ABSTRACT

This study is to determine how the influence of financial performance is based on the current ratio and how the influence of financial performance is based on the quick ratio and how the influence of financial performance is based on cash ratios at PT Multi Bintang Indonesia Tbk. The data used are secondary in the form of financial reports for the period 2016 to 2019. The population is in the form of financial reports of PT Multi Bintang Indonesia Tbk. The sample used is probability sampling. The data collection technique used is the documentation method in the financial statements of PT Multi Bintang Indonesia Tbk. The data analysis techniques used were a normality test, multicollinearity test, heteroscedasticity test, autocorrelation test, multiple linear regression test, and performed with the help of the computer program SPSS version 17.0 for Windows. The method used to assess the financial performance of PT Multi Bintang Indonesia Tbk is the liquidity ratio. The results of this study indicate that the current ratio and cash ratio do not have a significant effect on financial performance and the quick ratio has no significant effect on financial performance. Partially the current ratio and cash ratio are not proven to significantly affect the dependent variable (financial performance) and the quick ratio has no significant effect on financial performance. Simultaneously, the current ratio, cash ratio, and quick ratio have not been able to pay short-term obligations. This is because one of the components of current debt shows a large nominal level, compared to changes in current assets that affect the amount of current debt that is greater than current assets.

Keywords:
Liquidity Ratio, Current Ratio, Cash Ratio, Quick Ratio, and Financial Performance

I. INTRODUCTION

With the increasing competition in business today, companies must have many good strategies in facing various kinds of business competition. One of the main supporting factors for the company is preparing its strategy is good financial performance. Whether a company's financial performance is good or bad it will greatly influence the direction of the company's growth.

According to (Anisa et al., 2020) financial performance is an analysis carried out to see the extent to which a company has implemented proper and correct financial implementation rules. The company's financial performance during its operation can be seen through financial reports which contain information about financial data. Financial ratio analysis is the analysis of financial statements that are widely used because of its relatively easy use. Assessment of company performance is very important. By analyzing liquidity ratios, solvency, and asset management analysis, the company's financial performance can be assessed. According to (Utomo et al., 2018) the level of liquidity is the company's ability to obtain its financial
obligations that must be fulfilled immediately or the company's ability to meet its finances when they are collected. And among the analyzes that are always used to measure performance in a company, especially in the financial sector, is the analysis of the liquidity ratio, with this analysis the company can evaluate the past and present, evaluated, and analyzed so that its performance can be known.

In general, the financial ratios that are often used to assess a company's financial performance are liquidity ratios, profitability ratios, or ratios that indicate a company is generating profits, activity ratios are ratios that state a company’s ability to utilize its resources and how the company is in managing the assets it owns. The solvency ratio (leverage), shows the company's ability to meet long-term obligations. By using the liquidity ratio, it can be seen that the current and future developments in current assets and short-term liabilities of a company so that it can be decided whether the company's condition is good or vice versa.

The problem in this study is how the influence of the financial performance of PT Multi Bintang Indonesia Tbk based on the current ratio, how is the influence of the financial performance of PT Multi Bintang Indonesia Tbk based on the quick ratio, how is the influence of the financial performance of PT Multi Bintang Indonesia Tbk based on the cash ratio.

While the purpose of this study is to determine how much influence the current ratio, quick ratio, and cash ratio to financial performance at PT Multi Bintang Indonesia Tbk. The benefit of this research is that it can provide knowledge about finance, especially knowledge about ratio analysis. And can be used as a reference and comparison material for further research.

According to the results of research conducted by (Mas'ud & Srengga, 2015) who examined liquidity ratios in automotive companies, it was stated that the liquidity ratios in 2012-2016 produced good values and good financial performance. Another study examining liquidity ratios was carried out by (“THE EFFECT OF FINANCIAL RATIOS AND COMPANY SIZE ON RETURN OF SHARES,” 2015) which examined Food and Beverages companies listed on the Indonesian stock exchange stated that liquidity ratios had a significant effect on financial performance with evidence good liquidity value and good financial performance.

The existence of research that examines the liquidity ratio that affects financial performance in well-known companies makes researchers want to research measuring the liquidity ratio at PT Multi Bintang Indonesia Tbk because no research has researched PT Multi Bintang Indonesia Tbk regarding financial performance in the 2017 period - 2019.

