandemic has severely affected supply chains, leading to significant disruptions in international exports and transportation activities, with only a few domestic logistics companies experiencing growth. Based on these observations, the following hypothesis is formulated for this research:

H_1: There is a difference in return on assets between the pre-COVID-19 period and the COVID-19 pandemic period among the companies in the hotel, restaurant, and tourism sub-sector listed on the Indonesia Stock Exchange (BEI).

Current Ratio

The current ratio is a liquidity ratio that evaluates a company's capability to fulfill its liabilities by utilizing its current assets, particularly during crucial circumstances such as bankruptcy (Hutapea & Sudjiman, 2019). It compares the company's current assets to its current liabilities, indicating the extent to which current assets can fulfill current obligations. A higher current ratio signifies a stronger capacity to cover short-term liabilities. However, a low current ratio often indicates liquidity issues, while an excessively high ratio is not ideal as it suggests an excess of idle funds that could potentially have a negative impact on the company's profitability (Khoiriah, 2022).

Economic downturns have a significant impact on the financial performance of the industrial sector. The COVID-19 pandemic has led to a decline in economic growth and triggered an economic crisis, resulting in reduced consumer purchasing power. Consequently, numerous outstanding client debts have remained unpaid, leading to disruptions in the company's cash flow. As the economic situation deteriorates, there is a buildup of excess inventory. The liquidity ratio, as measured by the current ratio, increases. However, this rise in the liquidity ratio does not indicate a positive outcome (Nguyen, 2022). Research conducted by (Malikah, 2021) reveals a significant disparity in financial performance, as measured by the current ratio, between the pre-pandemic period and the COVID-19 pandemic. Nevertheless, upon comparing the ratio levels from 2019 (pre-pandemic) to 2020 (during the pandemic), some companies are still able to fulfill their short-term obligations. Based on these findings, the proposed hypothesis is as follows:

H$_2$: There was a difference in the current ratio before and during the COVID-19 pandemic among companies in the hotel, restaurant, and tourism sub-sector listed on the Indonesia Stock Exchange (BEI)

Leverage Ratio

The debt-to-equity ratio (DER) is used as the leverage ratio in this research. It measures the relationship between a company's debt and equity (Kasmir, 2016). DER is calculated by dividing total liabilities by total equity. It provides insights into how much debt (total debt) a company utilizes in relation to its capital. When the cost of debt is lower than the cost of equity, funds obtained through loans or debt can be more efficient in generating profits and increasing the return on equity (Khoiriah, 2022).

The COVID-19 pandemic has had a significant impact on companies' sales, profitability, and cash flow. The decline in sales has resulted in reduced cash receipts from cash sales transactions. This lack of cash has affected the company's ability to fulfill its debt obligations, thereby impacting its overall liabilities. Additionally, the company's equity value has decreased due to losses incurred from the decrease in sales. The reduced sales revenue has also affected the company's ability to cover operational expenses, leading to financial losses. Research conducted by (Daryanto et al., 2021) confirms that Indonesia's PP Properti has experienced a significant difference in its performance before and during the pandemic. Solvency ratios such as the Debt to Equity Ratio (DER) and Altman Z-Score indicate lower performance for the company during the pandemic. Based on these findings, the third hypothesis can be formulated as follows:

H$_3$: There is a difference in the debt-to-equity ratio before and during the COVID-19 pandemic among companies in the hotel, restaurant, and tourism sub-sector listed on the Indonesia Stock Exchange (BEI).

Activity Ratio

The study emphasizes total asset turnover (TATO) as an activity ratio measurement. TATO evaluates the ratio between net sales and total assets in a company, providing insight into the efficiency of asset utilization within a specific timeframe. A higher TATO ratio indicates a positive outcome, signifying effective asset utilization for profit generation. This suggests that with improved total asset turnover, companies can achieve increased sales volume using the same asset base (Khoiriah, 2022).

