

ANALYSIS DU PONT SYSTEM IN MEASURING FINANCIAL PERFORMANCE IN COSMETIC COMPANIES AND HOUSEHOLD REQUIREMENTS LISTED ON THE IDX IN 2017-2021

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Abstract

This research was conducted at Companies in the Cosmetics and Household Needs Sector that were listed on the Indonesia Stock Exchange (IDX) for 2017-2021. This study aims to determine the Financial Performance of Cosmetic Companies and Household Uses using Du Pont System analysis. Analysis of the Du Pont System can explain a company's financial performance and shows the location of the strengths and weaknesses of a company in which there are several financial ratios used in this study including Net Profit Margin, Total Assets Turn Over, and Return On Assets (Du Pont). The data analysis technique used is quantitative descriptive analysis. The population and sample in this study are 6 cosmetics and household goods companies listed on the Indonesia Stock Exchange in the 2017-2021 period. The results showed that the financial performance of Cosmetics and Household Supplies companies for 5 years which was calculated using the Du Pont System analysis was not good enough, with ROA values that decreased every year except for PT. Akasha Wira International Tbk (ADES) has an ROA value that increases every year. The decrease in the value of ROA was due to a decrease in the value of NPM and TATO. This situation is affected by a decrease in profits due to high total costs and slow turnover of assets to increase sales.

1. INTRODUCTION

Background problem

The development of the business world in an increasingly open economy needs to be based on work appraisal facilities and systems that can push companies towards increasing efficiency and competitiveness. To realize the company's goals, it is necessary to have efficiency and effectiveness in managing its resources. The efficiency and effectiveness of the company can be demonstrated by measuring the company's financial performance.

Measurement of financial performance is important for a thorough evaluation of the company's financial condition. So, by measuring the company's financial performance, it can find out the causes of a decrease or increase in the financial health of a company, and with this measurement, the company will be better able to utilize all the potential that exists to increase company profitability and can also be used to predict the company's financial condition for the coming year. Financial performance is carried out in order to be able to evaluate the company's financial condition and employee performance, financial analysis needs to examine various aspects of the health of the company's financial analysis.

Financial performance is an analysis carried out to see how far a company has carried out by using the rules of financial implementation properly and correctly. Company performance is a description of the financial condition of a company which is analyzed with financial analysis tools, so that it can be known about the good and bad financial condition of a company that reflects work performance in a certain period. This is very important so that resources are used optimally in dealing with environmental changes (Fahmi, 2011).

For investors, information about the company's financial performance can be used to see whether they will maintain their investment in the company or look for other alternatives. If the company's performance is good, the business value will be high. With a high business value, investors will look at the company to invest their capital so that it can increase share prices. It can be said that stock price is a function of firm value.

Financial statements are reports that show the company's financial condition at that time or in a certain period (Kasmir, 2010). From this understanding, financial statements are a tool to obtain information about the financial position and operating results that have been achieved by a company. The purpose of financial reports is to provide information regarding the financial position, performance, and changes in the financial position of a company that is useful for a large number of users in making economic decisions (IAI, 2009). This information is used as material for consideration in decision making, both by the company's internal and external parties.

So to analyze the financial statements one way that can be used is to use the method Du Pont System. Method analysis Du Pont is an integrated approach to financial ratio analysis. Including one of the tools for evaluating financial reports based on the composition of financial statements in which the financial report items are broken down in detail.

According to (Mamduh, M & Halim, 2012) "analysis Du Pont Is an analysis that connects three kinds of ratios at once, viz ROI, Profit Margin & Asset Turn Over". Importance Du pont system in the financial statements to see the level of efficiency of the company's assets and to measure the level of efficiency in the use of own capital. The ratios used in Du pont system is Asset Turn Over (TATO), Net Profit Margin (NPM), Return On Investment (ROI), Asset Leverage, Return On Equity (ROE) (Sugiono & Untung, 2016).

