
The Effect of Covid 19 on Company Performance in Manufacturing Companies in Indonesia

Retno Cahyaningati, Ninik Lukiana, M.Wimbo Wiyono, Kasno, Muhammad Rizalus Sholihin, Deni Juliasari

Institut Teknologi dan Bisnis Widya Gama Lumajang, Jl. Gatot Subroto No. 4 Lumajang East Java – Indonesia

retnocahyaningati95@gmail.com, ibundaninik@gmail.com, wimbowiyono720@gmail.com,
kasno2772@gmail.com, muhammadrijalus@gmail.com, denijuliasari.js@gmail.com

ABSTRACT

Purpose: This study was conducted to determine and explore the effect of the COVID-19 pandemic on company performance using control variables for sales growth, leverage, and company size in companies listed on the Indonesia Stock Exchange

Design/methodology/approach: The study used a population of manufacturing companies listed on the Indonesia Stock Exchange for the quarter/quarter period during 2020. The sample was taken using purposive sampling 148 observation companies matched the research criteria. This study uses secondary data, namely the quarterly/quarterly financial statements of each sample company

Findings: The results showed that in testing the partial correlation of the independent variables, namely covid 19 with the control variables of sales growth, leverage and company size has a significant effect on company performance, but the effect was still weak. Partially covid 19 has a significant positive effect on company performance. Partially, sales growth has no significant effect on the company's performance. Partially, leverage has no significant effect on company performance. Partially, company size has a significant positive effect on company performance. Simultaneously, the independent variables of covid 19, sales growth, leverage, and company size significantly affect the performance of manufacturing companies listed on the Indonesia Stock Exchange in 2020.

Research limitations/implications: The theoretical implications in this study focus on the level of company performance, our research discusses conclusively the effect of the Covid 19 pandemic on company performance.

Practical implications: Businesses in ASIA are expected to find solutions to this global uncertainty.

Originality/value: Covid 19 to the company's performance with sales growth, leverage, size as a control variable.

Paper type: Research paper

Keyword: *Company Size, Covid 19, Firm Performance, Leverage, Sales Growth and.*

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I. INTRODUCTION

The 2019 coronavirus outbreak, referred to as Corona Virus Disease 2019 (COVID-19) was first detected in Wuhan City, Hubei, China, on December 1, 2019. This outbreak spread to Indonesia in March 2020 for the first time precisely in the city of Depok. Covid 19 has dealt a severe blow to the business world. Community mobility has fallen sharply due to quarantine regulations by the government, which have weakened purchasing power and paralyzed the country's economy. At the global macro level, the COVID-19 outbreak caused the worst global recession since 1930.

The government has made various efforts to protect the public from the risk of transmission of Covid 19. At that time, President Jokowi had set regulations on Large-Scale Social Restrictions (PSBB) in accordance with Government Regulation (PP) No. 21 of 2020. The case of Covid 19 had crippled the world economy. In

several countries, total closures or lockdowns have been carried out so that they have a reasonably serious impact on the socio-economic conditions of the community. In Indonesia, as a result of the PSBB in the second quarter of 2020, the Indonesian economy experienced a decline of minus 5.32%. These restrictions have had a significant impact on the retail sector, some of which have filed for bankruptcy and closed their stores due to no sales and profits, and thousands of employees have also lost their jobs. Many companies also experience various problems and losses such as lack of inventory, shortage of raw materials, transportation problems and decreased demand which can significantly affect the efficiency and profitability of the company (Bartik et al., 2020; Hagerty & Williams, 2020).

Covid 19 has affected the stock market (Iyke, 2020; Liu et al., 2020). Covid 19 affects the movement of the rupiah exchange rate and stock price index (National & Indonesia), Covid 19 also affects the performance of energy industry companies (Fu & Shen, 2020), property companies (Roosdiana, 2021), affects the performance of companies in China (Shen et al., 2020) and in Pakistan (Imran et al., 2021). Covid 19 has a negative effect on company performance (Choi, 2020; Kapoor et al., 2021), as well as affecting other aspects (Hagerty & Williams, 2020). Almost all economic, social and environment elements have been affected by covid 19, so as researchers, we need to further examine the company's performance in these difficult economic times. Therefore, it is necessary to evaluate the internal factors of the company's financial system, which are likely to be the main cause of the economic downturn in recent years (Zubair et al., 2020). Since January 2020, nearly seven million people have been affected by COVID-19 in several regions and countries (Imran et al., 2021). While in Indonesia alone at the end of 2020, it reached 8,072 cases. Given the adverse effects of covid 19 on the national economy and its effect on company performance, the researcher wants to investigate the effect of covid 19 on company performance in Indonesia, empirical research has been carried out in Indonesia in research Roosdiana (2021), but the research only focuses on differences in company performance. Property and Real Estate before and after the national announcement of the first case of covid 19. Meanwhile, in this study, we want to further examine the effect of covid 19 on the performance of manufacturing companies during the covid 19 pandemic, this is a novelty from previous research.