The economic crisis caused by COVID-19 has had a negative impact on corporate revenue, especially in the restaurant and tourism industries. With a shift in public financial priorities towards meeting basic needs, purchasing power has decreased due to declining incomes. This situation has had a significant impact on the industrial sector, particularly in terms of sales figures, as viable target markets have become scarce. When sales decline without a corresponding decrease in average receivables, it inevitably leads to a decrease in account turnover. This is because a significant amount of funds is tied up in receivables, causing a slow turnover of accounts (Notta & Vlachvei, 2014). Using financial ratios, (Ardi & Nursiam, 2022) conducted a study to compare the financial performance of food and beverage sector companies

listed on the Indonesia Stock Exchange between 2019 and 2020, both before and during the COVID-19 pandemic. The study's findings indicate variations in the financial performance of companies when comparing the total asset turnover ratio between the pre-pandemic period and the pandemic period. Based on these findings, the following hypothesis can be formulated:
H_4: A difference in the total asset turnover exists between periods before and during the COVID-19 pandemic among the companies listed on the Indonesia Stock Exchange (BEI) in the hotel, restaurant, and tourism sub-sector.

RESEARCH

This study is quantitative research that relies on secondary data obtained from the financial statements of companies operating in the hotel, restaurant, and tourism subsector. The research is conducted during two distinct periods: (1) the pre-COVID-19 period, specifically the year 2019, and (2) the COVID-19 period, encompassing the years 2020 and 2021. The target population for this study comprises companies within the hotel, restaurant, and tourism sub-sector, as they have experienced performance challenges due to the COVID-19 pandemic. The sampling technique employed in this research is purposive sampling, wherein companies listed on the Indonesia Stock Exchange (BEI) within the Hotel, Restaurant, and Tourism Sub-Sector are selected. The chosen companies are required to have published complete quarterly financial statements for the years 2019 to 2021 and possess comprehensive data pertaining to the variables of return on assets (ROA), the current ratio (CR), the debt-to-equity ratio (DER), and total asset turnover (TATO).

This study investigates both dependent and independent variables. The dependent variable is financial performance, while the independent variables under examination are financial ratios related to profitability, liquidity, leverage, and activity. Return on Assets (ROA) is used to assess profitability, calculating the ratio of net income to net sales of the company (Haidary & Abbey, 2018); The current ratio (CR) is employed to measure liquidity, comparing current assets to current liabilities (Antoun et al., 2018); The debt-to-equity ratio (DER) is utilized to evaluate leverage by dividing total liabilities by total equity (IAI, 2019). Lastly, total asset turnover (TATO) is applied to assess activity, measuring the ratio of net sales to total assets of the company (Kanakriyah, 2020).

The data analysis in this study involves descriptive statistical analysis, the Kolmogorov-Smirnov test for assessing normality, and a paired sample t-test if the significance values demonstrate a normal distribution. Alternatively, if the data does not follow a normal distribution, the Wilcoxon signed-rank test is utilized for analysis.

FINDINGS AND DISCUSSION

The Kolmogorov-Smirnov test is used to examine the normality of the data before conducting hypothesis testing. Based on the findings of the normality test presented in Table 1, all variables except for the DER_19 variable show an Asymp. Sig. (2-tailed) value of 0.000. This suggests that the majority of the data variables are not normally distributed. Therefore, the Wilcoxon signed-rank test will be utilized to test the hypotheses.

Table 1. The Results of Kolmogorov-Smirnov Normality Test

	N	Normal Parameters	Most Extreme Differences	Test Statistic	Asymp. Sig. (2- tailed)			
		Mean	Std. Deviation	Absolute	Positive	Negative		
ROA_19	48	4,40954	5,935957	0,210	0,207	-0,210	0,210	0,000[c]
ROA_20	48	-2,59417	5,594104	0,217	0,202	-0,217	0,217	0,000[c]
ROA_21	48	-0,87760	4,351206	0,225	0,177	-0,225	0,225	0,000[c]
CR_19	48	560,93006	1.228875265	0,447	0,447	-0,345	0,447	0,000 c

