ISSN: 2338-8412 e-ISSN : 2716-4411

Ekombis Review – Jurnal Ilmiah Ekonomi dan Bisnis
Available online at : https://jurnal.unived.ac.id/index.php/er/index
DOI: https://doi.org/10.37676/ekombis.v12i3

The Influence Of Earnings Per Share, Return On Equity, Return On Assets, And Net Profit Margin On Financial Distress In The Consumer Cyclicals Sector On The Indonesian Stock Exchange

Rizki Ary Mujianto [1], Dedi Hariyanto [2]
[1,2] Univesitas Muhammadiyah Pontianak
Email: [1] 201310023@unmuhpnk.ac.id , [2] dedi.hariyanto@unmuhpnk.ac.id

How to Cite :
Mujianto, A.R., Hariyanto, D. (2024). The Influence Of Earnings Per Share, Return On Equity, Return On Assets, And Net Profit Margin On Financial Distress In The Consumer Cyclicals Sector On The Indonesian Stock Exchange. EKOMBIS REVIEW: Jurnal Ilmiah Ekonomi Dan Bisnis, 12(3). doi: https://doi.org/10.37676/ekombis.v12i3

ARTICLE HISTORY
Received [05 Mei 2024]
Revised [29 Juni 2024]
Accepted [07 Juli 2024]

KEYWORDS
Earnings Per Share, Return On Equity, Return On Assets, Profit Margin, Financial Distres.

ABSTRACT

This research aims to determine the effect of EPS, ROE, ROA, and NPM on Financial Distress in the consumer Cyclicals sector for the 2020-2022 period. The population used in this research is the cyclical consumer sector on the Indonesia Stock Exchange (BEI) for the 2020-2022 period. This type of research is quantitative. Using secondary data and purposive sampling techniques using SPSS 24. The research results show that EPS, ROE, ROA and NPM simultaneously do not have a significant influence on financial distress in cyclical consumer deposits on the Indonesia Stock Exchange (BEI) for the 2020-2022 period.

INTRODUCTION

Global developments and changing economic dynamics have had a significant impact on the financial sustainability of companies. Companies from various sectors have an important role in improving the Indonesian economy. This is supported by the function of the company, namely as employment, increasing state income, and meeting the needs of the community. In running its business, the company will certainly face various challenges such as market competition, economic crisis social challenges and resource instability. One of the challenges that companies often face is financial difficulties, financial difficulties are conditions that can threaten the operational continuity and business sustainability of a company, this can be caused by various factors such as changes in economic conditions, management's inability to manage risks or changes in regulations.Indonesia's economic situation in 2020-2022 was significantly affected by the COVID-19 pandemic, starting from throughout 2020 Indonesia faced a significant economic contraction, where almost all companies suffered losses due to this pandemic, as time

went on in 2021 Indonesia began to see signs of economic recovery, although the recovery was gradual, several sectors had begun to improve and the recovery continued until now. With this pandemic, many companies in Indonesia have experienced a decrease in company revenue, fluctuations in revenue, and there are even companies that have gone bankrupt. This pandemic has a serious impact on the company's financial condition. Based on the above phenomena, researchers are interested in conducting research on Financial Distress or financial difficulties, because many companies in 2020-2022 experienced financial difficulties or decreased revenue. In this condition, the company could potentially experience financial distress and bankruptcy if the financial problems experienced are not resolved properly. Financial distress is a condition where the company is experiencing significant financial difficulties. This condition is caused by economic problems in the company, causing the inability of a company to avoid this. Usually, the company will experience losses in the last few years and is unable to pay off the company's obligations when due until finally the company experiences financial distress or even bankruptcyOn the Indonesia Stock Exchange (IDX) there are 12 types of sectors, namely the Healthcare, Basic Materials, Financials, Transportation & Logistics, Technology, Consumer Non-Cyclicals, Industrials, Energy, Consumer Cyclicals, Infrastructures, Properties & Real Estate and Listed Investment Product sectors. This research uses the Consumer Cyclicals Sector because this sector is often sensitive to changes in the economic cycle. In addition to being affected by changes in the economic cycle, this sector is also sensitive to lifestyle changes such as changes in consumer trends, preferences, or spending patterns which have a significant impact on the company's financial performance and many companies in this sector also experience losses on the profit/loss statement. With this happening, the company experiences irregular or fluctuating income, and has the potential to experience financial distress if the economic cycle continues to worsen. The Consumer Cyclicals sector is a part of the economic market that includes companies engaged in consumption.