The cosmetics and household goods sub-sector is one of the consumer goods industry sectors listed on the Indonesia Stock Exchange which is engaged in the production of cosmetics, perfumes, hair care, home care products, and body care products. In Indonesia, there are six companies engaged in cosmetics and household goods listed on the IDX, including PT. Kino Indonesia Tbk with code KINO, PT. Akasha Wira International Tbk with code ADES, PT. Mandom Indonesia Tbk with TCID code, PT. Unilever Indonesia Tbk with code UNVR, PT. Martina Berto Tbk with code MBTO, and PT. Mustika Ratu Tbk with code MRAT.

Each of these companies certainly starts a business with the aim of generating the maximum possible profit from its business activities, these companies try to make the latest product innovations to attract the attention of consumers so that they buy and use them in addition to winning competition with companies engaged in similar fields. Each of the products produced by cosmetics and household goods companies that are listed on the Indonesia

Stock Exchange are widely known by the wider community and have even been widely used routinely and only a few of them are still unfamiliar to the public. When viewed from this, it is not surprising that the competition that occurs between similar companies is very strong to generate the highest profits. The following is a graph of the development of Revenue, Net Profit and Total Assets obtained from the Indonesia Stock Exchange during 2017-2021:

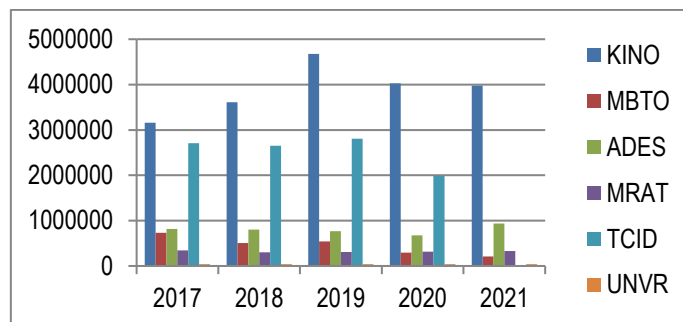


Figure 1 Development of Income/sales of Cosmetics and Household Needs Companies in 2017-2021 (Unit in millions of Rupiah)

Source: Data processing by the author, 2022

From the data in graph 1.1 above it can be seen that the total revenue/sales at the MBTO, ADES and TCID companies that the revenue or sales from 2017-2021 generated by these companies show an increase and decrease every year. According to (Samuelson and Nordhaus, 2013) "income is very influential for the continuity of a business, the greater the income earned, the greater the ability of a business to finance all expenses and activities - activities to be carried out".

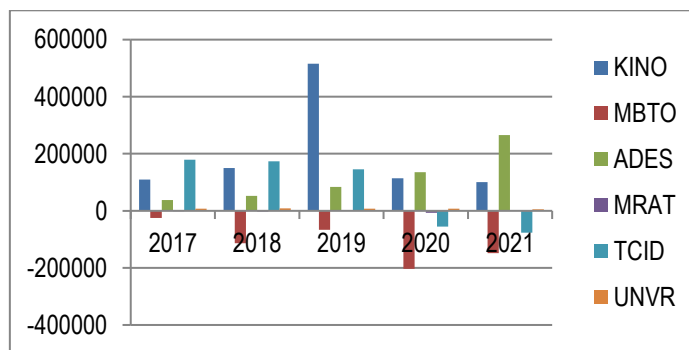


Figure 2 Development of Net Profit/Loss of Cosmetic Companies and Household Needs in 2017-2021 (Unit in millions of Rupiah)

Source: Data processing by the author, 2022

Net Profit/Loss generated at the company's KINO from 2017 to 2021 has increased and decreased where in 2019 it has increased but in 2021 it has decreased. Likewise, MRAT companies from 2017 to 2021 will experience increases and decreases, where in 2020 MRAT will also increase, but in 2021 it will decrease. In TCID companies from 2017 to 2020 it has decreased but in 2021 it has increased. According to (Dewi Utari, Ari and Darsono, 2014) "profit is a measure of the performance of a company, the higher the profit achieved by the company, the better the company's performance so that investors are interested in investing their capital".