CR_20	48	1.065,9252	2.717,723839	0,475	0,475	-0,373	0,475	0,000 c
CR_21	48	1.065,9252	3.283,593214	0,504	0,504	-0,376	0,504	0,000 c
DER_19	48	60,69942	34,669811	0,105	0,1	-0,072	0,105	0,200[c, d]
DER_20	48	79,36831	59,513254	0,182	0,105	-0,096	0,182	0,000[c]
DER_21	48	110,44623	130,550186	0,224	0,2282	-0,199	0,224	0,000[c]
TATO_19	48	0,56285	0,702084	0,219	0,24	-0,215	0,219	0,000[c]
TATO_20	48	0,30763	0,377543	0,221	0,219	-0,209	0,221	0,000[c]
TATO_21	48	0,27750	0,394972	0,257	0,22157	-0,241	0,257	0,000[c]

Source: SPSS 25 output, data processed 2023

The findings displayed in Table 2 of the descriptive analysis indicate noteworthy disparities in the average levels of profitability, liquidity, solvency, and activity among companies operating in the hotel, restaurant, and tourism sectors listed on the Indonesian Stock Exchange before and during the COVID-19 pandemic. The average values of the CR and DER exhibit an upward trajectory, signifying improved liquidity and corporate solvency. Conversely, the average ROA and TATO values have experienced a decline, suggesting a decrease in the rate of profitability and activity for the companies.

Table 2. Descriptive Statistics (Before and During the Pandemic)

	Min	Max	Mean	Std. Dev
ROA_19	-0,509	26,047	4,40954	5,935957
ROA_20	-25,747	8,492	-2,59417	5,594104
ROA_21	-21,933	9,356	-0,87760	4,351206
CR_19	70,731	5.056,546	560,93006	1.228,87526
CR_20	29,592	14.024,520	907,10729	2.717,723839
CR_21	29,282	13.970,782	1.065,92502	3.283,593214
DER_19	0,414	128,365	60,69942	34,669811
DER_20	0,146	257,364	79,36831	59,513254
DER_21	0,144	767,516	110,44623	130,550186
TATO_19	0,009	2,952	0.56285	0,702084
TATO_20	0,002	1,550	0,30763	0,377543
TATO_21	0,000	1,543	0,27750	0,394972

Source: SPSS 25 output, data processed 2023

The results from Tables 3 and 4 illustrate the outcomes of the Wilcoxon signed-rank test. Concerning return on assets (ROA), there is a downward trend observed, with 46 data points indicating a decline in ROA in 2020 compared to 2019 during the COVID-19 pandemic, while only 2 data points indicate an increase in ROA. Similarly, in 2021, there are 43 data points indicating a decrease in ROA compared to 2019, and only 5 data points indicating an increase in ROA. Regarding liquidity, the current ratio (CR) shows a mixed pattern. In 2020, 33 data points indicate a decrease in CR compared to 2019 during the COVID-19 pandemic, while 15 data points show an increase in CR. Similarly, in 2021, 36 data points suggest a decrease in CR compared to 2019, and 12 data points indicate an increase in CR.

For the debt-to-equity ratio (DER), there is an increasing trend. In 2020, 14 data points suggest a decrease in DER compared to 2019 during the COVID-19 pandemic, while 34 data points indicate an increase in DER. Similarly, in 2021, 14 data points show a decrease in DER compared to 2019, and 34 data points indicate an increase in DER. Regarding the asset turnover ratio (TATO), there is a consistent decrease observed. In 2020, 46 data points indicate a decline in TATO compared to 2019 during the COVID-19 pandemic, while only 2 data points indicate an increase in TATO. Furthermore, in 2021, 47 data points indicate a decrease in TATO compared to 2019, and only 1 data point indicates an increase in TATO. To determine the significance of these differences, please refer to Table 4.