The influence of the company's internal financial system that may cause the decline in company performance is also investigated in this study. The parameter often used in assessing company performance is the financial approach obtained from the financial statements. Financial ratios are the most important factor to consider in running a company. The level of profitability shows the company's performance as seen from the company's ability to generate profits (profit). The company's ability to generate profits shows how the company's prospects in the future (Putra & Badjra, 2015)

Sukadana & Triaryati (2018) have researched that sales growth has a significant positive effect on profitability. Sales are one of the company's sources of income. In any condition, most companies want sales growth to remain stable and even increase from year to year. Sales growth is an increase in the number of sales from year to year or from time to time (Suzana & Azlina, 2011). Sales growth has a strategic influence on the company because sales growth is marked by an increase in market share. If sales increase, the profits obtained by the company will also be greater so that profitability is also getting better (Pagano & Schivardi, 2003). However, the research by (Putra & Badjra, 2015) explains that sales growth has a negative and insignificant effect on profitability. Meanwhile, Putri's research (2015) shows that sales growth has no effect on profitability.

Research conducted by Putra & Badjra (2015) shows that another indicator that can affect profitability is Leverage. Leverage is the use of assets and sources of funds by companies that have fixed costs and expenses to increase shareholder profits (Sartono, 2010). Leverage is used to measure how much the company's operational activities are financed by loan capital. The use of debt in the company's funding activities has a positive impact and has a negative impact if it is not managed properly. For example, using too much debt capital to procure assets will lead to large interest costs, so that it will cause internal problems for the company because the profits obtained will also be lower (Brigham & Houston, 2010). In the research of (Sukadana & Triaryati, 2018), it was found that leverage has a significant negative effect on profitability. Meanwhile, in Putra & Badjra (2015) research, it was found that leverage has a negative and insignificant effect on profitability and is supported by research (Putri, 2015).

Company size describes the size of a company (Sartono, 2010). (Munawir, 2010), in his book, explained that companies with large capital have a strong impetus to generate higher profitability compared to small-scale companies.

(Ratnasari & Budiyanto, 2016) research explains that company size has a positive and significant effect on profitability. Supported by research (Babalola, 2013; Nurmadi, 2013). Different research results have been carried out by Sari & Budiasih (2014) which explain that company size has a negative effect on profitability.

Based on the differences in the results of previous studies related to several factors that can affect profitability, the researchers wanted to re-examine these factors when there was public uncertainty, namely covid 19. To get accurate results, the researchers used the SPSS test tool. The purpose of this study is to explore the effect of covid 19 on company performance during the covid 19 pandemic in manufacturing companies

listed on the Indonesia Stock Exchange. We would like to further examine and identify how COVID-19 cases can cause a global economic downturn, especially in Indonesia. Researchers are motivated to do this research because of the phenomenon of the pagebluk or pandemic, which greatly affects the movement of the global economy, its impact on the economy and society is extraordinary beyond the economic crisis in 1998 and 2008. Empirically, researchers are interested in taking this theme to test whether covid 19 uses COVID-19 case data has an effect on company performance as measured by profitability (ROA) by controlling sales growth, leverage, and company size in manufacturing companies listed on the IDX during 2020.

The rapid spread of the Covid 19 outbreak in Indonesia has had a major influence on the movement of the national economy. The rapid increase in the number of patients exposed to COVID-19 in a short time caused panic among the government, society and the world. The government has issued several regulations to prevent the spread of COVID-19, such as school closures, work from home especially for formal sector workers, delays and cancellations of various government and private events, cessation of several public transportations, and enforcement of PSBB in various regions. In the business sector, due to this regulation, it causes a decrease in purchasing power, a decrease in demand, a decrease in production, a decrease in income, a decrease in sales, and an increase in production costs. The slowdown in the economic cycle will trigger an economic crisis. The decline in various obstacles in the business world as a result of the impact of covid 19 will also cause a decline in company performance (Choi, 2020; Iyke, 2020; Kapoor et al., 2021).