This sector consists of companies that sell goods and services that are not considered basic necessities, but rather items that are desired by consumers with sufficient purchasing power. This sector includes retail, apparel & luxury goods companies, retail, automotive, hospitality & travel and entertainment industries. In periods of economic expansion, Consumer Cyclicals Sector companies can experience rapid growth, as consumers tend to have more disposable income to purchase non-essential goods or services with this resulting in good performance for companies as demand for products increases, but conversely in periods of recession this sector tends to feel a significant negative impact, as consumers will reduce their spending and result in companies experiencing a decline in sales. Therefore, this sector is considered sensitive to changes in the economic cycle due to its dependence on consumer purchasing power.

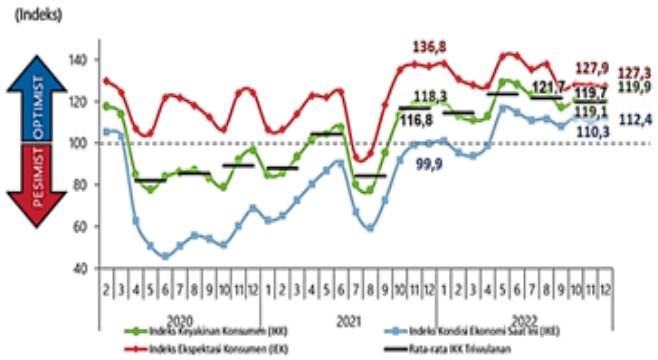

Figure 1. Consumer Confidence Index, Consumer Expectations Indexand Economic Conditions Index Year 2020-2022

Based on Figure 1 Quarterly, the Consumer Confidence Index (CCI) for the fourth quarter of 2022 was in the optimistic area at 119.7, lower than 121.7 in the third quarter of 2022, but

higher than 116.8 in the fourth quarter of 2021. The weakening of consumer confidence in the fourth quarter of 2022 was caused by the decline in all components that make up the Consumer Expectations Index (CEC). This decline in CEC can also be caused by many factors such as an unstable economic cycle, changes in consumer preferences and changes in company conditions. This situation could have impacted some companies such as those in the retail, tourism and entertainment & recreation industries.As a result, some companies in the Consumer Cyclicals Sector are facing declining revenues due to lower consumer confidence. If the CCI is low it means that consumers will be more cautious in spending or limit their spending more in purchasing goods, this could result in a decrease in demand and underperformance for companies in the Consumer Cyclicals Sector, and also conversely if the CCI is high it means that consumers will be more confident in economic conditions, so they will be more likely to purchase goods.To calculate the level of financial distress of a company there are several methods that can be used, namely Altman Z-Score, Oman's Model, Springate Model, Grover's Model, Zmijewski Model, Merton Model, and Credit Rating Agencies. In this study, researchers decided to use the Altman Z-Score Method, on the grounds that this method is considered effective for identifying high-risk companies during periods of economic instability, this method also combines several financial ratios commonly used to assess the company's financial performance, and this method can be used for various types of industries & companies that have gone public. The data used to calculate this method include current assets, current debt, total assets, retained earnings, profit before tax, equity and liabilities.Earnings Pes Share (EPS) is one of the financial measures used to measure how much profit per share is earned by shareholders of a company, by comparing net income with the amount outstanding. A high EPS is considered favorable because it shows the profitability of a company that is good for the company's shareholders. In 2020, 2021, and 2022 companies that have experienced losses for the last 3 years with the codes DFAM, FITT, HRME, JSPT, JIHD, PSKT, JGLE, SOTS, MINA, BUVA, PNSE, CLAY, FAST, BLTZ, AKKU, ARTA, CSMI, KOTA, ARGO, MYTX, BATA, SBAT, RICY, BIMA, CNTX, HDTX, POLU, SCNP, LMPI, IIKP, MKNT, TELE, SONA, GLOB, NETV, MSKY, VIVA, MARI ABBA, DIGI and PRAS. There are 41 companies that have decreased profits, there are several factors that cause this to happen, ranging from expenses made by the company that exceed the revenue earned, decreased revenue, economic cycles, to high debt or financial expenses. This decrease in the profit / loss statement is one of the factors in the occurrence of financial difficulties or financial distress in the company.

