



Cash Turnover And Receivables On Profitability

Tio Devilishanti¹, Irwan Moridu², Fitriani³, Mardiana Ruslan⁴, Cut Dina Handayani⁵

Universitas Teuku Umar^{1,5}, Universitas Muhammadiyah Luwuk^{2,3,4}

tiodevilishanti@utu.ac.id¹, irwanmoridu@gmail.com², nengfitry6@gmail.com³,

mardianaruslan82@gmail.com⁴, mardianaruslan82@gmail.com⁵

Abstract

A company called PT. Trinusa Avia Mandiri provides ground handling services as well as other commercial endeavors that assist airport-based aviation enterprises. At the PT. Trinusa Avia Mandiri Halim Perdana Kusuma Airport Branch in Jakarta, the purpose of this study is to determine how the company's cash turnover and receivables affect profitability. Quantitative research is being conducted here. The purpose of hypothesis testing is to determine the degree to which the independent variable influences the dependent variable by using multiple linear regression analysis through the f and t tests. According to the study's findings, there is a partial relationship between cash turnover and profitability and receivables turnover, with a significance level of less than 7%. Furthermore, at a significance level below 7%,

Keywords: *Cash Turnover, Receivables Turnover, Profitability*

1. INTRODUCTION

In the current era of globalization, competition between companies is increasingly fierce. This is a challenge for every manufacturing company and non-manufacturing company." According to Sahromi (2022), the most important final goal that a company wants to achieve is to obtain maximum profit. " By obtaining maximum profits as targeted, companies can do a lot for the welfare of owners and employees and improve product quality.

Cash is a current asset with the highest level of liquidity, which can be in the form of cash in the company or bank treasury. Every company always provides cash for routine or urgent payment needs. For example, for payment of daily wages, payment for materials, as well as incidental or urgent expenses

Accounts a receivable is a type of accounting transaction that deals with collecting money from consumers who owe money to a person, company, or organization for goods and services that have been provided to them. Receivables arise when a company sells goods and services on credit. Receivables include all claims in the form of debts to individual business entities or other collectible parties. In this case, the larger the receivables, the greater the need for funds invested in the receivables, and the larger the receivables, the greater the risks that will arise, besides increasing profitability. Apart from the large amount of receivables owned, the speed with which receivables are turned back into cash greatly determines the company's profitability.

2. LITERATURE REVIEW

1. Cash

Cash is a current asset that includes paper money, metal, and other objects that can be used as a medium of exchange or legal means of payment and can be withdrawn at any time. Cash is very liquid working capital. The greater the amount of cash in a company, the higher the level of liquidity. This means that the company has a smaller risk of not being able to fulfill its financial obligations (Suryanto et al., 2021).

2. Receivables

Claims receivable for money, goods, or services to customers or other parties. Trade receivables are generally the most significant category of receivables and are the result of a company or entity's normal activities, namely the sale of goods or services on credit to customers. Trade receivables can be strengthened by a formal written payment promise and are classified as notes receivable. Trade receivables are generally a material amount on the balance sheet when compared to non-business receivables (Suryanto et al., 2021).

3. RESEARCH METHOD

In this study, associative methodology with a causal relationship is used in quantitative research. Research using the associative approach tries to identify the relationship or effect between two or more variables, with debt and sales serving as the independent variables and profit as the dependent variable. A cause-and-effect connection is referred to as a causal connection. Similar to how one variable (independent) influences another (dependent). This study is an example of causal associative research. because the research is a factor that affects other factors.

4. RESULT AND DISCUSSION

1) Statistic test Descriptive

Descriptive statistical analysis is a descriptive technique that can provide insight into data so that the information is clearer and easier to understand. This can be seen from the number of samples, minimum value, maximum value, average (mean) and standard deviation.