How Covid 19 can affect company performance can be seen from real options theory, managers tend to delay investments when uncertainty increases, which can lead to the loss of profitable projects (Ming et al., 2016). The existence of Covid 19 has given risks to the business world, making managers increase their cash holdings to be aware of emergencies, thereby delaying investment and reducing the company's sustainable development activities. Based on Maslow's hierarchy of needs, in the short term consumers' needs for health and safety are more important than social contact during a pandemic, so demand decreases (Hagerty & Williams, 2020). Thus, these factors cause a decrease in the company's revenue which in the end the company's performance will also decrease as a result of the existence of social restrictions. The global pandemic increases the uncertainty that prevents companies from investing in profitable projects and therefore reduces the company's performance. However, even so, (Roosdiana, 2021) has found empirical results that there is no difference between the profitability of property and real estate companies before and after the COVID-19 pandemic. From some of the literature the researchers propose the following hypothesis:

H1 : Covid 19 affects the company's performance.

H2 : Covid 19 affects company performance with control variables of sales growth, size and leverage.

II. METHODOLOGY

The method used in this study is a quantitative method. This type of research is a category of descriptive analysis and verification (causal) research, namely research conducted to determine and explain the characteristics of the variables studied in a condition and find the cause of one or more problems being studied (Sekaran, 2011). The data used is secondary data in the form of numbers with statistical analysis to explain the phenomenon of the population which aims to test the proposed hypothesis and test the relationship between the variables studied. The population in this study uses manufacturing companies listed on the Indonesia Stock Exchange for the period 2020 of 600 companies. As for the sample taken using purposive sampling, there are 148 companies (firm-years) based on the observation criteria.

The data analysis technique used is multiple linear analysis. Multiple linear regression analysis was used to determine the effect of increasing or decreasing the independent variable on the dependent variable. Before the regression analysis, the classical assumption was tested using normality, multicollinearity, heteroscedasticity and autocorrelation tests. The regression equation used in this study is as follows: $Y = a + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + e$

Information :

Y = Company Performance

X_1 = Covid 19

X_2 = Sales Growth

X_3 = Laverage

X_4 = Company Size

β = Regression Coefficient

e = Error term

A. Definition of Operational Variables and Its Measurement Scale

1. Company Performance Dependent Variable

Company performance is the company's ability to generate profits (profit) at the level of sales, acquisition of certain assets and share capital. Investors will give their funds to companies with good performance to get more profit from the funds invested (Manuel et al., 2015). Company performance can be measured using financial and non-financial performance. In this study, the company's performance is using financial performance measurement. (Kasmir, 2016) says Return On Assets (ROA) is a financial analysis tool that can show the company's ability to generate profits from the company's total assets. The higher the ROA value, the better the company's performance, and vice versa. This ratio can be measured using the following formula:

$$ROA = \frac{\text{Profit after tax}}{\text{Total Asset}} \times 100$$

2. Covid 19 Independent Variables

Covid 19 is an epidemic or disease that affects all parts of the world. This virus pandemic spreads so fast from human to human, from one country to another, including Indonesia. Covid 19 cases are those who have been exposed to covid 19. Confirmed cases of Covid 19 are people who have been tested positive for the Coronavirus based on laboratory tests in the form of PCR. Confirmed cases can occur in people with symptoms of the Coronavirus or people who do not experience symptoms at all. Covid 19 in this study was measured using national covid 19 case data (Imran et al., 2021).