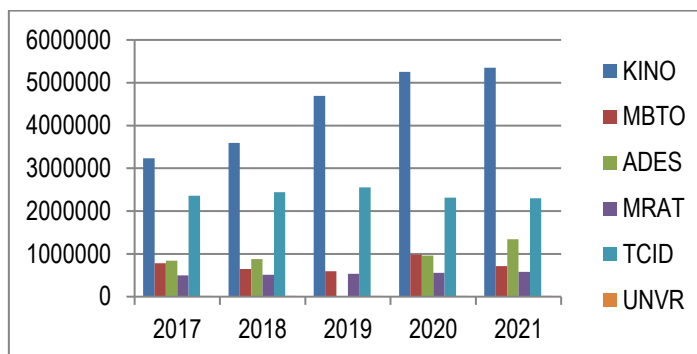


Figure 3 Development of Total Assets of Cosmetic Companies and Household Needs in 2017-2021
(Unit in millions of Rupiah)
Source: Data processing by the author, 2022

Total assets from 2017 to 2021 in several cosmetics and household goods companies have increased, but TCID and UNVR companies have decreased in 2021 which is not so significant. According to Rudianto (2012) "Assets are a collection of various assets owned by a company that will be used to generate income during the current year and in subsequent years. Without assets the company is unable to operate, so the assets owned by the company are intended to run the business.

Research on cosmetics and household goods companies has also been conducted before by Wira Afriani Harahap with the title Analysis Du pont system In Measuring the Financial Performance of Cosmetic Companies and Household Needs Listed on the IDX in 2019.

This research is not much different from previous research, namely companies in the cosmetics and household goods sector, but what distinguishes it is that in this study, 6 companies were studied, while in the previous study there were 5 companies, including PT. Mustika Ratu Tbk, PT. Kino Indonesia Tbk, PT. Mandom Indonesia Tbk, PT. Akasha Wira International, Tbk and PT. Martina Berto Tbk and the periods discussed are different. This research discussed the 2017-2021 period, while previous research discussed the 2011-2013 period. Based on the description above, the writer is interested in raising the research title: **"Analysis Du pont system In Measuring the Financial Performance of Cosmetic Companies and Household Needs Listed on the IDX for 2017-2021"**.

Problem Formulation

Based on the background above, the formulation of the problem in this study is "How is financial performance with analytical methods Du pont system in Cosmetics and Household Use Companies listed on the Indonesia Stock Exchange in 2017 - 2021?".

Research purposes

Based on the background above, the research objective is "To find out the financial performance of cosmetics and household goods companies in 2017-2021 using analysis du pont system".

2. LITERATURE REVIEW

Financial Management

Financial management is a combination of science and art which discusses, examines and analyzes how a financial manager uses all company resources to raise funds, manage funds, and distribute funds with the aim of being able to provide profit or prosperity for shareholders and sustainability. business for companies (Fahmi, 2018).

While the notion of financial management according to Horne and Wachowicz (2012) in Fauzan, M. (2022) defines "Financial management is all activities related to the acquisition, funding and management of assets with several objectives[1]. According to (Sartono, 2011), the term financial management can be interpreted as good fund

management related to allocating funds in various forms of investment effectively as well as efforts to collect funds to finance investments or spend efficiently. The executor of financial management is the financial manager. Although the function of a financial manager in every organization is not necessarily the same, in principle the main function of a financial manager is to plan, seek and use various ways to maximize the efficiency (effectiveness) of company operations.