(Return on Equity) ROE is one of the financial ratios used to evaluate the use of equity in a company, ROE measures the effectiveness of a company in generating profits from each unit of equity or shareholder ownership. The higher the ROE, the more efficient the company is in generating profits from available equity (Dessyana, D., & Aliah, N, 2022). There are companies that experience losses in their equity reports with the codes BUVA (2022), CLAY (2022), ARGO (2020-2022), MYTX (2021-2022), CNTX (2020-2022), HDTX (2021-2022), SRIL(2021-2022), POLY(2020-2022), MKNT(2022), TELE(2020-2022), GLOB(2020-2022), TRIO(2020-2022), NETV(2021-2022), VIVA(2021-2022), ABBA(2020), DIGI(2022). Losses occur due to factors such as market fluctuations, high operating costs, or changes in economic conditions. These losses can also have serious impacts on the company such as reduced market value, decreased investor confidence, and dividend cuts (Sejati, F. R., Reyhan, A., & Noch, M. Y., 2024).(Return On Asset) ROA is a financial ratio used to measure the company's ability to generate net income from its assets. ROA provides an overview of the company's efficiency in using assets to gain value and profit. A high ROA can show that the company is efficient in managing its assets to generate profits. Conversely, if ROA is low, it shows that the company is inefficient in managing the use of its assets.Companies that have decreased total assets over the past 3 years with the codes DFAM, JIHD, PSKT, SHID, JGLE, PDES, PTSP, SOTS, MINA, BUVA, PNSE, CLAY, NATO, BLTZ, ARTA, CSMI, KOTA, BOLA, RICY, HDTX, SSTM, SRIL, TFCO, CINT, LFLO, SOFA, IIKD, MNNT, TELE, LPPF, CARS, TRIO, NETV, MSKY, DIGI, and PRAS.(Net Profit Margin) NPM is one of the profitability ratios, NPM is used to measure the percentage of net profit generated by a company from its total revenue

or sales. This ratio gives an idea of how efficient a company is in converting revenue into net profit. NPM is measured as a percentage, the higher the NPM, the greater the percentage of revenue generated as net profit and the better the company's profitability, on the contrary, if the NPM is low it shows pressure on the company's profitability. In 2020, 2021, and 2022 companies that experienced a significant decline in sales, namely: PANR in 2020-2021 (IDR 793,211,964,000-Rp101,573,748,000), PDES in 2020-2021 (IDR 73,333,638,785-Rp9,280,503,778), HAJJ in 2020-2021 (IDR 10,353. 982,967- Rp252,860,000, SRIL 2020-2021 (Rp18,090,641,161,320-Rp12,093,307,556,239), POLU 2020-2021 (Rp196,517,768,308- Rp104,782,481. 860), HDTX in 2021-2022 (IDR11,764,292,000-Rp6,005,743,000), IIKP in 2021-2022 (IDR18,376,431,778-Rp6,629,120,976), TELE in 2020-2021 (IDR4,206. 839,000,000-Rp1,768,907,000,000), SONA in 2020-2021 (IDR245,551,577,771-Rp67,870,642,048), PRAS in 2021-2022 (IDR262,061,053,201-Rp91,714,152,467).The Modified Altman Z-Score method is used to predict the possibility of bankruptcy of a company, it can be used for various types of industries that are both public and private. As used in this method, namely working capital on total assets, retained earnings on total assets, profit before tax on total assets and book value of equity on book value of debt, the data needed to calculate this method are current assets, current debt, total assets, retained earnings, profit before tax, equity and these liabilities. Companies that have decreased current assets over the past 3 years with the codes DFAM, KPIG, SOTS, MINA, PNSE, ARTA, AKKU, KOTA, IIKP, MNKT, TELE, LPPF, SONA, MAPI, MAPA, CARS, TRIO, MSKY, DIGI, and PRAS. As for companies that have decreased current debt over the past 3 years with the codes FITT, PSKT, PJAA, PDES, PTSP, SOTS, BOLA, BELL, WOOD, SOFA, OLIV, ACES, and SLIS. Companies that have decreased retained earnings over the past 3 years with the codes DFAM, FITT, HRME, PSKT, SHID, SOTS, MINA, BUVA, SNLK, SOTS, MINA, BUVA, PNSE, CLAY, BLTV, PLAN, ESTA, AKKU, CSMI, KOTA, ARGO, MYTX, BATA, SBAT, ESTI, RICY, BIMA, CNTX, HDTX, POLU, SSTM, SRIL, POLY, SCNP, LMPI, SOFA, TOYS, IIKP, MKNT, TELE, SONA, MAPI, MAPA, MPMX, GLOB, TRIO, NETV, MSKY, VIVA, MARI, ABBA, TMPO, DIGI, FORU, and PRAS. Companies that have decreased profit after tax for the last 3 years are coded DFAM, FITT, HRME, JSPT, JIHD, PSKT, SHID, JGLE, SNLK, SOTS, MINA, BUVA, PNSE, CLAY, FAST, NATO, BLTZ, PLAN, AKKU, ARTA, IDEA, CSMI, KOTA, ARGO, PBRX, BATA, SBAT, RICY, BIMA, CNTX, HDTX, POLU, SCNP, LMPI, BIKE, IIKP, MKNT, TELE, SONA, ACES, ASLC, GLOB, IPTV, NETV, MSKY, VIVA, MARI, ABBA, TMPO, DIGI, and FORU. And companies that have decreased total debt over the past 3 years with the codes FITT, PSKT, SHID, PTSP, IDEA, CSMI, BOLA, BELL, ESTI, SSTM, KICI, SOFA, ACES, CARS, TRIO, SCMA, MNCN, MSKY, and BMTR.This research can be used by investors to be one of the considerations in making investment decisions, especially in companies in the Consumer Cyclicals Sector. Researchers want to further examine the relationship between ROE, EPS, CR, and DER on financial distress in Consumer Cyclicals Sector companies.

