FINANCE | RESEARCH ARTICLE

Comparison of Financial Performance Before and During COVID-19: Case Study of Hospitality Business, Indonesia

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Abstract: This study aims to determine and analyze whether there are differences between financial performance before and during the COVID-19 pandemic in hotel companies listed on the Indonesia Stock Exchange for the 2019-2020 period. The financial ratios used are liquidity ratios, solvency ratios, activity ratios, and profitability ratios. The population in this study is an industrial service company engaged in the hospitality sector for the 2019-2020 period. Sampling was done by the purposive sampling method. So, we obtained seven companies as samples. The data analysis method used is the paired sample t-test. The study result states First, the liquidity ratio of companies engaged in the hospitality sector is significantly different. Second, the solvency ratio of companies engaged in the hospitality sector did not differ significantly. Third, the activity ratio of companies engaged in the hospitality sector did not differ significantly. Fouth, the profitability ratios of companies engaged in the hospitality sector were not significantly different. This means that there is a difference in the company's profitability ratios. However, it did not have a significant effect before and during the COVID-19. This is seen from the analysis of the solvency ratios, which show that the three ratios used have a downward trend.

Keywords: Liquidity Ratio, Solvency Ratio, Activity Ratio, Profitability Ratio, Financial Performance.

JEL Classification Code: E6, F65, E0

1. INTRODUCTION

The COVID-19 outbreak was first detected in Wuhan City, Hubei, China, on December 1, 2019, and was designated a pandemic by the World Health Organization (WHO) on March 11, 2020. Since WHO declared this condition a pandemic, the government has required the implementation of protocols COVID-19, which has hit the business world, because everyone is encouraged to reduce outside activities to avoid the transmission of the virus, which is getting more widespread and ultimately results in the company's productivity dropping drastically (Diana et al., 2022; Gofran et al., 2022). However, these restrictions on community activities affect business activities, which then impact the economy (Hubert et al., 2022; Tuma et al., 2021). The national economic growth rate in 2020 is estimated to experience negative growth. In the first quarter of 2020, economic growth still grew 2.97 percent (YoY), but entering the second quarter, it contracted to 5.32 percent (YoY). The second quarter was the culmination of all the economic downturns because almost all business sectors were closed to prevent the spread of the SARS-CoV-2 virus that causes COVID-19. Social distancing, as a measure to deal with the COVID-19 pandemic that was implemented in some regions in Indonesia, was a factor that caused a contraction in economic growth in the second quarter of 2020. As we entered the third quarter, when the social distancing began to be relaxed, economic activity began to squirm. The economy's contraction began to ease to 3.49 percent (Olivia et al., 2020; Disemadi & Shaleh, 2020). With a record two consecutive quarters of contraction, the Indonesian economy is technically in a recession. According to the Ministry of National Development Planning/Bappenas, Indonesia's economic growth in the fourth quarter of 2020 contracted again by 2.19 percent (YoY) (Olivia et al., 2020). Even though it is still acquiring, this realization has improved since the pandemic hit Indonesia in March 2020 compared to economic growth in the second and