II. RESEARCH METHOD

a. Type Of Research, Population And Research Sample

This research is quantitative because it refers to the calculation and analysis of data in the form of numbers. Quantitative research is research where the data is in the form of numbers and the analysis uses statistics. (Quantitative & Qualitative Research Methods, 2010). This study uses financial reports on the company PT
Multi Bintang Indonesia Tbk on the Indonesia Stock Exchange by processing financial report data for the period 2017-2019. And in this study, the population is data at PT Multi Bintang Indonesia Tbk in the form of financial reports. Meanwhile, in this study, the sample is the financial statements of PT Multi Bintang Indonesia Tbk for the period 2017-2018.

b. Data Sources

The data source of this research is secondary data, which is published data or data that researchers get from other published or available sources in the form of financial reports. The data source in this study is in the form of the financial statements of PT Multi Bintang Indonesia Tbk for the period 2017 to 2019 which are listed on the Indonesia Stock Exchange (IDX).

c. Place and Time of Research

In this study, researchers took the place of research on the Indonesia Stock Exchange (BEI), meaning that the data used as the object of research was sourced from the official website of the Indonesia Stock Exchange (BEI), namely https://www.idx.co.id. and the PT Multi Bintang Indonesia Tbk website, namely https://www.multibintang.co.id/. Research time is the time it takes the author to collect secondary data and examine the financial statements of PT Multi Bintang Indonesia Tbk. Listed on the Indonesia Stock Exchange (IDX), from February to May 2020.

d. Data Collection Techniques

The data collection technique used in this research is the documentation method. Documentation according to (Sugiyono, 2015) is a method used to obtain data and information in the form of books, archives, documents, written numbers, and images in the form of reports and information that can support research. The documentation used in this study is the financial statement data of PT Multi Bintang Indonesia Tbk for the 2017-2018 period. And in obtaining research data, the authors retrieve data through financial reports obtained from the website https://www.idx.co.id.

a) Classic Assumption Test

(1) Normality Test

The normality test is carried out to find out whether the tested data has been normally distributed or not. In this study, researchers used the Kolmogorov Smirnov method with SPSS for data normality testing. The basis for the decision-maker for the data normality test is:

1) If the significance > 0.05 then the decision is to accept H0 or in other words, the linear regression model has a normal residual or error.

2) If the significance < 0.05, the decision is to reject H0 or in other words, the regression model has an abnormal residual or error.

(2) Multicollinearity Test

A multicollinearity test is used to find out whether the independent variables
have a perfect relationship or not. The condition for the acceptance of this multiple regression model is if the independent variables do not contain a correlation. Multicollinearity testing can be seen from the Variance Influence Factor (VIF) and Tolerance values based on the SPSS output results. If the VIF value is <10.00 or a tolerance value > 0.10, multicollinearity will not occur, but if the VIF value > 10.00 and a tolerance value <0.10, then the data is assumed to occur multicollinearity.

(3) Heteroscedasticity Test

According to (Priyatno, 2012). Heteroscedasticity test is a condition wherein the regression model there is an inequality of variants from the residuals from one observation to another. A good regression model does not occur heteroscedasticity. This method uses the chart method (Scatterplot diagram). And the heteroscedasticity test aims to test whether in the regression model there is an inequality of variance from the residuals of one observation to another. This symptom of unequal variance is called heteroscedasticity, while the presence of the same residual symptom from one observation to another is called homoscedasticity.

Heteroscedasticity test can be done using a scatterplot graph between the value of the dependent variable (ZSPRED) and its residual (SSID), where the X-axis is the predicted and the Y-axis is residual (Danang Sunyoto, 2013: 91). The guidelines used to predict or detect the presence or absence of heteroscedasticity symptoms are carried out by looking at the scatterplots image pattern, provided that:

1) Spread data points above and below or around 0.
2) The dots are not clustered just above or below it.
3) The distribution of data points should not form a wavy pattern that widens then narrows and widened again.
4) The distribution of data points is not patterned.

In this study, researchers used the heteroscedasticity test by looking at the SPSS Scatter Plot image.

(4) Autocorrelation Test

Autocorrelation test is a condition in which in the regression model there is a correlation between the residuals in period t and the residuals in the previous period t-1. A good regression model is one that does not have autocorrelation problems. The test method uses the Durbin-Watson test (Research & Business, 2009). To test this, the authors can see the Durbin – Watson value provided that the results of the classical DW assumption test do not exceed -2 or exceed 2. If the tested variable does not exceed this limit, then the variable does not occur autocorrelation. According to Dwi Priyatno (2009: 61) Autocorrelation is a condition where there is a correlation from the residuals for one observation to another which is arranged according to time series. Autocorrelation test is a statistical analysis conducted to determine whether there is a correlation between the variables in the prediction model and changes in time. The autocorrelation test is only used for time series data (data obtained within a certain period) such as
financial statement data and others. Meanwhile for cross-section data (data obtained simultaneously or at once, such as through questionnaires), the data. There is no need for an autocorrelation test. A good regression model is a regression that is free of autocorrelation symptoms. And in the study, researchers used the autocorrelation test by observing Table Durbin Watson. The basis for decision making in the Durbin Watson autocorrelation test is as follows:

1) If d (Durbin Watson) is smaller than dL or greater than (4-dL) then the null hypothesis is rejected, which means there is autocorrelation.
2) If d (Durbin Watson) lies between dU and (4-dU) then the null hypothesis is accepted, which means there is no autocorrelation.
3) If d (Durbin Watson) lies between dL and dU or between (4-dU) and (4-dL) then there is no definite conclusion.

(5) Hypothesis testing

Hypothesis testing is a procedure that will produce a decision, namely the decision to accept or reject the hypothesis. The hypothesis to be tested in this study is whether or not there is a significant effect of the liquidity ratio (variable X) with financial performance (variable Y). To test this hypothesis, the data obtained were analyzed with the formula "F" test and "t" test as follows:

(a) Significant Test for Individual Parameters (t Statistical Test)

The t statistical test shows how far the influence of one explanatory or independent variable individually in explaining the variation of the dependent variable (I. Ghozali, 2019). To test this hypothesis the t statistic is used with the following decision-making criteria:

1) If the number of degrees of freedom (df) is 20 or more, and the degree of confidence is 5%, then Ho who states bi = 0 can be rejected if the value of t is greater than 2 (absolute value). In other words, we accept the alternative hypothesis, which states that an independent variable individually affects the dependent variable.
2) Comparing the t statistical value with the critical point according to the table. If the calculated t statistical value is higher than the t table value, we accept an alternative hypothesis which states that an independent variable individually affects the dependent variable.

(b) Simultaneous Significance Test (F Statistical Test)

The F statistical test shows whether all the independent or free variables included in the model have a joint influence on the dependent or dependent variable (M. Ghozali, 2014). To test this hypothesis, the F statistic is used with the following decision-making criteria:

1) If the F value is greater than 4 then Ho can be rejected at the 5% degree of confidence. In other words, we accept the alternative hypothesis, which states that all independent variables simultaneously and significantly influence the dependent variable.
2) Comparing the calculated F value with F according to the table. If the
calculated F value is greater than the F table value, then Ho is rejected and accepts Ha.

III. RESEARCH AND DISCUSSION

a. Normality Test

The normality test aims to test whether, in the regression model, confounding or residual variables have a normal distribution. This normality test uses the Kolmogorov-Smirnov Test statistic with the following hypothesis:

From the results of the normality test above, it can be concluded that the variables used in this study, namely Liquidity (Current Ratio, Quick Ratio, Cash Ratio) and financial performance have a significant level above 0.05, namely 0.515. This means that the data used in this study have a normal distribution and indicate that the regression model is feasible because it meets the criteria for the normality assumption.

b. Multicollinearity Test

This test aims to test whether the regression model found a correlation between the independent variables (independent). A good regression model should not correlate with the independent variables. If the independent variables are correlated, these variables are not orthogonal. If the value of VIF > 10
Indicates multicollinearity, and if on the other hand VIF <10 then multicollinearity does not occur. From the results above, it can be seen that the value of the variance inflation factor (VIF) of the three variables, namely the Current Ratio of 2.444, the Quick Ratio of 4.987, and the Cash Ratio of 7.799 is smaller than 10 and the Tolerance of more than 0.100. It can be concluded that between the independent variables there is no multicollinearity problem.

c. **Heteroscedasticity Test**

The heteroscedasticity test aims to test whether in the regression model there is an inequality of variance from the residues of one observation to another. From the results above, it can be seen that the significance value of the three independent variables is more than 0.05. Thus it can be concluded that there is no heteroscedasticity problem in the regression model.

d. **Autocorrelation Test**

The autocorrelation test aims to test whether in a linear regression model there is a correlation between the confounding error in period t and the error in period t-1 (previous).

e. **Multiple Linear Regression**

The regression equation in this study is to determine how much influence the independent or free variable, namely the liquidity ratio (X) to financial performance (Y). The mathematical formula of multiple regression used in this study are: $Y = a + b1X1 + b2X2 + b3X3 + e$
f. Significant Test for Individual Parameters (t Statistical Test)

The t statistical test shows how far the influence of one explanatory or independent variable individually in explaining the variation in the dependent variable. From the results above, it can be seen that the significance value of the t test, namely: X1 (current ratio) Sig 0.548, X2 (quick ratio) Sig 0.329, X3 (cash ratio of) Sig 0.628.