LITERATURE REVIEW

Financial Distress

According to Mildawati, (2019): "Financial distress is a financial difficulty that can occur in a company if it cannot carry out its operational activities properly for the sustainability of the company where there is a decrease in a financial condition that will usually cause the company to experience a condition of financial difficulty". Rodoni and Ali (2014: 186) say that the situation when the operating cash flow of a company is not sufficient to fulfill the obligations in the company so that the company repairs are carried out.

The following are the results of Financial Distress using the Altman Z-Score method.

Table 1 Financial Distress

NO	CODE	ALTMAN Z-SCORE			Description
		2020	2021	2022	
1.	DFAM	0,517	0,615	(0,234)	*Financial Distress*
2.	FITT	(1,651)	0,146	(0,891)	*Financial Distress*
3.	HRME	1,959	1,446	1,353	*Financial Distress*
4.	JSPT	2,291	1,837	2,326	*Financial Distress*
5.	SHID	2,046	2,032	1,829	*Financial Distress*
6.	PZZA	1,006	1,677	0,407	*Financial Distress*
7.	MAPB	(0,157)	0,072	0,560	*Financial Distress*
8.	PJAA	(0,580)	0,657	1,298	*Financial Distress*
9.	PANR	(0,339)	(0,797)	0,479	*Financial Distress*
10.	PDES	(2,959)	(2,831)	(1,533)	*Financial Distress*
11.	PTSP	(1,044)	(0,861)	0,568	*Financial Distress*
12.	SOTS	0,913	0,977	0,691	*Financial Distress*
13.	BUVA	(8,966)	(9,468)	(9,968)	*Financial Distress*
14.	PNSE	0,536	(0,081)	0,147	*Financial Distress*
15.	CLAY	(3,277)	(4,555)	(5,015)	*Financial Distress*
16.	FAST	0,747	(0,145)	0,388	*Financial Distress*
17.	BLTZ	(4,180)	(4,530)	(2,709)	*Financial Distress*
18.	ENAK	(2,495)	(1,870)	0,286	*Financial Distress*
19.	PLAN	0,518	0,139	(0,303)	*Financial Distress*
20.	CSMI	(4,755)	(5,124)	(6,943)	*Financial Distress*
21.	ARGO	(23,921)	(18,326)	(19,133)	*Financial Distress*
22.	ERTX	0,696	0,881	1,924	*Financial Distress*
23.	MYTX	(4,545)	(4,903)	(4,448)	*Financial Distress*
24.	INOV	0,696	0,639	(0,823)	*Financial Distress*
25.	SBAT	(0,837)	(0,388)	(3,286)	*Financial Distress*
26.	ESTI	(3,455)	(3,151)	(3,715)	*Financial Distress*
27.	BIMA	(4,564)	(5,309)	(2,833)	*Financial Distress*
28.	CNTX	(5,690)	(9,177)	(8,763)	*Financial Distress*
29.	HDTX	(21,019)	(23,890)	(32,306)	*Financial Distress*
30.	SRIL	2,571	(13,540)	(4,658)	*Financial Distress*
31.	POLY	(60,026)	(55,840)	(60,173)	*Financial Distress*
32.	GEMA	1,816	1,565	1,367	*Financial Distress*
33.	LMPI	(0,613)	(0,185)	(0,581)	*Financial Distress*
34.	TELE	(16,673)	(100,962)	(203,940)	*Financial Distress*
35.	IMAS	(0,425)	(0,582)	(0,353)	*Financial Distress*
36.	CSAP	1,117	1,298	1,171	*Financial Distress*
37.	CARS	(0,367)	0,131	0,749	*Financial Distress*
38.	UFOE	0,925	0,814	1,550	*Financial Distress*
39.	GLOB	(596,971)	(553,286)	(949,823)	*Financial Distress*
40.	TRIO	(309,818)	(373,614)	(388,139)	*Financial Distress*
41.	IPTV	2,414	2,406	2,680	*Financial Distress*
42.	NETV	(2,189)	(8,322)	(8,744)	*Financial Distress*
43.	MSKY	(0,106)	(0,759)	(1,120)	*Financial Distress*
44.	VIVA	(4,632)	(5,800)	(8,249)	*Financial Distress*
45.	ABBA	(7,679)	(2,754)	(2,578)	*Financial Distress*
46.	TMPO	1,070	1,978	1,595	*Financial Distress*
47.	DIGI	1,575	(4,018)	(14,382)	*Financial Distress*
48.	GJTL	2,770	2,796	2,650	*Financial Distress*
49.	GDYR	0,305	0,934	0,446	*Financial Distress*
50.	PRAS	1,576	1,263	0,038	*Financial Distress*