third quarters of 2020. The shrinking contraction indicates improved economic conditions in the fourth quarter of 2020. Meanwhile, Indonesia's economic contraction is relatively minor compared to other countries. The number of foreign tourist visits to Indonesia during the COVID-19 pandemic in 2020 did not experience a significant increase. At the end of the fourth quarter of 2020, the number of foreign tourists in Indonesia only reached 462 thousand people. This number decreased by 2.1 percent from the previous quarter and by 88.3 percent compared to the same period last year. Foreign tourist visits have not improved until the end of 2020 because the daily cases of COVID-19 in Indonesia have not decreased, even tend to increase (such as the second wave) in several countries worldwide. This condition forced the re-implementation of movement restriction policies, including the entry movement of foreign nationals from and to Indonesian territory. If viewed based on tourist entrances, arrivals by land still dominate, followed by sea and air gates (Cahyadi & Newsome, 2021). Several major tourist source countries have begun to loosen restrictions on flights to and from Indonesia. This policy is enough to encourage more foreign tourists to visit Indonesia through the airport. In the fourth quarter of 2020, the number of foreign tourist arrivals through the airport reached 52.4 thousand people, an increase of 3 times compared to the previous quarter, which was 19.7 thousand people. However, the volume is still deficient compared to the same period in 2019 or decreased by 97.8 percent (YoY) (Pramana et al., 2021; Kristiana et al., 2021) . The Hotel Room Occupancy Rate (TPK) at the end of 2020 reached 40.8 percent, or a gradual increase from the TPK of 12.67 percent in April 2020, which was the lowest TPK. Overall, the TPK for star hotels in the fourth quarter of 2020 was 39.5 percent, or 18.7 percent lower than in the fourth quarter of 2019, which reached 58.2 percent. However, the QoQ increase in the TPK for this star hotel is not accompanied by an increase in the length of stay (LOS) or length of stay of tourists. The size of stay of tourists decreased from 1.7 days in the third quarter of 2020 to 1.6 days in the fourth quarter of 2020. This condition shows that the travel pattern is still limited, related to work and family matters, due to the health evidence validity policy. Short days, thereby reducing the length of stay of tourists. Hotels are included as one of the sectors hit quite severely by the COVID-19 virus pandemic because many hotels rely on income from cooperation with travel agencies. In the absence of support from travel agents, hotels seem paralyzed from booking activities, contributing to hotel revenue by 60%. Even the Indonesian Hotel and Restaurant Association noted that 1,642 hotels throughout Indonesia had been forced to close due to the COVID-19 outbreak.

2. Literature Review

This study aims to examine a company's financial position and performance and compare the financial performance before and during the COVID-19 period. The company's financial situation reflects the company's financial management capability in carrying out company activities. At the same time, the company's financial performance reflects the company's financial management ability in carrying out company activities. An analysis of financial statements is needed to determine the company's financial position and performance. Analyzing a financial report requires a method of financial accounting, one of which is ratio analysis. In this study, researchers used ratio analysis to determine the company's financial position. Ratio analysis aims to measure the effectiveness of the company's decisions to run its business (Guridno & Guridno, 2020).

The four ratios used in this research will be liquidity, solvency, activity, and profitability. A liquidity ratio analysis measures a company's ability to meet its obligations as they fall due. A liquidity ratio analysis can be calculated using the Current Ratio (Othuon et al., 2021), Quick Ratio (Pamungkas et al., 2018), Cash Ratio (D'Mello & Miranda, 2014), and Cash Turnover Ratio (Pascarina et al., 2016). Solvency ratio analysis helps measure the company's ability to pay all its short-term and long-term obligations if it is dissolved (liquidated). Solvency ratio analysis can be calculated with the Debt to Assets Ratio, Debt to Equity Ratio, Long Term Debt to Equity Ratio, and Time Interest Earned Ratio. An activity ratio analysis helps measure the level of effectiveness of a company in using its assets. Activity ratio analysis can be calculated by accounts receivable, inventory, working capital, fixed assets, and total asset turnover. A company's profitability ratio analysis provides a helpful way to measure the company's ability to seek profit and provides a measure of the effectiveness of a company's management. A profitability ratio analysis can be calculated with Net Profit Margin,

Return on Investment, Return on Equity, and Basic Earning Power (Ahmed et al., 2020; Shaverdi et al., 2014). Based on the background described above, the authors formulate a hypothesis in this study that "there is a difference between financial performance before the COVID-19 pandemic and during the COVID-19 pandemic in hotel companies listed on the Indonesia Stock Exchange.

3. Research Method and Materials

3.1. Data and Materials

The research approach used in this study is a quantitative approach by taking data on hotel companies listed on the Indonesia Stock Exchange. To obtain the required information, this study uses data collection methods in the form of documentation, namely data collection techniques used to collect data by recording or duplicating documents. The data or documents used by researchers in this report are in the form of financial information published by hotel companies that can be accessed on the official website of the Indonesia Stock Exchange, namely www.IDX.co.id period 2019-2020. The population in this study is a public company which is a service company for the tourism and recreation industry, hotel, resort, and cruise ship sub-industry listed on the Indonesia Stock Exchange (IDX); as many as 30 issuers are presented. Selected and used as a sample in comparative research on financial performance before and during the COVID-19 pandemic.