\[ T \text{ Table} = t \left( \frac{a}{2}, n-k-1 \right) = (0.25: 8) = 2.306 \]

\[ T \text{ Count} = 0.290 \]

From the results above, it can be seen that t count 0.290 is obtained from the t table distribution of 0.25 and the degree of freedom (df) is 8 which is obtained from the t table column with a significance level of 5% and it can be concluded that:

1) It is known that the value for the effect of X1 on Y is 0.548 > 0.05 and t count is 0.290 < 2.306. So it can be concluded that H1 is rejected, which means there is no effect of X1 (current ratio) on Y (financial performance).

2) It is known that the value for the effect of X2 on Y is 0.329 > 0.05 and t count is 0.700 < 2.306. So it can be concluded that H1 is rejected, which means there is no effect of X2 (quick ratio) on Y (financial performance).

3) It is known that the value for the effect of X3 on Y is 0.628 > 0.05 and t count 0.407 < 2.306. So it can be concluded that H3 is rejected, which means there is no effect of X3 (cash ratio) on Y (financial performance).

a) Simultaneous Significance Test (Test Statistic F)

The F statistical test shows whether all the independent or free variables included in the model have a joint influence on the dependent or dependent variable. From the above results, we can see that it can be seen that the F count is 0.817 and the significant value is 0.524, because the significant value is more than 0.05, it can be said that there is no significant influence between the liquidity variable on financial performance. And if it is calculated based on the formula F Table is:

It can be concluded that the f table is 3.86 which is obtained from the distribution of f table values with a significance of 0.05. and based on the output, it is known that the significant value for the effect of X1 (current ratio), X2 (quick ratio), X3 (cash ratio) to Y (financial performance) is 0.542 > 0.05 and the calculated f
Quick ratio = 86
aktiva lancar − persediaan
x 100%
hutang lancar

IV. DISCUSSION

a) General Company Image

PT. Multi Bintang Indonesia Tbk is a company engaged in the beer beverage industry in Indonesia. This company was first established under the name NV Nederlandsch-Indische Bierbrouwerijen on June 3, 1929, in Medan, North Sumatra. This beer producer initially started its operations at a factory located in Surabaya, East Java. In the same year, the company also moved its head office to Surabaya. The company began to change its name to Heineken's Nederlandsch-Indische Bierbrouwerijen Maatschappij NV in 1951.

In 1936, the majority stake in the company was held by one of the leading brewing companies called Heineken NV. Name of PT. Multi Bintang Indonesia Tbk began to be used officially by the company in 1982. In the same year, the company also began to change its status to a public company by successfully listing its shares on the Indonesia Stock Exchange.

b) Ratio Analysis

Based on the research title listed on the background of the problem above, the results of the research on the liquidity ratio at PT Multi Bintang Indonesia Tbk are calculated every quarter in one period (year). The results of the research on the liquidity ratio of PT Multi Bintang Indonesia Tbk can be seen as follows:

1) Current Ratio

\[
\text{Current Ratio} = \frac{\text{aktiva lancar}}{\text{hutang lancar}} \times 100\%
\]

The ratio shows the extent to which current assets can be used to cover short-term liabilities. The calculation of the Current ratio is as follows:

2) Quick Ratio

Quick Ratio is used to determine the company's ability to pay short-term liabilities by using current assets without inventory because inventory takes a long time to convert into money compared to other assets.

\[
\text{Quick ratio} = \frac{\text{aktiva lancar} − \text{persediaan}}{\text{hutang lancar}} \times 100\%
\]
3) Cash Ratio

\[
\text{Cash ratio} = \frac{\text{kas}}{\text{hutang lancar}} \times 100\%
\]

The cash ratio is used to measure the availability of cash to pay off short-term liabilities.

e) Relevant Previous Research

Erikaris Dueli’s (2017) research on the analysis of the effect of liquidity ratios on financial performance at PT Otomotif Bekasi which is listed on the Indonesian stock exchange for the period 2012-2016. It can be concluded that the financial performance at PT Otomotif Priode 2012-2016. Produce good value The research uses quantitative research methods. The formulation of the problem contained in this study is how the financial performance of PT Otomotif Bekasi Priode in 2012-2016 is based on the ratio liquidity. The data analysis technique used is descriptive.

Arysa Ardy Septhina (2015: 7) research on the analysis of the effect of liquidity on financial performance in food and beverages companies listed on the Indonesian stock exchange for the period 2012-2014, it can be concluded that there is a significant influence between liquidity on the financial performance of PT Indofood Sukses Makmur Tbk which results in good value.