Financial Management Objectives

Efficient financial management requires goals and objectives that are used as standards in providing an assessment of the efficiency of financial decisions. According to Suad Husnan (2012) Social considerations of responsibility can be seen from four aspects, namely:

1. Normatively, the objective of financial decisions is to maximize firm value. Firm value is the price that prospective buyers are willing to pay if the company is sold. For companies that issue shares on the capital market, the price of shares traded on the stock exchange is an indicator of the company's value.
2. Maximizing firm value (or share price) is not synonymous with maximizing earnings per share (Earning Per Share). This is because maximizing EPS ignores the time value of money, and does not pay attention to risk factors.
3. Thus maximizing firm value is also not synonymous with maximizing profit, if profit is defined as accounting profit. Conversely, maximizing the value of the company will be synonymous with maximizing profits in the economic sense (economic profit). This is because economic profit is defined as the amount of wealth that can be consumed without making the owner of that wealth poorer. Unfortunately, the concept of economic profit will be very difficult to apply, so if we hear the term profit within the scope of the company, we can be sure that the meaning is the meaning of accounting.
4. Thus the purpose of financial management can actually apply to anyone, not limited to companies. It's just for the company level in some specificities. These specialties include:
 - a. Companies can be owned by more than one person.
 - b. There are rules that apply to companies.
 - c. Use of accounting principles to record financial transactions within a company.

Financial Management Function

Functions of Financial Management According to (Suad Husnan, 2012) there are 4 main functions of Financial Management, namely:

1. Financial management involves the planning, analysis and control of financial activities. Thus, within the company, these activities are not limited to the "Finance Section".
2. Financial managers need to obtain funds from financial markets or financial markets. The funds obtained are then invested in various company activities, to fund company activities. If the activity of obtaining funds means that the company issues financial assets, then the activity of investing funds causes the company to have real assets.
3. From the activity of investing funds (called investment), the company expects to obtain greater results than its sacrifice. In other words, it is hoped that "profit" will be obtained. Profits earned need to be decided to be returned to the owner of the funds (financial market), or reinvested into the company.
4. Thus the "financial manager" needs to make decisions about the use of funds (referred to as investment decisions), obtaining funds (referred to as funding decisions), profit sharing (referred to as dividend policy).

Indonesia Stock Exchange (IDX)

The Indonesia Stock Exchange (IDX) (English: Indonesia Stock Exchange (IDX) is a stock exchange operating in Indonesia. The Indonesia Stock Exchange is the result of a merger of the Jakarta Stock Exchange (BEJ) and the Surabaya Stock Exchange (BES). For the sake of operational effectiveness and transactions, the Government decided to merge the Jakarta Stock Exchange as a stock market with the Surabaya Stock Exchange

as a bond and derivatives market to become the IDX. The resulting exchanges began operating on December 1, 2007. According to Capital Market Law No. 8 of 1995, Stock Exchanges are the part that regulates and provides a system or means to combine offers to carry out buy and sell transactions in other parts that aim to exchange securities between them.

The Stock Exchange is a legal entity that has duties as a means of implementing and regulate the course of Securities trading activities in the Capital Market. Meanwhile, from a micro-economic point of view, for stock exchange members (issuers), the function of the Stock Exchange is to obtain capital that can be used for business expansion. Meanwhile, from a macroeconomic perspective, the Stock Exchange has an important role in driving the country's economy. If Securities trading in the capital market carried out on the Stock Exchange shows positive results, then this picture can result in achieving positive performance in a country's economy, as well as if the opposite happens. In essence, the Stock Exchange is a conventional market that brings together sellers and buyers. It can be defined that basically the activities carried out by the Stock Exchange are organizing and providing trading facilities or systems for its members.

According to Tjiptono Darmadji (2001) in the book Banks and Other Financial Institutions (2020), this Stock Exchange has two main tasks, namely as a facilitator or provider and supervisor.

1. Duties of the Stock Exchange as a Facilitator
 - 1) Provide securities trading facilities.
 - 2) Making the liquidity of an instrument can flow funds quickly in the securities that have been sold.
 - 3) Create and disseminate stock exchange information to all levels of society.
 - 4) Conducting capital market promotions for the acquisition of potential investors and new companies that have gone public or known as IPOs.
 - 5) Create a new tool or service instrument.
2. Stock Exchange Duties As SRO
 - 1) Set a rule related to exchange activities.
 - 2) Can prevent a transaction practice that is very binding for capital market implementers.
 - 3) Make a regulation that is relevant to exchange activities.