Table 1: List of sampled companies

No	Firm Name	Stocks Code
1	PT. Dafam Property Indonesia Tbk	DFAM
2	PT. Eastparc Hotel Tbk	EAST
3	PT. Esta Multi Usaha Tbk	ESTA
4	Jakarta Internasional Hotel & Development Tbk	JIHD
5	Jakarta Setiabudi Internasional Tbk	JSPT
6	PT. Sanurhasta Mitra Tbk	MINA
7	PT. Surya Permata AndalanTbk	NATO

Source: www.idx.co.id

3.2. Data analysis method

After the research data was obtained by analyzing the company's financial ratios, the researcher entered the existing data into the computer and analyzed it statistically. Analyzing the data requires an analytical technique that follows the collected data. In this study, there are two categories of data held. Therefore, the test was carried out using the test method for the average difference between two paired samples (paired sample t-test). This test model analyzes the pre-post research model or before and after. Additional tests are used to evaluate samples in two different observation periods. After the output from the Paired Sample T-Test analysis appears, then interpret the meaning of the numbers listed in the table to prove whether there is a significant difference in financial performance before and during the COVID-19 pandemic in hotel companies with the condition that the decision to accept or rejection of the hypothesis as follows: If probability or Sig. (2-tailed) the significance level of 5% or 0.05, then there is no significant difference between the two samples. If probability or Sig. (2-tailed) < 5% significance level or 0.05. Then there is a significant difference between the two samples (Ghozali, 2005; Hazudin et al., 2015).

4. Results and Discussion

4.1. Paired Sample T-Test

After describing the results of the financial ratio analysis, the data was obtained for the variables used in this study, namely the liquidity ratio, solvency ratio, activity ratio, and profitability ratio. Hypothesis testing is done by comparing the company's financial ratios before and during the

COVID-19 pandemic using a paired sample T-test with different test equipment. The following is a tabulation of financial ratio data used for the paired sample T-test.

Table 2: Tabulation of Financial Ratio Data In 2019 (Before the Pandemic)

No	Firm Code	2019			
		Average of Liquidity Ratio	Average of Solvency Ratio	Average of Activity Ratio	Average of Profitability Ratio
1	DFAM	0,770	1,690	4,823	0,043
2	EAST	1,203	0,157	5,468	0,070
3	ESTA	0,653	0,377	9,923	0,113
4	JIHD	0,587	0,273	4,430	0,050
5	JSPT	1,440	0,513	3,603	0,060
6	MINA	11,533	0,022	4,623	0,034
7	NATO	38,860	0,004	8,380	0,066

Source: processed data (2021)

Table 3: Tabulation of Financial Ratio Data In 2020 (During the Pandemic)

No	Firm Code	2019			
		Average of Liquidity Ratio	Average of Solvency Ratio	Average of Activity Ratio	Average of Profitability Ratio
1	DFAM	0,583	1,790	5,250	-0,130
2	EAST	0,717	0,053	23,083	0,060
3	ESTA	5,740	0,223	7,143	0,083
4	JIHD	0,433	0,293	3,600	-0,030
5	JSPT	1,453	0,690	1,970	-0,173
6	MINA	4,030	0,033	2,198	-0,930
7	NATO	139,787	0,001	1,616	0,187

Source: processed data (2021)

Paired Sample T-Test was used to analyze the pre-post or before and after research model, in this case, before and during the pandemic. Different tests evaluate specific treatments of the same sample in two different observation periods. Before interpreting the figures contained in the output table, the research hypothesis formulation, and decision-making indicators for accepting or rejecting the hypothesis are first made as follows:

1. The research hypothesis formulation
   - H0 = there is no significant difference between the financial performance of hotel companies before and during the COVID-19 pandemic.
   - Ha = there is a significant difference between the financial performance of hotel companies before and during the COVID-19 pandemic
2. Decision making
   - Indicators If probability or Sig. (2-tailed) > 5% significance level or 0.05, then H0 is accepted, and Ha is rejected.
   - If probability or Sig. (2-tailed) < 5% significance level or 0.05. Then H0 is rejected, and Ha is accepted.