$$Covid\ 19 = Ln\ Cases\ Covid\ 19$$

3. Control Variable

1) Sales Growth

Sales growth has a very important role in working capital management. By knowing how much the company's sales growth can predict how much profit will be obtained. In this study, sales growth can be measured using the formula (Horne et al., 2009):

$$Sales\ Growth = \frac{Sales_t - Sales_{t-1}}{Sales_{t-1}}$$

2) Leverage

The use of debt in the company's funding activities does not always have a good impact on the company, sometimes it also has a bad impact on the company if the proportion of leverage is not considered. This can also lead to a decrease in profitability because the use of too large debt causes interest costs to be higher. Leverage in this study is measured by the Debt to Equity Ratio (DER). Debt to Equity Ratio (DER) is used to compare total debt with total equity (Kasmir, 2016). Debt to Equity Ratio (DER) can be calculated by the formula:

$$DER = \frac{\text{Total Debt}}{\text{Total Equity}}$$

3) Company Size

The company's size can be seen from the company's total assets (Kasmir, 2016). We can calculate the size of the company by the following formula:

$$Size = Ln\ Total\ Assets$$



Figure 1. Research Framework

III. RESULTS AND DISCUSSION

Analysis of research data using descriptive statistics and classical assumption test and Multiple Linear Regression Testing. Descriptive analysis shows the minimum value data, maximum value, average value, and standard deviation value. Before performing regression analysis, the classical assumption test was first performed to test the quality and accuracy of the data to be analyzed. The data must be free from classical assumption tests in the form of multicollinearity, autocorrelation, heteroscedasticity, and normality. Furthermore, if the data is free or passes the classical assumption test, hypothesis testing can be carried out using regression analysis.

Table 1. Descriptive Statistical Test Results

<i>Descriptive Statistics</i>					
	<i>N</i>	<i>Minimum</i>	<i>Maximum</i>	<i>Mean</i>	<i>Std. Deviation</i>
	<i>Statistic</i>	<i>Statistic</i>	<i>Statistic</i>	<i>Statistic</i>	<i>Statistic</i>
<i>Covid19</i>	147	.83	5.13	3.9837	1.80404
<i>Sale_Growth</i>	147	-150.85	331.25	2.0776	55.89704
<i>Leverage</i>	147	-1.75	13.57	.7407	1.37794
<i>Compan_Size</i>	147	4.83	13.71	8.4756	1.39640
<i>Company_Performance</i>	147	-12.03	8.96	.7905	2.62201
<i>Valid N (listwise)</i>	147				

Source: Processed data (2021)

Descriptive statistics provide an overview and describe the data based on the average value, standard deviation value, variance, maximum, minimum, sum, range, kurtosis and skewness (distribution of distribution).

Table 2. Normality Test Results

<i>One-Sample Kolmogorov-Smirnov Test</i>		
	<i>N</i>	<i>Unstandardized Residual</i>
<i>Normal Parameters,a,b</i>		
		140
	<i>Mean</i>	.0000000
	<i>Std. Deviation</i>	2.53246494
<i>Most Extreme Differences</i>	<i>Absolute</i>	.061
	<i>Positive</i>	.058

	<i>Negative</i>	-.061
<i>Test Statistic</i>		.061
<i>Asymp. Sig. (2-tailed)</i>		.200c,d

Processed data (2021)

- a. Test distribution is Normal.
- b. Calculated from data.
- c. Lilliefors Significance Correction.
- d. This is a lower bound of the true significance.

The results of the normality test show that the K-S test results in table 3.2 show that the K-S value is 0.061 and the probability value obtained is significance = 0.200 0.05. So it can be concluded that the data used in this study is normally distributed.

Table 3. Multicollinearity Test Results

		<i>Coefficients^a</i>					<i>Collinearity Statistics</i>	
		<i>Unstandardized Coefficients</i>		<i>Standardized Coefficients</i>				
<i>Model</i>		<i>B</i>	<i>Std. Error</i>	<i>Beta</i>	<i>t</i>	<i>Sig.</i>	<i>Tolerance</i>	<i>VIF</i>
<i>1</i>	<i>(Constant)</i>	-4.239	1.347		-3.147	.002		
	<i>Covid19</i>	.392	.115	.270	3.424	.001	.979	1.022
	<i>Sale_Growth</i>	-.005	.004	-.101	-1.279	.203	.986	1.014
	<i>Leverage</i>	-.181	.151	-.095	-1.199	.233	.964	1.037
	<i>Company_Size</i>	.426	.148	.227	2.878	.005	.980	1.021

Processed data (2021)

- a. Dependent Variable: Company_performance

Based on the results of the multicollinearity test in table 3.3, it can be seen that there is no independent variable that has a Tolerance value of 0.10. While the VIF value shows no more than 10 or VIF 10. So it can be concluded that there is no multicollinearity between independent variables in the regression model.