Cosmetics and Household Supplies Company

The history of cosmetics and household use in Indonesia can also be traced back to ancient times, where natural ingredients such as coconut oil, flowers and spices were used as cosmetic and body care products. However, the cosmetic industry and modern household needs in Indonesia only developed in the 20th century.

Initially, cosmetic products and household needs in Indonesia were imported from abroad, especially from Europe and America. However, in the 1950s, the Indonesian government encouraged the development of local cosmetics and household goods industries to boost the country's economy.

The cosmetics and household goods sub-sector is part of the consumer goods industry sector listed on the Indonesia Stock Exchange which is engaged in the production of cosmetics, perfumes, hair care, food and beverage products, home care products, and body care products. There are six companies that have joined as members of the Indonesia Stock Exchange at different times in this sub-sector, including PT. Kino Indonesia Tbk with code KINO, PT. Akasha Wira International Tbk with code ADES, PT. Mandom Indonesia Tbk with TCID code, PT. Unilever Indonesia Tbk with code UNVR, PT. Martina Berto Tbk with code MBTO, and PT. Mustika Ratu Tbk with code MRAT.

Financial performance

Financial performance in general is a level of success achieved by a company in managing the company's finances so that good management results are obtained. The financial performance of a company can be interpreted as a prospect or development of the company in the future. Financial performance information is needed to assess potential changes in existing resources.

According to Fahmi (2011) financial performance is an analysis which is then carried out to be able to see or describe how far a company has carried out using the rules of good and correct financial implementation. The performance of this company is a description of the situation or financial condition of a company which is analyzed using financial analysis tools, so that then you can know how good or bad the financial condition of a company is reflected in work performance in a certain period. This is very important so that resources are used optimally when facing environmental changes.

According to Rudianto (2013) financial performance is the result or achievement that has been achieved by company management in carrying out its function of managing company assets effectively during a certain period. Financial performance is needed by companies to find out and evaluate the level of success of the company based on the financial activities that have been carried out. Financial performance is a factor that shows the effectiveness and efficiency of an organization in order to achieve its goals. Effectiveness if management has the ability to choose the right goal or an appropriate tool to achieve the set goals. Based on the explanation above, it can be concluded that financial performance is work performance and the acquisition of company success in managing its company as measured from a financial point of view.

Financial Performance Measurement Methods

Performance measurement is the qualification and efficiency of a company or segment or effectiveness in operating a business during an accounting period. Measuring the performance of a company is very important for managers, for future evaluation and planning. Performance measurement is used by companies to make improvements to their operational activities in order to compete with other companies.

According to Jumingan (2009) based on the technique of financial analysis can be divided into 8 types, namely:

1. Comparative analysis of reports is an analytical technique by comparing the financial statements of two or more periods by showing changes in both the amount (absolute) or in percentage (relative).
2. Trend analysis (positional tendency), is an analysis technique to find out the tendency of the financial situation to show an increase or decrease.
3. Percentage analysis per component (common size), is an analysis technique to determine the percentage of investment in each asset to the total or total assets and debt.
4. Analysis of sources and use of working capital, is an analytical technique to determine the amount of sources and use of working capital through two compared time periods.
5. Analysis of sources and uses of cash, is an analytical technique to find out the condition of cash along with the reasons for changes in cash in a certain period of time.
6. Financial ratio analysis is a financial analysis technique to determine the relationship between certain items in the balance sheet and income statement both individually and simultaneously.
7. Analysis of the gross profit report is an analytical technique to find out the position of profits and the causes of changes in profits.
8. Break Even Analysis is an analytical technique to determine the level of sales that must be achieved so that the company does not experience losses.