4.2. Paired Sample T-Test Result

Table 4: Paired Sample T-Test of Liquidity Ratio

Paired Samples Statistics		Mean	N	Std. Deviation	Std. Error Mean
Pair 1	Liquidity_2019	7,8637	7	14,23100	3,37881
	Liquidity_2020	21,8204	7	32,05739	9,67584

Paired Samples Correlations		N	Correlation	Sig.
Pair 1	Liquidity_2019 & Liquidity_2020	7	,964	,000

Paired Samples Test

		Paired Differences					t	df	Sig. (2-tailed)
		Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
					Lower	Upper			
Pair 1	Liquidity_2019 - Liquidity_2020	-13,95671	38,52531	6,56120	-49,58669	21,67326	**-2,358**	6	**,035**

From the Paired Sample T-Test results in table 4, three outputs appear Paired Sample Statistics, Paired Sample Correlations, and Paired Sample Tests. The first output presents descriptive statistics from the analyzed variable pairs, including the 2019 average (mean) liquidity ratio of 7.8637. The standard deviation value obtained is 14.23100 with a mean, standard error of 3.37881, and the average (mean) liquidity ratio in 2020 is 21.8204. The standard deviation value obtained is 32.05739 with a mean, standard error of 9.67584. The second output shows the results of the correlation between the two variables. Based on the output above, it is known that the correlation value is 0.964 with a significance value of 0.000 <0.05, so it can be said that there is a relationship between the liquidity ratio before the pandemic and the liquidity ratio during the pandemic. The final output is the most important because it shows the tests' results. Based on the Paired Samples Test, Sig's value is known. From the liquidity ratio of 0.035 < 0.05, it can be concluded that there is a significant difference between the financial performance of hotel companies before and during the COVID-19 pandemic when viewed from the liquidity ratio.

Table 5: Paired Sample T-Test of Solvency Ratio

Paired Samples Statistics

		Mean	N	Std. Deviation	Std. Error Mean
Pair 1	Solvency _2019	,4337	7	,58371	,22062
	Solvency _2020	,4404	7	,64055	,24211

Paired Samples Correlations		N	Correlation	Sig.
Pair 1	Solvency _2019 & Solvency _2020	7	,987	,000

Paired Samples Test

		Paired Differences					t	df	Sig. (2-tailed)
		Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
					Lower	Upper			
Pair 1	Solvency _2019 - Solvency _2020	-,00671	,11260	,04256	-,11085	,09743	-,158	6	**,880**

From the results of the Paired Sample T-Test above, three outputs appear Paired Sample Statistics, Paired Sample Correlations, and Paired Sample Tests. The first output presents descriptive statistical results from the analyzed variable pairs, including the 2019 average (mean) solvency ratio of 0.4337. The standard deviation value obtained is 0.58371 with a mean, standard error of 0.22062, and the average solvency ratio in 2020 is 0.4404. The standard deviation value obtained is 0.64055, with a mean, standard error of 0.24211. The second output shows the results of the correlation between the two variables. Based on the output above, it is known that the correlation value is 0.987 with a significance value of 0.000 <0.05, so it can be said that there is a relationship between the solvency ratio before the pandemic and the solvency ratio during the pandemic. The final output is the most important because it shows the tests' results. Based on the Paired Samples Test, Sig's value is known.

(2-tailed) of 0.880 > 0.05, it can be concluded that there is no significant difference between the financial performance of hotel companies before and during the COVID-19 pandemic when viewed from the solvency ratio.

Table 6: Paired Sample T-Test of Activity Ratio

Paired Samples Statistics		Mean	N	Std. Deviation	Std. Error Mean
Pair 1	Activity _2019	5,8929	7	2,33627	,88303
	Activity _2020	6,4086	7	7,61801	2,87934

Paired Samples Correlations		N	Correlation	Sig.
Pair 1	Activity _2019 & Activity _2020	7	,045	,924

		Paired Samples Test							
		Paired Differences					t	df	Sig. (2-tailed)
		Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
					Lower	Upper			
Pair 1	Activity _2019 - Activity _2020	-,51571	7,86686	2,97339	-7,79135	6,75992	-,173	6	**,868**