1) This research uses quantitative research methods. The formulation of the problem contained in this study is how the effect of liquidity on the financial performance of PT Sepatu Bata Tbk shows that the company is liquid.

2) Measured by a quick ratio where the finances of PT Sepatu Bata Tbk show less liquidity because the company has not been able to cover current liabilities owned by the company.

3) Measured by cash ratio where the finances of PT Sepatu Bata Tbk show less liquid because the availability of cash and cash equivalents in the company has not been able to cover current liabilities owned by the company.

The problem in this research is how is the financial performance of PT Sepatu Bata Tbk in 2012-2016 which is measured based on the ratio of liquidity, solvency, profitability, and market ratios. This research uses qualitative research methods. The data analysis technique used is descriptive analysis.

d) Hypothesis Testing

The effect of the current ratio on financial performance at PT Multi Bintang Indonesia Tbk. Where these results can be seen in the T-test with a significance of 0.548> 0.05. This shows a relationship that is not significant because of the 0.458 value finance in food and beverage companies listed on the Indonesian stock exchange for the period 2012-2014. The data analysis technique used is multiple linear regression analysis.

Research (Maith, 2013) regarding the measurement of the financial performance of PT Sepatu Bata Tbk in 2012-2016 with liquidity ratios, solvency, profitability, and market ratios can be concluded about the liquidity ratios as follows:

Measured using the current ratio where the situation is more than 0.05, it can be said that Ha is rejected, and H0 is accepted. This means that the current ratio does not have a significant effect on the dependent variable (financial performance). The results of this
study are in line with research (Suhendro, 2017) with the results that the current ratio has no significant effect on financial performance in automotive companies listed on the IDX for the period 2012-2016 with the resulting significance level of 0.564> 0.05 so that Ho is accepted. Based on this test, the liquidity ratio of automotive companies listed on the Indonesia Stock Exchange is influenced by the cash flow of 19.2% while the remaining 80.8% is influenced by other variables not discussed in the study.

The effect of the quick ratio on financial performance at PT Multi Bintang Indonesia Tbk. Where these results can be seen in t test with a significance of 0.329 the value is more than 0.05, it can be said that Ha is rejected and H0 is accepted. This means that the quick ratio does not have a significant effect on the dependent variable (financial performance). The results of this study are also in line with research (Jiang & Lie, 2016) with the results that the cash ratio and current ratio have good ability compared to the quick ratio. Where the company's ability has not been able to pay its current obligations using fast assets. This is because inventories are considered to require a relatively long time to cash. So the quick ratio does not always affect financial performance. The effect of cash ratio on financial performance at PT Multi Bintang Indonesia Tbk. Where these results can be seen in the T-test with a significance of 0.628> 0.05. This shows a relationship that is not significant because 0.628 the value is more than 0.05, it can be said that Ha is rejected and H0 is accepted. This means that the cash ratio does not have a significant effect on the dependent variable (financial performance). The results of this study are in line with the research (quantitative, qualitative, and R&D research methods, 2016) with the results of the research that cash ratios have no significant effect on financial performance at PT Sepatu Bata listed on the IDX for the period 2012-2016 because of the company's ability to pay its obligations using cash is not good yet. This result is influenced by the cash value that has not been able to pay its short-term obligations.

V. CONCLUSION
a). The current ratio does not affect financial performance in 2017-2019, which is indicated by the value of the regression coefficient on the current ratio variable with an insignificant value, so H0 is accepted. This means that so far PT Multi Bintang Indonesia Tbk has not been able to pay its short-term debt using assets smoothly. This is because one of the components in current debt shows the level nominal size, compared to changes in current assets which affect the amount of current debt is greater than current assets.

b). The quick ratio has no positive effect on financial performance in 2017-2019, which is indicated by the regression coefficient value on the quick ratio variable with an insignificant value. This means that so far PT Multi Bintang Indonesia Tbk has not been able to meet its short-term debt using fast assets.

c). The cash ratio has no positive effect on financial performance in 2017-2019, which is indicated by the value of the regression coefficient on the cash ratio variable with an insignificant value. This means that so far PT Multi Bintang Indonesia Tbk has not been able to meet its short-term debt using cash and cash equivalents. Based on the data used in this study in the form of financial statements as measured by the ratio of current, quick, and cash ratios, the results show that the three ratios do not affect the financial
performance of PT Multi Bintang Indonesia Tbk. This is because one of the components of current debt shows a large nominal level, compared to changes in current assets that affect the amount of current debt that is greater than current assets.

REFERENCES