Purpose of Financial Performance Measurement

According to Munawir (2012) states that the objectives of the company's financial performance are:

1. Knowing the level of liquidity. Liquidity shows the ability of a company to meet financial obligations that must be settled immediately when billed.
2. Knowing the level of solvency. Solvability shows the company's ability to meet its financial obligations if the company is liquidated, both short term and long term finance.
3. Knowing the level of profitability. Rentability or what is often referred to as profitability shows the company's ability to generate profits during a certain period.

4. Know the level of stability. Stability shows the company's ability to carry out its business stably, which is measured by considering the company's ability to pay its debts and pay interest on its debts on time.

Financial statements

According to Kasmir (2019) explains "Financial reports are reports that show the company's financial condition at this time or in a certain period". According to Fahmi (2017) Financial reports are information that describes the condition of a company, where in the future it will become information that describes the performance of a company.

According to Sofyan S. Harahap (2013) financial statements are reports that describe the financial condition and results of operations of a company at a certain time or a certain period of time. From the above understanding it can be concluded that financial statements are a tool used to show the performance of a company in a certain period.

Purpose and Benefits of Financial Statement Analysis

There are four main purposes why financial statement analysis is carried out, namely:

1. For filtering (*screening*) Analysis of financial statements is intended to read, understand, and filter various business activities that will be carried out in the future. Examples of activities such as mergers, investments, or others.
2. For forecasting (*forecasting*) Analysis of financial statements is intended to predict what the company's financial condition will be like in the future. In addition, this analysis also aims to find out how the company's financial condition is today, whether it is profitable or losing.
3. for diagnostics (*diagnosis*) Analysis of financial statements is intended to see the possibility of problems occurring within the scope of operations and finance. So that companies or interested parties can make strategies to prevent these problems from happening.
4. For assessment (*evaluation*) Analysis of financial statements is intended to identify and assess the achievements of management, finance, operations, and others. This assessment is also intended to see employee performance and make improvements to things that are felt to be lacking.

In addition to the four objectives above, financial statement analysis can also be made to find out the company's weaknesses and strengths, and determine the right steps as a strategy or improvement efforts in the future. In addition, financial statement analysis has a number of benefits, including:

- 1) To evaluate the work of divisions or departments within the company.
- 2) To find out the results of performance, income and progress or development of the company.
- 3) To find out the company's financial ability as well as a list of debts owed.
- 4) To determine tax policy.
- 5) To improve the welfare of company employees.

Components of Financial Statements

According to the Indonesian Accounting Association (2012) financial statements consist of the following components:

1. The company's balance sheet is presented in such a way as to highlight the various elements of financial position required for a fair presentation. The minimum balance sheet includes the following items: tangible assets, intangible assets, financial assets, required investments using the equity method, inventories, trade receivables and other payables, estimated liabilities, long-term interest-bearing liabilities, minority interests, share capital and accounts other equity.
2. The company's profit and loss report is presented in such a way as to highlight the various elements of financial performance required for a fair presentation. An income statement includes, as a minimum, the following items: revenues, profit and loss of companies, borrowing expenses, share of profits or losses of philanthropy and

associated companies required using the equity method, tax expenses, gains or losses from the normal activities of companies, extraordinary items, rights minority, net income and the current period.

3. Statement of changes in equity, Changes in equity describe the increase or decrease in net assets or wealth during the period in question based on the measurement principles adopted.
4. Statement of cash flows, Statement of cash flows reports cash inflows and cash outflows or cash equivalents during a certain period. Cash flows are classified according to operating activities, investing activities and financing activities.
5. Notes to financial statements Notes to financial statements include negative explanations or details of amounts shown in the balance sheet, income statement, cash flow statement and statement of changes in equity as well as additional information such as commitments.

Financial Ratios

According to Samryn (2011), "Financial ratios are related to financial statements, because financial ratio analysis is carried out on financial reports, this analysis is usually used to see whether a company's finances are healthy or not. In terms of financial ratio analysis is a way to make comparisons of company financial data more meaningful. Financial ratios are the basis for answering several important questions regarding the financial health of the company.