From the results of the Paired Sample T Test above, three outputs appear Paired Sample Statistics, Paired Sample Correlations, and Paired Sample Tests. The first output presents descriptive statistical results from the analyzed variable pairs, including the average (mean) activity ratio in 2019 of 5.8929. The standard deviation value obtained is 2.33627 with a mean, standard error of 0.88303, and the average (mean) activity ratio in 2020 is 6.4086. The standard deviation value obtained is 7.61801 with a mean, standard error of 2.87934. The second output shows the results of the correlation between the two variables. Based on the output above, it is known that the correlation value is 0.045 with a significance value of 0.924 > 0.05, so it can be said that there is no relationship between the activity ratio before the pandemic and the activity ratio during the pandemic. The final output is the most important because it shows the tests' results. Based on the Paired Samples Test, Sig's value is known. Considering that there is no significant difference between the financial performance of hotel companies before and during the COVID-19 pandemic when viewed from the ratio of their activities.

Table 7: Paired Sample T-Test of Profitability Ratio

Paired Samples Statistics		Mean	N	Std. Deviation	Std. Error Mean
Pair 1	Profitability _2019	,0623	7	,02573	,00973
	Profitability _2020	-,1333	7	,37277	,14089

Paired Samples Correlations		N	Correlation	Sig.
Pair 1	Profitability _2019 & Profitability _2020	7	,607	,148

		Paired Samples Test							
		Paired Differences					t	df	Sig. (2-tailed)
		Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
					Lower	Upper			
Pair 1	Profitability2019 – Profitability2020	,19557	,35773	,13521	-,13527	,52642	1,446	6	**,198**

From the results of the Paired Sample T-Test above, three outputs appear Paired Sample Statistics, Paired Sample Correlations, and Paired Sample Tests. The first output presents descriptive statistical results from the analyzed variable pairs, including the 2019 average (mean) profitability ratio of 0.0623. The standard deviation value obtained is 0.02573 with a mean, standard error of 0.00973, and the average (mean) profitability ratio in 2020 is -0.1333. The standard deviation value obtained is 0.37277 with a mean standard error of 0.14089. The second output shows the results of the correlation between the two variables. Based on the output above, it is known that the correlation value is 0.607 with a significance value of 0.148 > 0.05, so it can be said that there is no relationship between the profitability ratio before the pandemic and the profitability ratio during the pandemic. The final output is the most important because it shows the tests' results. Based on the Paired Samples Test, Sig's value is known. From the profitability ratio of 0.198 0.05, there is no significant difference between the financial performance of hotel companies before and during the COVID-19 pandemic when viewed from the profitability ratio.

4.3. Discussion

1. *The Company's Liquidity Ratio Before and During The COVID-19 Pandemic.*

Liquidity serves to measure a company's ability to meet its short-term obligations. A company's liquidity describes its ability to meet its short-term obligations to creditors—the greater the ratio of current assets, significantly cash to current liabilities, the better. The liquidity ratio, which describes the company's financial performance in terms of short-term liabilities, can affect the public's assessment, especially investors, to give confidence in the company to invest. Suppose the company still has an excellent ability to meet its short-term obligations (one-year period) using current assets. In that case, it can be said to be liquid, so investors do not need to worry about investing their funds if something unexpected happens. Based on the analysis of financial performance using the company's liquidity ratio, it is known that there are differences in the level of the liquidity ratio of each sample company, whether it is increasing or decreasing. However, if you look at the ratio level comparison from 2019, before the pandemic, and 2020 when the pandemic was in progress, some companies could still meet their short-term obligations. Judging from the current ratio and quick ratio, PT. Eastparc Hotel Tbk, PT. Esta Multi Usaha Tbk, Jakarta Setia Budi Internasional Tbk, PT. Sanurhasta Mitra Tbk, and PT. Surya Permata Andalan Tbk can still pay off its short-term debt, which is almost due. Because the total current assets are more significant than current liabilities. Even by ignoring the inventory's value, the company can still meet its obligations. While at PT. Dafam Property Indonesia Tbk company's liquidity position is not good because it only relies on total current assets to guarantee its current debt; while ignoring its inventory's value, the company cannot meet its short-term debt. For the cash ratio, only PT. Esta Multi Usaha Tbk and PT. Surya Permata Andalan Tbk can pay off its current liabilities with the available cash funds. However, in contrast to PT. Jakarta International Hotel & Development Tbk is illiquid because the company's total existing assets are smaller than its current liabilities. Furthermore, the results of the tests using the Paired Sample T-Test show that the liquidity ratios are significantly different. This means there is a real difference in the company's liquidity ratio between before and during the covid-19 pandemic.