Table 4. Heteroscedasticity Test Results

Coefficients^a

		<i>Unstandardized Coefficients</i>		<i>Standardized Coefficients</i>		
	<i>Model</i>	<i>B</i>	<i>Std. Error</i>	<i>Beta</i>	<i>T</i>	<i>Sig.</i>
<i>1</i>	<i>(Constant)</i>	<i>-.815</i>	<i>.997</i>		<i>-.818</i>	<i>.415</i>
	<i>Covid19</i>	<i>.074</i>	<i>.088</i>	<i>.089</i>	<i>.835</i>	<i>.406</i>
	<i>Sale_Growth</i>	<i>-.005</i>	<i>.003</i>	<i>-.182</i>	<i>-1.763</i>	<i>.081</i>
	<i>Leverage</i>	<i>.009</i>	<i>.094</i>	<i>.010</i>	<i>.099</i>	<i>.921</i>
	<i>Company_Size</i>	<i>.082</i>	<i>.098</i>	<i>.088</i>	<i>.837</i>	<i>.405</i>

Processed data (2021)

a. Dependent Variable: Company_performance

The results of the heteroscedasticity test in table 3.4 show that the regression model of the independent variable on the absolute dependent variable residual shows a significance value of more than 0.05 each. So it can be concluded that the regression model has passed the heteroscedasticity test.

Table 5. Autocorrelation Test Results

Model Summary^b

<i>Model</i>	<i>R</i>	<i>R Square</i>	<i>Adjusted R Square</i>	<i>Std. Error of the Estimate</i>	<i>Durbin-Watson</i>
<i>1</i>	<i>.368a</i>	<i>.136</i>	<i>.111</i>	<i>2.47162</i>	<i>2.014</i>

Processed data (2021)

a. Predictors: (Constant), Company_Size, Covid19, Sale_Growth, Leverage

b. Dependent Variable: Company_performance

The results of the autocorrelation test in table 3.5 show the Durbin-Watson value of 2.014, when compared using a significance value of 5%, the number of samples is 148 (n) and the number of independent variables is 4 (k = 4). By using the Durbin-Watson table, the lower limit value (dl) is 1.6762 and the upper limit (du) is 1.7871. Because the Durbin-Watson value is greater than the upper limit (du) and less than (4-du) 4-1.7871. So it can be concluded that there is no autocorrelation in the regression model.

Table 6. Multiple Linear Regression Test Results

Coefficientsa

		<i>Unstandardized Coefficients</i>	
	<i>Model</i>	<i>B</i>	<i>Std. Error</i>
<i>1</i>	<i>(Constant)</i>	-4.239	1.347
	<i>Covid19</i>	.392	.115
	<i>Sale_Growth</i>	-.005	.004
	<i>Leverage</i>	-.181	.151
	<i>Company_Size</i>	.426	.148

Processed data (2021)

a. Dependent Variable: Company_performance

Based on the data analysis that has been shown in table 3.6, it can be formed multiple linear regression equations as follows: $Y = -4,239 + 0,392(X_1) \pm 0,005(X_2) + -0,181(X_3) + 0,426(X_4) + e$

The multiple linear regression equation shows the direction of each independent variable towards the dependent variable, where the regression coefficient of the independent variable with a positive sign means that it has a unidirectional effect on the company's performance.

Table 7. F Test Results

ANOVAa

	<i>Model</i>	<i>Sum of Squares</i>	<i>Df</i>	<i>Mean Square</i>	<i>F</i>	<i>Sig.</i>
<i>1</i>	<i>Regression</i>	136.271	4	34.068	5.577	.000b
	<i>Residual</i>	867.466	142	6.109		
	<i>Total</i>	1003.737	146			

Processed data (2021)

a. Dependent Variable: Company_performance

b. Predictors: (Constant), Company_Size, Covid19, Sale_Growth, Leverage

Based on table 3.7, the calculated F value is 5.577 with a significance of 0.000. This study has a sample (n) = 148 companies. and the number of independent and dependent variables is (k) = 5 obtained F table of 2.43. This shows F count = 5.577 > F table = 2.43 with a probability value of 0.000 <= 5% where the independent variable is the explanatory variable to the dependent variable. So it can be concluded that the variables of covid 19, sales growth, leverage and company size simultaneously have a significant effect on company performance.