Table 3. The Results of Rank Test

Ranks				
		N	Rank	Sum of Ranks
ROA_20-ROA_19	Negative Ranks	46[a]	25,04	1.152,00
	Positive Ranks	2[b]	12,00	24,00
	Ties	0[c]		
	Total	48		
ROA_21-ROA_19	Negative Ranks	43[d]	25,70	1.105,00
	Positive Ranks	5[e]	14,20	71,00
	Ties	0[f]		
	Total	48		
CR_20-CR_19	Negative Ranks	33[a]	23,67	781,00
	Positive Ranks	15[b]	26,33	395,00
	Ties	0[c]		
	Total	48		
CR_21-CR_19	Negative Ranks	36[d]	24,44	880,00
	Positive Ranks	12[e]	24,67	296,00
	Ties	0[f]		
	Total	48		
DER_20-DER_19	Negative Ranks	14[a]	18,29	256,00
	Positive Ranks	34[b]	27,06	920,00
	Ties	0[c]		
	Total	48		
DER_21-DER_19	Negative Ranks	14[d]	15,00	210,00
	Positive Ranks	34[e]	28,41	966,00
	Ties	0[f]		
	Total	48		
TATO_20-TATO_19	Negative Ranks	46[a]	25,41	1.169,00
	Positive Ranks	2[b]	3,50	7,00
	Ties	0[c]		
	Total	48		
TATO_21-TATO_19	Negative Ranks	47[d]	25,00	1.175,00
	Positive Ranks	1[e]	1,00	1,00
	Ties	0[f]		
	Total	48		

Source: SPSS 25 output, data processed 2023

Profitability Rasio

According to Table 4, the Wilcoxon signed-rank test reveals that the return on assets (ROA) has a p-value of 0.000, which is less than the significance level of 0.05. This indicates that we can accept the alternative hypothesis (H1) and conclude that there is a significant difference in the profitability ratio of companies in the hotel, restaurant, and tourism subsector listed on the Stock Exchange (BEI) before and during the COVID-19 pandemic. The COVID-19 pandemic has had a negative impact on the economy, leading to adverse effects on the financial performance of many companies. The significant decline in net income can be attributed to weakened consumer purchasing power and increased interest expenses, resulting in a considerable decrease in company profitability. Reduced consumer purchasing power directly affects overall sales, and unless companies can effectively reduce their operating costs, their profits will be negatively affected. These findings align with a study conducted by

(Nguyen, 2022), which also observed a decrease in profitability and efficiency during the COVID-19 pandemic. The global impact of COVID-19 on supply chains has caused significant disruptions in international exports and transportation activities, with only a few domestic logistics companies experiencing growth.

Liquidity Rasio

Based on the findings in Table 4, the p-values (Sig.) for the current ratio (CR) are 0.048 and 0.003, which are below the significance level of 0.05. This indicates a significant difference in the liquidity ratio of companies in the hotel, restaurant, and tourism subsector listed on the Stock Exchange (BEI) before and during the COVID-19 pandemic (H2 is accepted). A higher current ratio suggests that a company is better equipped to meet its short-term debts. However, it is important to note that a high current ratio does not always indicate a favorable company condition. In fact, an excessively high current ratio can indicate inefficiencies in utilizing assets, particularly cash and cash equivalents (IAI, 2019).

The COVID-19 pandemic has had a detrimental effect on the economy, causing a decline in economic growth and creating an economic crisis. This, in turn, has had a negative impact on consumer purchasing power. As a consequence, companies have faced challenges collecting outstanding receivables from their clients, which has disrupted their cash flow. During periods of economic downturn, it is not uncommon for companies to experience an accumulation of raw materials in their warehouses. This can result in increased liquidity, as these materials are not being used or sold as quickly as anticipated. However, it's important to note that this rise in liquidity is not necessarily a positive indicator for companies. It can indicate inefficiencies in managing and utilizing their assets effectively (Nguyen, 2022). Therefore, the increase in the average current ratio (CR) for the hotel, restaurant, and tourism subsector in 2019 (560.93006), 2020 (907.10729), and 2021 (1.065.92502) before and during the COVID-19 outbreak indicates a negative performance trend. These findings are in line with a study conducted by (Malikah, 2021), which also identified significant differences in financial performance as measured by the CR before and during the COVID-19 pandemic. However, it is important to note that despite the overall decline, some companies were still able to meet their short-term obligations when comparing the ratio levels between 2019 (prior to the pandemic) and 2020 (during the pandemic).