Earning Per Share

According to Dewi & Suwarno, (2022): "EPS describes the amount of profit earned per share. EPS is the first important component in conducting business analysis. The higher the profit earned by the company, the resulting EPS value will also increase and vice versa". According to Eduardus Tandelilin (2017), the definition of Earning Per Share (EPS) is information that shows the amount of the company's net income available for distribution to all shareholders of the company. Earnings per share (EPS) is the expected earnings per share. EPS data is widely used to evaluate a company's operating performance and profitability (Subramanyam and John, 2011). According to Rahardjo (2005) EPS is used by common shareholders to assess the company's performance rather than the dividends distributed. Usually this data will affect the stock price in the market.H1 : EPS has a significant effect on Financial Distress.

Return On Equity

According to Cashmere, (2016, p. 204): "ROE is a ratio to measure net profit after tax with own capital". ROE is a comparison between the bank's net profit and its own capital. ROE is used to determine the level of profit after tax in the last 12 months when compared to the level of equity owned by the company. ROE is used by shareholders to determine the company's ability to earn net income in relation to dividend income, Kurniasari (2013).H2 : ROE has a significant effect on Financial Distress.

Return On Assets

According to Kartiko & Rachmi, (2021): "ROA is the ratio between profit before interest expenses and taxes and all assets or assets of the company". Return on assets or ROA is a ratio that measures how efficiently a company manages its assets to generate profits during one period. ROA is expressed in percentage (%). If the ROA ratio is low, it shows that the ability of the company's assets is less productive in generating profits, and conditions like this will complicate the company's finances in internal funding sources for investment, so that it can cause the probability of bankruptcy Oktaviana, V., Sitorus, E. T., & Dameria Napitupulu, R, 2022).H3 : ROA has a significant effect on Financial Distress

Net Profit Margin

According to Zutter & Gitman (2015 p. 129): "NPM is one of the profitability ratios that measures the percentage of each sale that remains after deducting all costs and expenses, including interest, taxes, and preferred stock dividends". According to Kasmir (2022: 237) Net Profit Margin (NPM) is "A ratio used to measure the bank's ability to generate net income from its principal operating activities". According to Cashmere (2022: 200): "NPM or net profit margin is a measure of profit by comparing earnings after interest and taxes compared to sales". According to Hery (2016: 198): "NPM is a ratio used to measure the percentage of net profit on net profit sales". The function of NPM is as a measure of a company as a whole (Fahmi, 2017: 81).

- H4 : NPM has a significant effect on Financial Distress.

METHODS

The type of research used is quantitative research with data collection techniques in the form of documentation. Data used in the form of secondary data, namely total debt, current debt, total equity, number of shares outstanding, current assets, profit/loss before tax, total assets, sales, retained earnings/loss and profit/loss in Consumer Cyclicals Sector companies listed on the IDX in 2020-2022 which are accessed from the official website, www.idx.co.id. The research population consists of companies in the Consumer Cyclicals sector listed on the Indonesia Stock Exchange (IDX) for the period December 31, 2022 totaling 151 companies. The sample was selected using purposive sampling technique, with the criteria that the company had

published audited financial reports for 2020-2022 and experienced financial distress and calculated using the Altman Z-Score Method with a total sample of 50 samples. The variables used in this study are:total debt, current debt, total equity, number of shares outstanding, current assets, profit/loss before tax, total assets, sales, retained earnings/loss and profit/loss in Consumer Cyclicals Sector companies listed on the IDX in 2020-2022 which are accessed from the official website, www.idx.co.id.