This is seen from the results of the Paired Samples Statistics output, which shows the average value of the liquidity ratio in 2020 increased sharply due to the average liquidity ratio of several sample companies, such as PT. Esta Multi Usaha Tbk and PT. Surya Permata Andalan Tbk has increased from 2019. This is due to the very high cash funds of the two companies, resulting in a high liquidity ratio as well. However, excessive cash funds also indicate that funds are not allocated correctly, so they are not used optimally. The deposited cash funds do not produce anything other than bank interest. Ideally, the company allocates these funds to obtain higher returns. Because if the company gives funds for productive assets, it will generate and increase profits for the company and increase company value for shareholders.

2. *The Company's Solvency Ratio Before and During The COVID-19 Pandemic*

The solvency ratio shows the company's ability to meet short-term and long-term obligations. A company is said to be unsolvable if the company's total debt is greater than the total assets of the company. The higher the solvency aspect, the greater the number of funds creditors provide. Based on the analysis of financial performance using the solvency ratio, if you look at the ratio level comparison from 2019 before the pandemic and 2020, when the pandemic was in progress, it is known that there are differences in the ratio level of each sample company, whether it is increasing or decreasing. During the pandemic, the solvency ratio of several sample companies, such as PT. Eastparc Hotel Tbk, PT. Esta Multi Usaha Tbk, and PT. Surya Permata Andalan Tbk tends to decline compared to the period before the pandemic entered Indonesia. Several reasons cause this condition to occur. First, the company prefers to use most of the company's funding sources from their capital compared to creditors, so the risk of loss is more negligible when the economy is declining as it is today. Furthermore, the results of the tests using the Paired Sample T-Test showed that the solvency ratio was not significantly different. This means that there is a difference in the company's solvency ratio. However, it does not have a significant effect before and during the covid-19 pandemic. This is seen from the solvency ratio analysis of several sample companies. In 2020 several companies increased their company funds sourced from creditors, such as PT. Dafam Property Indonesia Tbk, Jakarta International Hotel & Development Tbk, Jakarta Setiabudi International Tbk, and PT. Sanurhasta Mitra Tbk. However, the increase in this ratio is not too far compared to 2019. Because of creditors, the company is worried that it will be unable to cover its debts with its assets due to its declining income due to the economic situation during the current pandemic.

3. *The Company's Activity Ratio Before and During The COVID-19 Pandemic*

The activity ratio determines the company's efficiency in utilizing its assets to generate cash and income. This ratio shows how the company's existing assets have been used optimally. From the measurement results with the activity ratio, it will be seen whether the company is more efficient and effective in managing its assets or maybe just the opposite. The higher the activity ratio, the better it will be for the company, meaning that the activity ratio is also running fast. Based on the analysis of financial performance using the activity ratio, if you look at the ratio level comparison from 2019 before the pandemic and 2020, when the pandemic was in progress, it is known that there are differences in the ratio level of each sample company. The turnover rate obtained has decreased except at PT for the receivables turnover ratio. Dafam Property Indonesia Tbk. This means billing efficiency is reducing during this pandemic in 2020 compared to the previous year due to the time billing is carried out. If this happens, it will take longer for trade receivables to turn into cash within a year, and this will be detrimental to the company because the money that should be received by the company quickly and can be turned back will be hampered even if it takes too long it will be more likely that the receivables cannot be collected. For working capital turnover, four of the seven sample companies experienced a decline. The decrease in the working capital turnover rate is due to an increase in the average amount of working capital, which is not accompanied by an increase in the amount of income, which will result in a decrease in the working capital turnover rate. Even at Jakarta International Hotel & Development Tbk, the results of the active capital turnover obtained are negative. This indicates that the company's operations cannot generate sufficient revenue to support the company's current debt payments. If this negative number continues over time, the company in question may sell some of its long-term, income-generating assets to pay off the company's obligations. For total asset turnover and fixed asset turnover, in 2020, the seven samples of companies received less than 1. The company causes have not been able to maximize the capacity of its assets. In other words, the company is increasingly inefficient in using its assets. Therefore, the company must try to do better in increasing the income earned in the following year. Furthermore, the results of a different test using the Paired Sample T-Test show that the activity ratio is not significantly different. This means that there is a difference in the company's activity ratio, but it does not have a significant effect before and during the COVID-19 pandemic. This is seen from the activity ratio analysis of the

seven sample companies, which shows the results of the four ratios used to decline in 2020 but not much compared to the year before the pandemic appeared in Indonesia.