Solvency Rasio

The p values of the debt-to-equity ratio (DER) are 0.001 and 0.000, respectively. Since these values are below the significance level of 0.05, we can conclude that there are significant differences in the solvency ratio between companies in the hotel, restaurant, and tourism subsectors listed on the Stock Exchange (BEI) before and during the COVID-19 pandemic (H3 is supported). The substantial decrease in sales resulting from the pandemic has had a notable impact on companies' profitability and their ability to generate cash from sales transactions. Insufficient cash flow to meet debt obligations significantly hampers a company's ability to repay its debts. The rising average DER values from 60.69942 in 2019 to 79.36831 in 2020 and further to 110.44623 in 2021 raise concerns as higher DER ratios indicate a greater risk of defaulting on debts. Companies have witnessed declining revenues and, in some instances, even incurred losses due to the COVID-19 pandemic. This has prompted companies to seek external funding to sustain their operations. It is crucial for companies to effectively manage high debt risks to prevent the possibility of bankruptcy (Widyawati & Ningtyas, 2022). These findings are in line with a study conducted by (Daryanto et al., 2021), which also exhibited significant differences in the financial performance of PT PP Properti before and during the pandemic. During the pandemic, companies have shown lower financial performance based on solvency ratios such as the DER and Altman Z-Score.

Activity Ratio

The total asset turnover (TATO) has a significance level of 0.000, which is below the threshold of 0.05, indicating that H4 is accepted. This confirms a highly significant difference in the activity ratio among companies in the hotel, restaurant, and tourism subsector listed on the Stock Exchange (BEI) before and during the COVID-19 pandemic. The economic crisis triggered by COVID-19 has had a severe impact on individuals' income, especially in the restaurant and tourism industries. Public financial management has prioritized meeting basic needs, leading to a decrease in purchasing power as people's income declines. Consequently, the industrial sector, particularly in terms of sales, has been profoundly affected as the viable target market shrinks. The decline in sales, without a proportional decrease in average receivables, has resulted in a reduction in account turnover. The significant amount of capital tied up in receivables has hindered the efficiency of account turnover (Notta & Vlachvei, 2014). If this situation persists, companies may be perceived as unproductive and incapable of utilizing their assets effectively and efficiently. These findings align with research conducted by (Ardi & Nursiam, 2022) which also identified disparities in the financial performance of companies in relation to total asset turnover before and during the COVID-19 pandemic.

CONCLUSION

Based on the analysis of the data and the discussion in the previous chapter, it can be concluded that there are significant differences in the profitability ratio (ROA), the liquidity rate (CR), solvency rate (DER), and activity rate (TATO) among companies in the hotel, restaurant, and tourism subsector listed on the Indonesia Stock Exchange (BEI) before and during the COVID-19 pandemic. The profitability ratio and solvency ratio witnessed a decline during the pandemic, whereas the liquidity ratio and activity ratio exhibited an increase. Based on these research findings, it is advisable for investors to exercise greater selectivity in their investments and carefully consider the fundamental aspects of companies to mitigate potential losses. Companies should strive to maintain their performance during the pandemic to ensure stability and minimize the risk of bankruptcy. The debt-to-equity ratio serves as a warning sign, emphasizing the significance of seeking external capital to sustain operations. Effectively managing the risks associated with high debt is crucial for companies to avoid financial distress. To improve the accuracy of future research, it is recommended to include additional variables or indicators.

One limitation of this study is its narrow focus on a specific set of financial ratios, namely return on assets, the current ratio, the debt-to-equity ratio, and total asset turnover. Additionally, the study acknowledges that some companies included in the research may not have disclosed their financial reports. To address these limitations, future researchers are encouraged to explore additional financial ratios as research variables to achieve more comprehensive findings. Furthermore, expanding the sample size by examining the financial reports of companies in the transportation and airline subsector listed on the Indonesia Stock Exchange, both before and during the COVID-19 pandemic, is recommended. This is particularly relevant as the transportation and airline industries have experienced significant impacts due to the pandemic.

.

REFERENCES

Antoun, R., Coskun, A., & Georgievski, B. (2018). Determinants of financial performance of banks in Central and Eastern Europe Roger. *BEH - Business and Economic Horizons Volume*, *14*(3).