Table 8. t test results

Coefficients^a

		<i>Unstandardized Coefficients</i>		<i>Standardized Coefficients</i>		
	<i>Model</i>	<i>B</i>	<i>Std. Error</i>	<i>Beta</i>	<i>t</i>	<i>Sig.</i>
<i>1</i>	<i>(Constant)</i>	<i>-4.239</i>	<i>1.347</i>		<i>-3.147</i>	<i>.002</i>
	<i>Covid19</i>	<i>.392</i>	<i>.115</i>	<i>.270</i>	<i>3.424</i>	<i>.001</i>
	<i>Sale_Growth</i>	<i>-.005</i>	<i>.004</i>	<i>-.101</i>	<i>-1.279</i>	<i>.203</i>
	<i>Leverage</i>	<i>-.181</i>	<i>.151</i>	<i>-.095</i>	<i>-1.199</i>	<i>.233</i>
	<i>Company_Size</i>	<i>.426</i>	<i>.148</i>	<i>.227</i>	<i>2.878</i>	<i>.005</i>

Processed data (2021)

a. Dependent Variable: Company_performance

Judging from the table above, the partial t-test results for the COVID-19 variable have a t-count value of 3.424, greater than the t-table (1.97658), which means that COVID-19 affects company performance. With a significance value of 0.002 for covid 19, which is smaller than a significance value of 0.05, it can be concluded that covid 19 has a significant effect on company performance. The partial t-test of the sales growth variable have a t-value of -1.279 which is smaller than the t-table of 1.97658, which means that it has no effect, with a significance value of 0.203 greater than a significance of 0.05. So it can be concluded that sales growth has no effect and is not significant to the company's performance. For the leverage variable also has no effect and is not significant on the company's performance, it can be seen that the t value is -1.199 which is smaller than the t table of 2.97658 with a significance of 0.233 > 0.05. As for the results of the partial t-test on the firm size variable, it has been found that firm size has a significant effect on firm performance. This can be seen from the t-count value of 2.878 which is greater than the t-table of 1.97658 with a significance value of 0.005 which is smaller than 0.05.

Table 9. Results of partial correlation analysis (first output)

Correlations

<i>Control Variables</i>		<i>Covid19</i>	<i>Company_perfo rmance</i>	<i>Sale_Growth</i>	<i>Leverage</i>	<i>Company_Size</i>
<i>-none^a</i>	<i>Covid19</i>	<i>Correlation</i>	<i>1.000</i>	<i>.267</i>	<i>.089</i>	<i>-.110</i>
		<i>Significance (2-tailed)</i>	<i>.</i>	<i>.001</i>	<i>.283</i>	<i>.184</i>
		<i>Df</i>	<i>0</i>	<i>145</i>	<i>145</i>	<i>145</i>

<i>Company Performance</i>	<i>Correlation</i>	.267	1.000	-.075	-.100	.205
	<i>Significance (2-tailed)</i>	.001	.	.368	.229	.013
	<i>Df</i>	145	0	145	145	145
<i>Sale_Growth</i>	<i>Correlation</i>	.089	-.075	1.000	.064	.034
	<i>Significance (2-tailed)</i>	.283	.368	.	.441	.682
	<i>Df</i>	145	145	0	145	145
<i>Leverage</i>	<i>Correlation</i>	-.110	-.100	.064	1.000	.140
	<i>Significance (2-tailed)</i>	.184	.229	.441	.	.091
	<i>Df</i>	145	145	145	0	145
<i>Company_Size</i>	<i>Correlation</i>	-.018	.205	.034	.140	1.000
	<i>Significance (2-tailed)</i>	.826	.013	.682	.091	.
	<i>Df</i>	145	145	145	145	0

Processed data (2021)

a. Cells contain zero-order (Pearson) correlations.

Based on table 3.9 (first output) shows the correlation value or relationship between the covid 19 variable and the company's performance before the inclusion of control variables (sales growth, leverage and company size) in the analysis. From the output results in the table above, the correlation coefficient value (Correlations) is 0.267 and the significance value (2-tailed) is 0.001 <0.005, it can be concluded that there is a positive and significant relationship between covid 19 and company performance without any control variables (growth), sales, leverage and company size. However, the value of 0.267 is included in the category of a weak relationship (Sugiyono, 2010).