4. *The company's profitability ratio before and during the COVID-19 pandemic.*

A profitability ratio is a ratio to assess the company's ability to seek profit. This ratio also measures the effectiveness of a company's management. This is indicated by the profit generated from operating income and investment income. The measurement results can be used as a management performance evaluation tool, whether they have worked effectively or not. If they succeed in achieving the predetermined target, they are said to have followed for several periods. However, on the other hand, if it fails or fails in achieving the predetermined target, this will be a lesson for management in the future period. Based on the analysis of financial performance using the profitability ratio, if you look at the ratio level comparison from 2019 before the pandemic and 2020, when the pandemic was in progress, it is known that there are differences in the ratio level of each sample company. During the pandemic, six of the seven sample companies' profitability ratios decreased compared to the previous year's ratio. This is because the income level is low due to economic conditions during the current pandemic and ultimately affects net income, which also decreases. This is the impact of the restrictions on community activities from government policies coupled with reduced income to reduce public consumption patterns resulting in decreased input received by the company and, in the end, suffered losses such as in PT. Dafam Property Indonesia Tbk, Jakarta International Hotel & Development Tbk, Jakarta Setiabudi International Tbk, and PT. Sanurhasta Mitra Tbk. Even so, some sample companies, such as PT, can still make a profit when the economy is challenging. Eastparc Hotel Tbk, PT. Esta Multi Usaha Tbk, and PT. Surya Permata Andalan Tbk can survive by generating profits for the company. Even though the income and net profit decreased, the operating expenses were not large enough so that the company could still earn a profit even though it was only with a relatively low ratio level. Furthermore, the results of the tests using the Paired Sample T-Test show that the profitability ratios are not significantly different. This means that there is a difference in the company's profitability ratios. However, it does not have a significant effect before and during the covid-19 pandemic. This is seen from the analysis of the profitability ratios of the seven sample companies, which show that the three ratios used have a downward trend but are not far from the ratio results in 2019.

5. Conclusion

Based on the results and discussion above, the conclusions of this study are as follows: First, the liquidity ratio of companies engaged in the hospitality sector for the 2019-2020 period is significantly different. This means there is a real difference in the company's liquidity ratio before and during the COVID-19 pandemic. This can be seen from the results of the Paired Samples Statistics, which show the average value of the liquidity ratio in 2020 increased sharply because the average liquidity ratio of several sample companies had increased from 2019. This is due to the very high cash funds of the two companies, resulting in the ratio of liquidity being also high. Second, the solvency ratio of companies engaged in the hospitality sector for the 2019-2020 period did not differ significantly. This means that there is a difference in the company's solvency ratio. However, it did not have a significant effect before and during the COVID-19 pandemic. This is seen from the solvency ratio analysis of several sample companies. In 2020, several companies increased their company funds from creditors, but the increase in this ratio was not too much compared to 2019. Third, the activity ratio of companies engaged in the hospitality sector for the 2019-2020 period did not differ significantly. This means that there is a difference in the company's activity ratio, but it does not have a significant effect before and during the COVID-19 pandemic. This is seen from the analysis of the solvency ratios of the seven sample companies, which shows that the results of the four ratios used decreased in 2020 but are not far from the year before the pandemic appeared in Indonesia. Fouth, the profitability ratios of companies engaged in the hospitality sector for the 2019-2020 period were not significantly different. This means that there is a difference in the company's profitability ratios. However, it did not have a significant effect before and during the COVID-19 pandemic. This is seen from the analysis of the

solvency ratios of the seven sample companies, which show that the three ratios used have a downward trend but are not far from the ratio results in 2019.

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