Ardi, T., & Nursiam. (2022). Comparison Analysis Of Company Financial Performance In The Times Before And During The Covid-19 Pandemic (Study On Food And Beverage Companies Listed On The Idx In 2019-2020). *Business and Accounting Research*

(IJEBAR) Peer Reviewed-International Journal, *6*(4), 1689–1699. https://jurnal.stie-aas.ac.id/index.php/IJEBAR

Arianto, B. (2021). Dampak Pandemi COVID-19 terhadap Perekonomian Dunia. *Jurnal Ekonomi Perjuangan*, *2*(2), 106–126. https://doi.org/10.36423/jumper.v2i2.665

Asha, I. A., & Fatimah, A. N. (2022). Analisis Kinerja Keuangan Terhadap Pertumbuhan Laba Selama Pandemi Covid-19 Pada Perusahaan Sektor Infrastruktur Yang Terdaftar Di Bei. *JURNAL MANEKSI*, *11*(1), 273–280.

Bataha, I. E., Ilat, V., Yoke, M., & Kalalo, B. (2023). The Effect of Dividend Policy and Market to Book Value of Equity on Firm Value in Energy Sector Companies Listed on Indonesia Stock Exchange. *Jurnal Ekonomi Dan Bisnis Digital (MINISTAL)*, *2*(1), 29–42.

BPS. (2021a). Analisis Hasil Survei Dampak COVID- 19 Jilid 2. Analisis Hasil Survei Dampak COVID-19 Terhadap Pelaku Usaha. *BPS RI*, 1–27. https://www.bps.go.id/publication/2020/12/21/ 7ec02d39d6732972dcebe54f/analisis-hasil- survei-dampak-covid-19-terhadap-pelaku- usaha-jilid-2.htm

BPS. (2021b). *Berita Resmi Statistik 1 Februari 2021.* https://www.bps.go.id/pressrelease/2021/02/01/1796/jumlah-kunjungan-wisman-ke-indonesia-bulan-desember-2020-mencapai-164-09-ribu-kunjungan-.html

BPS. (2021c). Perkembangan Pariwisata dan Transportasi Nasional Desember 2020. *BPS RI*, *02*(11).

Brigham, E. F., & Houston, J. F. (2019). *Fundamentals of financial management*. Cengage Learning, Inc.

Carmelia, R., Carvina, A., Agustina, S., Lemy, D. M., Studi, P., Perhotelan, M., & Pariwisata, F. (2021). Pengaruh Covid-19 Terhadap Operasional Dining Room Restoran Penyedia Hidangan Barat Di Ruko Golden 8, Gading Serpong, Kecamatan Kelapa Dua, Tangerang. *Jurnal Kepariwisataan Indonesia*, *15*(1), 25–35.

Daryanto, W. M., Rizki, M. I., & Mahardhika. (2021). Financial Performance Analysis of Construction Company Before and During Covid-19 Pandemic in Indonesia. *International Journal of Business, Economics and Law*, *24*(4), 99–108.

Fatihudin, D., Jusni, & Mochklas, M. (2018). How measuring financial performance. *International Journal of Civil Engineering and Technology*, *9*(6), 553–557.

Haidary, Q., & Abbey, B. (2018). Financial Performance of Commercial Banks in Afghanistan. *International Journal of Economics and Financial Issues*, *8*(1), 242–249.

Hutapea, F. D. H., & Sudjiman, P. E. (2019). The Effect Of Liquidity Ratios And Ratio Of Rentability To Solvability Ratios. (Empirical Study Of Plactics And Packaging Sub Sector Companies Listed On The Indonesia Stock Exchange In 2015-2019). *Ekonomi*, *13*(2), 33–46.

IAI. (2019). *Level Dasar (CAFB) Manajemen Keuangan*. Ikatan Akuntansi Indonesia.