RESULTS AND DISCUSSION

Normality Test

Table 2 Normality Test

One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		24
Normal Parameters[a,b]	Mean	.0000000
	Std. Deviation	.50973123
Most Extreme Differences	Absolute	.082
	Positive	.079
	Negative	-.082
Test Statistic		.082
Asymp. Sig. (2-tailed)		.200[c,d]

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

From the results of the normality test above, it can be seen that asymp. Sig. (2-tailed) 0.200> 0.05. These results indicate that the data is normally distributed.

Multicollinearity Test

Table 3 Multicollinearity Test

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	.656	1.573		.417	.681		
	Transform_X1	.048	.059	.474	.813	.426	.131	7.663
	Transform_X2	.137	.628	.143	.219	.829	.104	9.650
	Transform_X3	-5.030	5.734	-1.278	-.877	.391	.121	7.823
	Transform_X4	.655	.807	.922	.812	.427	.134	9.069

a. Dependent Variable: Transform_Y

The results of the calculation of the tolerance value show that no independent variable has a tolerance value < 10 and the results of the VIF calculation also show the same thing, no single variable has a value> 10.

Autocorrelation Test

Table 4 Autocorrelation Test

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.396[a]	.157	-.021	.56083	1.494

a. Predictors: (Constant), Transform_X4, Transform_X2, Transform_X1, Transform_X3

b. Dependent Variable: Transform_Y

There is no autocorrelation because the dw result is between -2 and +2, namely 1.494.

Heteroscedasticity Test

Table 5 Heteroscedasticity Test

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.656	1.573		.417	.681
	Transform_X1	.048	.059	.474	.813	.426
	Transform_X2	.137	.628	.143	.219	.829
	Transform_X3	-5.030	5.734	-1.278	-.877	.391
	Transform_X4	.655	.807	.922	.812	.427

a. Dependent Variable: Transform_Y

The results of the heteroscedasticity test above show that there is no heteroscedasticity. This is evidenced by the significance value which is greater than 0.05.

Linearity Test

Table 6 Linearity Test

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.396[a]	.157	-.021	.56083

a. Predictors: (Constant), Transform_X4, Transform_X2, Transform_X1, Transform_X3
b. Dependent Variable: Transform_Y

Linearity Test		
Lagrange Multiplier		
Chi Square Formula Count: N*R Square		7.536
Chi Square Table: =CHISQ.INV(0,95;4)		9.487729037
	DECISION	Retrieved

Source: Excel data, 2024

The linearity test shows that the amount of Rsquare is 0.157 with a sample size of 48 samples. Then c2 counts for 7.536. While the c2 table is 9.488. Then c2 count < c2 table, namely with a value of 4.836 < 44.985. So it can be concluded that the model used is linear.

6. Statistical Test

Table 7 Linear Regression Analysis

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.656	1.573		.417	.681
	Transform_X1	.048	.059	.474	.813	.426
	Transform_X2	.137	.628	.143	.219	.829
	Transform_X3	-5.030	5.734	-1.278	-.877	.391
	Transform_X4	.655	.807	.922	.812	.427

a. Dependent Variable: Transform_Y

Y = 0.656 + 0.048X1 + 0.137X2 - 5.030X3 + 0.655X4

1. The constant (a) of 0.656 explains that if ROA, ROE, NPM are equal to 0, then the FD value is 0.656.
2. If EPS increases by one unit, the FD value will increase by 0.048.
3. If ROE increases by one unit, the FD value will increase by 0.137.
4. If ROA increases by one unit, the FD value will decrease by 5.030.
5. If NPM increases by one unit, the FD value will increase by 0.655.

Multiple Correlation Analysis

Table 8 Multiple Correlation Analysis

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.396[a]	.157	-.021	.56083

a. Predictors: (Constant), Transform_X4, Transform_X2, Transform_X1, Transform_X3

b. Dependent Variable: Transform_Y

From the correlation test above, it can be seen that the correlation value (R) obtained is 0.396, this means that the relationship between EPS, ROE, ROA, and NPM to FD has a weak relationship.

Coefficient of Determination (R2)

Table 9 Coefficient of Determination (R2)

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.396[a]	.157	-.021	.56083

a. Predictors: (Constant), Transform_X4, Transform_X2, Transform_X1, Transform_X3

b. Dependent Variable: Transform_Y

From the coefficient of determination test, it can be seen that Rsquare is 0.157. This means that 15.7% of the influence on FD is explained by the EPS, ROE, ROA, and NPM variables, while the remaining 84.3% is explained by other variables not included in the study.