Table 10. Results of partial correlation analysis (second output)

		<i>Correlations</i>		
<i>Control Variables</i>		<i>Covid 19</i>	<i>Company Performance</i>	
<i>Sale_Growth&Leverage&Company_Size</i>	<i>Covid19</i>	<i>Correlation</i>	1.000	.276
		<i>Significance (2-tailed)</i>	.	.001

	<i>Df</i>	0	142
<i>Kinerja_perusahaan</i>	<i>Correlation</i>	.276	1.000
	<i>Significance (2-tailed)</i>	.001	.
	<i>Df</i>	142	0

Processed data (2021)

- a. Cells contain zero-order (Pearson) correlations.

Based on the results of the second output, it shows the correlation value or relationship between the covid 19 variable and the company's performance after including the control variables (sales growth, leverage and company size) in the analysis. From the second output table, it can be seen that there is an increase in the value of the correlation coefficient to 0.276 with a significance value (2-tailed) of $0.001 < 0.005$, it can be concluded that the control variables (sales growth, leverage and firm size) can have a stronger influence between covid 19 on the company's performance, however, although there is an increase in the value of the correlation coefficient, the correlation value is still in the category of a weak relationship. Based on the discussion in the two partial correlation tests above, it can be concluded that the presence of sales growth, leverage and company size as control variables can have an influence on the relationship between covid 19 and company performance.

The statistical tests on the multiple linear regression model show that the direction of the variable coefficient of covid 19 has a significant influence on company performance. The direction of the resulting influence is positive. This is evident from the t-count value of 3.424 which is greater than the t-table (1.97658) with a significance of 0.001 smaller than 0.05. So it can be interpreted that the higher the covid 19 case, the higher the company's performance.

Even though global uncertainty is happening, the manufacturing companies sampled in the study are large-scale companies, increasing the company's performance. The government regulation on PSBB does not weaken the company's performance. In fact, it increases the company's performance. Researchers assume that when almost all people are at home to prevent the transmission of COVID-19, they actually buy an increasing supply of consumer goods, resulting in panic buying. Another reason, although people's mobility is very limited, but start-up companies and online businesses also provide new strategies to increase turnover, the availability of various kinds of goods that are ready to be consumed such as at shopee, Bukalapak, beli-beli.com, tokopedia, lazada and others that provide massive promos and free shipping, so consumers don't need to leave the house to buy goods. Indonesia's economy is getting better than in the previous quarter. Thus, covid 19 can affect the company's performance so that the hypothesis is accepted.

The findings of this study support research conducted by (Roosdiana, 2021) which explains that there is no significant difference in financial profitability ratios before and after the national announcement of the COVID-19 pandemic case in property and real estate companies. The results of this study are different from the results of previous studies which showed that covid 19 had a negative effect on company performance that had been carried out by (Choi, 2020; Iyke, 2020; Kapoor et al., 2021).

IV. CONCLUSION

Based on the results of the research and discussion as explained in the previous chapter, we can conclude that in testing the partial correlation of the independent variable, namely covid 19 with the control variables of sales growth, leverage, and company size, it has a significant effect on company performance, but the effect is still weak. Covid 19 has a significant positive effect on company performance. Partially, sales growth has no insignificant effect on company performance. Partially, leverage has no insignificant effect on company performance. Partially, company size has a significant positive effect on company performance. Simultaneously, the independent variable covid 19, growth sales, leverage, and company size significantly affect the performance of manufacturing companies listed on the Indonesia Stock Exchange in 2020.

For further research, it is expected to be able to test the effect of covid 19 on company performance or stock prices by using all companies listed on the IDX in order to generalize the results of the study and to consider other independent variables such as the type of industry that is most affected by covid 19. This study

only uses quarterly data. /quarter during 2020. As for further researchers, they can compare financial performance before and after covid 19. Investors are expected to be able to provide an understanding regarding the impact of covid 19 so that they don't make mistakes in investing because even though there is a pandemic like this, not all companies' performance has decreased. There are several companies that have benefited from this Covid 19. Meanwhile, for the government to be more careful in making decisions regarding the prevention of COVID-19, hopefully, Indonesia will be more advanced and the people will be healthy in the future.

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