Table 1 Descriptive statistical test results

<i>Descriptive Statistics</i>					
<i>Variables</i>	<i>N</i>	<i>Minimum</i>	<i>Maximum</i>	<i>Mean</i>	<i>Std. Deviation</i>
Rotation cash	3	1.0462	1.1677	1.087767	0.0694097
Receivables turnover	3	11.9639	13.4299	12.772900	0.7638174
Profitability	3	0.1664	0.4696	0.377800	0.1667373
<i>Valid N (listwise)</i>	3				

Source: SPSS V.24 data processing output

It is evident from the test results in the table above that:

- a. Cash Movement (X1)
The minimum value is 1.0642, the maximum value is 1.1677, the average value (mean), and the standard deviation value are all displayed in the above table as the results of the descriptive statistical tests.
- b. Turnover in Receivables (X2)
It is evident from the table above's descriptive statistical test results that the valueThe values are as follows: 11.9639 for the lowest value, 13.4299 for the highest, 12.772900 for the average (mean), and 0.7638174 for the standard deviation.
- c. Financial success (Y)

It is evident from the table above's descriptive statistical test results that the valueThe standard deviation value is 0.1667373, the minimum value is 0.1664, the highest value is 0.4696, the average value (mean) is 0.377800, and the maximum value is 0.4696.

2) Multiple Linear Regression Test

"According to Priyatno (2014, p. 148), states that multiple linear regression analysis is used to determine the influence or linear relationship between two or more independent variables and one dependent variable."

The results of multiple linear regression analysis can be seen in the table

Table 2 Multiple Regression Test Results

<i>Model</i>	Coefficients^a				
	<i>Unstandardized Coefficients</i>		<i>Standardized Coefficients</i>	<i>Q</i>	<i>Sig.</i>
	<i>B</i>	<i>Std. Error</i>	<i>Beta</i>		
(Constant)	-1,827	0,000		0	0
Rotation Cash	-6,179	0,000	-2,767	0	0
Rotation Receivables	0.706	0,000	3,240	0	0

Source: SPSS V.24 data processing output

The multiple linear regression equation model is as follows, based on table 4.6 above:

$$Y = -1.827 + (-6.179) X_1 + 0.706 X_2 + e$$

It can be explained as follows using the multiple linear regression equation above:

- The profitability will be -1.827 if each variable cash turnover (X1) and accounts receivable turnover (X2) have constant values of 0. a. The constant coefficient is -1.827 with a negative value.
- The regression coefficient for the b1 (cash turnover) variable is -6.179. According to the negative regression coefficient value, profitability will drop by -6.179 for every unit increase in the cash turnover variable (X1), providing the other variables stay constant.
- The variable (b2) for accounts receivable turnover has a regression coefficient of 0.706. A positive regression coefficient value means that, provided the other factors stay constant, for every unit rise in the accounts receivable turnover variable (X2), profitability will likewise increase by 0.706 units.

3) Hypothesis Testing

a. T test

The statistical t test is used to see the relationship or influence between individual independent variables on the dependent variable. The significance level used is 0.07 for statistical decision making.

Basis for making decisions comparing t count with t table (Santoso, 2014, p.248):

- If Calculated Statistics (t output numbers) > Table Statistics (t table), then H0 is rejected and H1 is accepted.
- If Calculated Statistics (t output numbers) < Table Statistics (t table), then H0 is accepted and H1 is rejected.

The test results can be seen in table below

Table 3 Hypothesis Test Results (t Test)

Coefficients^a					
<i>Model</i>	<i>Unstandardized Coefficients</i>		<i>Standardized Coefficients</i>	<i>Q</i>	<i>Sig.</i>
	<i>B</i>	<i>Std. Error</i>	<i>Beta</i>		
(Constant)	-1,827	0,000			
Rotation Cash	-6,179	0,000	-2,767	0	0
Rotation Receivables	0.706	0,000	3,420	0	0

Source: SPSS V.24 data processing output.

Based on as noted in the aforementioned table 4.7

- cash turnover (X1) has a t value of 0 and a significance value of 0. Since the significance value is less than 0.07, H0 is accepted and H1 is rejected, indicating that cash turnover has a favorable impact on profitability.
- Receivables turnover (X2) has a significance value of 0 and a t value of 0. Since the significance value is less than 0.07 (0 0.07), H0 is accepted and H1 is rejected, indicating that the rotation of receivables positively affects profitability.

b. F test

This test will demonstrate the interaction between and influence of the independent variables on the dependent variable. For statistical decision-making, a 0.07 significance threshold is employed.

According to Santoso (2014), p.283, the following criteria should be used when comparing F count and F table:

- If Calculated Statistics (which produce F numbers) > Table Statistics (which produce F tables), then H0 is rejected and H1 is allowed.
- If Calculated Statistics (output F numbers) < Table Statistics (F table), then H0 is accepted and H1 is rejected.