Simultant Test (F Test)
Table 10 Simultant Test (F Test)

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1.110	4	.277	.882	.493[b]
	Residual	5.976	19	.315		
	Total	7.086	23			

a. Dependent Variable: Transform_Y

b. Predictors: (Constant), Transform_X4, Transform_X2, Transform_X1, Transform_X3

Based on the results of the simultaneous test, it can be seen that together the independent variables have no significant effect on the dependent variable. This is evidenced by the significance value of 0.493> 0.05, meaning that the variables EPS, ROE, ROA and NPM simultaneously have no effect on FD.

Partial Test (T Test)
Table 11 Partial Test (T Test)

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.656	1.573		.417	.681
	Transform_X1	.048	.059	.474	.813	.426
	Transform_X2	.137	.628	.143	.219	.829
	Transform_X3	-5.030	5.734	-1.278	-.877	.391
	Transform_X4	.655	.807	.922	.812	.427

a. Dependent Variable: Transform_Y

1. The significance level for the EPS variable is 0.426> 0.05, meaning that the EPS variable partially has no effect on the FD variable, so H0 is accepted and Ha is rejected.
2. The level of significance in the ROE variable is 0.829> 0.05, meaning that the ROE variable partially has no effect on the FD variable, so H0 is accepted and Ha is rejected.
3. The level of significance in the ROA variable is 0.391> 0.05, meaning that the ROA variable partially has no effect on the FD variable, so H0 is accepted and Ha is rejected.
4. The significance level of the NPM variable is 0.427> 0.05, meaning that the NPM variable partially has no effect on the FD variable, so H0 is accepted and Ha is rejected.

Hypothesis testing in this study aims to test the significance between the independent variable and the dependent variable. Hypothesis testing techniques in this study used parsian test (t test) and simultaneous test (F test).
Partial Hypothesis Testing (t test)

Hypothesis 1
H0: EPS has no effect on Financial Distress

Ha: EPS has an effect on Financial Distress

The comparison between t count and t table shows that t count> t table of 0.426> 0.05, meaning that the EPS variable partially has no effect on the FD variable, so H0 is accepted and Ha is rejected. It can be concluded that EPS does not have a significant effect on Financial Distress in service companies in the consumer cyclical sub-sector on the Indonesia Stock Exchange (IDX) for the 2020-2022 period.

Hypothesis 2

H0: ROE has no effect on Financial Distress

Ha: ROE has an effect on Financial Distress

The comparison between t count and t table shows that t count> t table of 0.829> 0.05, meaning that the ROE variable partially has no effect on the FD variable, so H0 is accepted and Ha is rejected. It can be concluded that ROE does not have a significant effect on Financial Distress in cyclical consumer sub-sector service companies on the Indonesia Stock Exchange (IDX) for the 2020-2022 period.

Hypothesis 3

H0: ROA has no effect on Financial Distress

Ha: ROA has an effect on Financial Distress

The comparison between t count and t table shows that t count> t table of 0.391> 0.05, meaning that the ROA variable partially has no effect on the FD variable, so H0 is accepted and Ha is rejected. It can be concluded that ROA does not have a significant effect on Financial Distress in cyclical consumer sub-sector service companies on the Indonesia Stock Exchange (IDX) for the 2020-2022 period.

Hypothesis 4

H0: NPM has no effect on Financial Distress

Ha: NPM has an effect on Financial Distress

The comparison between t count and t table shows that t count> t table of 0.427> 0.05, meaning that the NPM variable partially has no effect on the FD variable, so H0 is accepted and Ha is rejected. It can be concluded that NPM does not have a significant effect on Financial Distress in cyclical consumer sub-sector service companies on the Indonesia Stock Exchange (IDX) for the 2020-2022 period.

CONCLUSION

Based on the results of the discussion of data analysis that the authors have done, regarding the Effect of Earning Per Share (EPS), Return Of Equity (ROE), Return Of Assets (ROA), and Net Profit Margin (NPM) on Financial Distress in Cyclical Consumer Companies Listed on the Indonesia Stock Exchange (IDX) for the 2020-2022 Period, the following conclusions can be drawn:

1. EPS does not have a significant influence on Financial Distress in Cyclical Consumer Companies Listed on the Indonesia Stock Exchange (IDX) for the 2020-2022 Period.
2. ROE does not have a significant influence on Financial Distress in Cyclical Consumer Companies Listed on the Indonesia Stock Exchange (IDX) for the 2020-2022 Period.
3. ROA does not have a significant influence on Financial Distress in Cyclical Consumer Companies Listed on the Indonesia Stock Exchange (IDX) for the 2020-2022 Period.
4. NPM does not have a significant influence on Financial Distress in Cyclical Consumer Companies Listed on the Indonesia Stock Exchange (IDX) for the 2020-2022 Period.
5. EPS, ROE, ROA, and NPM simultaneously EPS does not have a significant influence on Financial Distress in Consumer Cyclical Companies Listed on the Indonesia Stock Exchange (IDX) for the 2020-2022 Period.