Iskandar Zulkarnain, Nanda Sulistiyowati, & Sjukun. (2022). the Effect of Return on Equity and Debt To Equity Ratio on Stock Prices in the Company Transportation Sub Sector Listed on the Indonesia Stock Exchange for the 2015-2019 Period. *International Journal of Social Science*, *1*(6), 955–966. https://doi.org/10.53625/ijss.v1i6.1666

Islamiyah, D., & Sukaris. (2023). The Influence Of Loan Yo Deposite Ratio, Operational Costs And Operational Revenue, Non Performing Loans On Profitability In Banking Companies Listed On The Indonesia Stock Exchange. *Proceeding Universitas Muhammadiyah Gresik Social Science and Humanities Internasional Conference (UMGCINMATIC)*, *2*(1).

Kanakriyah, R. (2020). Dividend Policy and Companies" Financial Performance. *Journal of Asian Finance, Economics and Business*, *7*(10), 531–542. https://doi.org/10.13106/jafeb.2020.vol7.no10.531

Kasmir. (2016). *Analisis Laporan Keuangan.* PT. Rajagrafindo Persada.

Kasmir. (2018). *Analisis Laporan Keuangan.* PT. Rajagrafindo Persada.

Khoiriah, N. (2022). The Effect of Current Ratio, Debt to Equity Ratio and Total Asset Turnover on Return on Equity (Manufacturing Industry Companies in the Consumer Goods Sector Food and Beverage Sub-sector Listed on the Indonesia Stock Exchange for the Period 2013-2020). *Budapest International Research and Critics Institute-Journal (BIRCI-Journal)*, *5*(2), 10282–10292. https://doi.org/10.33258/birci.v5i2.4827

Kuswati, I., Nurlaila, R., & Muttaqin, I. (2022). Comparison of the Financial Performance of Bank Syariah Indonesia Pre and Post Merger During the Covid-19 Pandemic. *Annual International Conference on Islamic Economics and Business*, *2*(1), 198–211. http://conference.iainsalatiga.ac.id/index.php/aicieb/article/view/133/182

Malikah, A. (2021). Comparison of Financial Performance Before and During COVID-19: Case Study of Hospitality Business, Indonesia. *Golden Ratio of Finance Management*, *1*(1), 51–60. https://doi.org/10.52970/grfm.v1i1.204

Nguyen, H. T. X. (2022). The Effect of COVID-19 Pandemic on Financial Performance of Firms: Empirical Evidence from Vietnamese Logistics Enterprises. *Journal of Asian Finance*, *9*(2), 177–0183. https://doi.org/10.13106/jafeb.2022.vol9.no2.0177

Notta, O., & Vlachvei, A. (2014). The Impact of Financial Crisis on Firm Performance in Case of Greek Food Manufacturing Firms. *Procedia Economics and Finance*, *14*(14), 454–460. https://doi.org/10.1016/s2212-5671(14)00734-5

Prakoso, F. A. (2020). Dampak Coronavirus Disease (Covid-19) Terhadap Industri Food & Beverages. *Manajemen Bisnis*.

Safitri, R. A., Susanti, S. M. W., & Zulfatunisa, S. L. S. P. (2022). Analisis Laporan Keuangan untuk Mengukur Kinerja Kuangan PT Astra Internasional TBK. *Istithmar : Jurnal Studi Ekonomi Syariah*, *6*, 137–145.

Tukwain, I., & Simamora, S. (2021). Evaluasi perbandingan kinerja keuangan perusahaan berdasarkan metode financial ratio dan dupont system Pada Pt. Angkasa Pura I Danpt. Angkasa Pura Ii (Periode 2013-2016). *JURNAL M-PROGRESS*.

WHO. (2020). *Novel Corona Virus (2019-nCov) situation reports - World Health Organization (WHO)*. https://www.who.int/emergencies/diseases/novel-coronavirus-2019/situation-reports

Widyawati, N. L., & Ningtyas, M. N. (2022). Analysis Of Financial And Share Performance Performance Before And After The Covid-19 Pandemic On The Indonesia Stock Exchange (Idx). *Jurnal Ilmiah Bisnis Dan Ekonomi Asia*, *16*(2), 292–307. https://doi.org/10.47747/ijfr.v3i3.725