Table 4. Simultaneous Hypothesis Test Results (F Test)

<i>Anovaa</i>					
<i>Model</i>	<i>Sum of Squares</i>	<i>Df</i>	<i>Mean Square</i>	<i>F</i>	<i>Sig</i>
Regression	0.077	2	0.028	0	0,000b
Residual	0,000	0			
Total	0.077	2			

Source: SPSS V.24 data processing output

Based on the table values regarding the F test, it can be seen that the F value is 0 with a significance value of 0.000. Because the significance value is smaller than 0.07 (0.000 < 0.07), this regression equation model can be used to predict profitability or it can be said that cash turnover and accounts receivable turnover together or simultaneously have a significant effect on profitability in PT companies. Trinusa Avia Mandiri Sultan Hasanudin Jakarta Airport Branch for the 2017-2019 period.

c. Coefficient of Determination Test

This is how large the percentage of the total variation in the dependent variable is explained by the model. The greater R², the greater the influence of the model in explaining the dependent variable. The test results can be seen in the table below:

Table 5 of Determination Coefficient Test Results (R²)

<i>Model Summary b</i>				
<i>Model</i>	<i>R</i>	<i>R Square</i>	<i>Adjusted R Square</i>	<i>Std Error of the Estimate</i>
1	1,000a	1,000	0	0

Based on this table regarding the results of the coefficient of determination test (R²), the R-Square value is 1,000. This means that 100% of the profitability variable in the 2017-2019 period is influenced by the two independent variables, namely cash turnover, receivable turnover. The remaining 0% (100% - 100%) is not influenced by other variables.

The Impact of Receivables and Partial Cash Turnover on the Profitability of PT Companies. Jakarta (H1) Trinusa Avia Mandiri Halim Perdana Kusuma Branch

- 1) According to the results of hypothesis testing, profitability is positively impacted by cash turnover. It can be deduced that there is an impact of cash turnover on profitability at PT. Trinusa Avia Mandiri Halim Perdana Kusuma Airport Branch, Jakarta in 2017-2019 based on the significant coefficient value of 0, where the value is less than 0.07 and the t value is 0.
- 2) The Impact of Partial Receivables Turnover on the Profitability of PT Companies. Jakarta (H2) Trinusa Avia Mandiri Halim Perdana Kusuma Airport Branch The results of the partial test or t test indicate that the t-count value is 0 and the significance value of the receivables turnover is 0, which is less than 0.07, respectively. This number demonstrates that receivables turnover has a favorable impact on profitability at the Jakarta branch of PT. Trinusa Avia Mandiri Halim Perdana Airport.
- 3) The Impact of Concurrent Cash and Receivables Turnover on PT Company Profitability. Jakarta (H3) Trinusa Avia Mandiri Halim Perdana Kusuma Airport Branch.

The study's findings demonstrate that throughout the 2018–2021 period at PT. Trinusa Avia Mandiri Halim Perdana Kusuma Airport Branch Jakarta, the profitability variable is simultaneously influenced by the cash turnover and receivables turnover variables. The significance of the value is 0.000, which is less than 0.07, as a result. The adjusted R square value of the coefficient of determination, or adjusted R, is 1,000, or 100%. demonstrates how the two independent variables (cash turnover and receivables turnover) have an impact on the dependent variable (profitability).

5. CONCLUSION

The following conclusions were drawn from research that was done on the impact of cash turnover and receivables turnover on profitability at the company PT. Trinusa Avia Mandiri Halim Perdana Kusuma Airport Branch, Jakarta:

- 1) The cash turnover variable has a substantial value according to the partial test (t test), according to PT. Trinusa Avia Mandiri Halim Perdana Kusuma Airport Branch, Jakarta, cash turnover has a major impact on profitability as seen by the graph, which has a value of less than 0.07 (0 0.07) and a t value of 0. According to the partial test (t test), receivables turnover has a significant impact on profitability at the PT company Trinusa Avia Mandiri Halim Perdana Kusuma Airport Branch, Jakarta, with a significant value of less than 0.07 (0 0.07) and a t value of 0.
- 2) 2. It is known that the cash turnover and receivables turnover variables have a F value of 0 and the significant value is less than 0.07 (0.000 0.07), based on the simultaneous test (f test). Therefore, it can be inferred that the dependent variable (profitability) in the company PT. Trinusa Avia Mandiri Halim Perdana Kusuma Airport Branch, Jakarta, for the years 2019–2021 is significantly influenced by both the independent variables (cash turnover and accounts receivable turnover) at the same time.

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