SUGGESTION

After conducting a thorough review and discussion, there are several suggestions that need to be considered. First, it is recommended to further examine the effect of Earning Per Share, Return on Equity, Return on Assets, and Net Profit Margin on Financial Distress in cyclical consumer sector companies for the 2020-2022 period, further research can add variables that may affect other factors that can predict financial distress for companies. And further research can expand the measuring instruments and data analysis so that the data obtained is better.

REFERENCES

Bank Indonesia.2022. Survei Konsumen (SK) di www.bi.go.id, (diakses pada 19 November 2023).

Bursa Efek Indonesia. 2023. Data Laporan keuangan Sektor Consumer Cyclicals di www.idx.co.id, (diakses pada 15 Oktober 2023).

Dewi, N. S., & Suwarno, A. E. (2022). PENGARUH ROA, ROE, EPS DAN DER TERHADAP HARGASAHAM PERUSAHAAN(Studi Empiris pada Perusahaan LQ45 yang Terdaftar di Bursa EfekIndonesia Tahun 2016- 2020). Seminar Nasional Pariwisata dan Kewirausahaan, 1, 473.

Gitman, L., & Zutter, C. (2015) Principles of Managerial Finance 14th Edition. Harlow: Pearson Education Limited

Kartiko, N. D., & Rachmi, I. F. (2021). Pengaruh Net Profit Margin, Return On Asset, Return On Equity dan Earning Per Share Terhadap Harga Saham Di Masa Pandemi Covid-19 (Studi Empiris Pada Perusahaan Publik Sektor Pertambangan Di Bursa Efek Indonesia). Jurnal Riset Bisnis dan Investasi, 7(2), 59-60.

Kasmir. (2016). Analisis Laporan Keuangan. Jakarta: PT Raja Grafindo Persada.

Mildawati, T. (2019). Pengaruh Profitabilitas, Aktivitas,Likuiditas,Leveragedan Arus Kas TerhadapFinancial DistressPada Perusahaan Telekomunikasi. Jurnal Ilmu dan Riset Akuntansi, 8(4), 2.

Muhtar, M., & Aswan, A. (2017). Pengaruh Kinerja Keuangan Terhadap Terjadinya Kondisi Financial Distress Pada Perusahaan Telekomunikasi diIndonesia. Jurnal Bisnis Manajemen dan Informatika, 13(3), 173-174.

Oktariyani, A. (2019). Analisis Pengaruh Current Ratio, DER, TATO dan EBITDA Terhadap Kondisi Financial Distress Pada Perusahaan Manufaktur yang Terdaftar di Bursa Efek Indonesia. Akuntansi dan Manajemen, 14(1), 122.

Pebrianti, G., Suryadi, E., & Safitri, H. (2023). Profitabilitas Memoderasi Pengaruh Likuiditas, Leverage dan Operating Capacity Terhadap Financial Distress.Akutans Bisnis dan Manajemen, 30(1), 13-23.

Sujarweni, W. (2015). SPSS Untuk Penelitian.Yogjakarta: Pustaka Baru Press.

Dessyana, D., & Aliah, N. (2022). PENGARUH RETURN ON ASSET DAN KEPEMILIKAN MANAJERIAL TERHADAP MANAJEMEN LABA PADA PERUSAHAAN KEUANGAN YANG TERDAFTAR DI BURSA EFEK INDONESIA PERIODE 2017-2020. Jurnal Manajemen, Akuntansi, Ekonomi, 1(2), 19–24. https://doi.org/10.59066/jmae.v1i2.89

Sejati, F. R. ., Reyhan , A. ., & Noch , M. Y. (2024). PENGARUH KINERJA LINGKUNGAN DAN UKURAN PERUSAHAAN TERHADAP KINERJA KEUANGAN PADA PERUSAHAAN SEKTOR ENERGY. Jurnal Manajemen, Akuntansi, Ekonomi, 2(3), 69–76.

Oktaviana, V. ., Sitorus, E. T., & Dameria Napitupulu, R. . (2022). PENGARUH PENGELOLAAN PIUTANG DAN ASET TERHADAP KINERJA KEUANGAN PERUSAHAAN PT TEMAS SHIPPING PERIODE 2017-2021. Jurnal Manajemen, Akuntansi, Ekonomi, 1(2), 58–64. https://doi.org/10.59066/jmae.v1i2.121