Meanwhile, according to Sutrisno (2013), "Financial ratios are connecting elements of various assets with each other, elements that are liabilities with each other, elements of the balance sheet with elements of the loss/profit statement". From the definition above it can be concluded that financial ratios are used to see the condition of financial reports that combine one component with another in the form of numbers to analyze the company's finances.

Types of Financial Ratios

According to Munawir (2012) there are 4 (four) groups of financial ratios, namely liquidity ratios, activity ratios, profitability ratios and solvency ratios.

1. The liquidity ratio is the ratio to determine the company's ability to finance operations and meet financial obligations when billed.
2. The activity ratio is the ratio to determine the company's ability to carry out daily company activities or the company's ability to sell, collect receivables and use its assets.
3. The profitability ratio is the ratio to determine the company's ability to earn profits from various policies and decisions that have been taken.
4. The solvency ratio is a ratio to measure how far the company's assets are financed by debt.

Analysis Du Pont System

Analysis Du pont system was first developed by a technician named F. Donaldson Brown in 1918 F. Donaldson Brown was the chief financial officer Du Pont system Corporations. Company Du Pont system This introduces a method of financial analysis which is then recognized by most in America and then the analysis is known as analysis Du Pont. Method analysis Du Pont system is an integrated analysis approach to financial ratios. In measuring company performance, there are many techniques that can be used, one of which is to use a model Du Pont system. Du Pont is an analytical tool used to analyze the profits of a company.

According to Safrida Hani (2014) "Du Pont system is a comprehensive financial performance measurement tool, because it is able to directly describe the two main reports of the Balance Sheet and Profit and Loss financial statements which specifically describe the ratio profitability used as a tool to measure the level of efficiency in generating profits.

The method is actually almost the same as regular financial statement analysis, but the approach is more integrative and uses the composition of financial statements as an element of analysis. Du Pont considers numbers important Return On Investment (ROI) so he starts his analysis from this number.

According to (Keown et al, 2018) "Analysis Du Pont is a method used to analyze profitability and return on equity". Operating efficiency is represented by the net profit margin or net profit divided by total sales or revenue, efficiency in the use of assets is measured by the asset turnover ratio, while leverage is measured by the equity multiplier.

Purpose of Analysis Du Pont System

Purpose of the Analysis Du Pont system is to find out how far the company's effectiveness is in increasing its return on assets, so this analysis includes several ratios. System Du Pont in it combines the ratio of total asset turnover activity with the ratio of profit/Net Profit Margin over sales and shows how the two interact in determining Return On Asset (ROA) namely the profitability of the company. Influencing factors Return On Asset is Net Profit Margin and Total Asset Turn Over to determine the effectiveness of using all of the company's assets in order to generate sales, or it can be said return on net sales rupiah that can be generated by every rupiah invested in the company's assets. The company is considered effective in using its assets productively if the turnover of its assets rotates properly. Whereas Net Profit Margin can be interpreted as the level of efficiency of the company, namely the extent to which the company's ability to use the costs that exist in the company. The more efficient the operation of a company is due to the higher profit margin achieved by the company.

Measurement Analysis of the Du Pont System

1) Asset Return Rate or Return On Assets (ROA)

Return On Asset (ROA) is used to measure how much profit can be obtained from all assets used, which means it concerns investment decisions, positive ROA indicates that capital is invested in all assets used for company operations and provides company profit and loss, otherwise negative ROA indicates that all of the assets used for the company's operations are not able to provide benefits for the company and ultimately the company will suffer losses so that the growth of its own capital will decrease

According to Munawir (2014) "Return On Asset (ROA) is an analysis technique commonly used by company leaders to measure the effectiveness of the overall company operations with all funds invested in assets to generate profits.

According to Kasmir (2012) Return On Asset (ROA) is a ratio that shows the yield (return) on the total assets used in the company. In addition, ROA provides a better measure of a company's profitability because it shows the effectiveness of management in using assets to generate income.

According to Fahmi (2012) Return On Asset often referred to as Return On Investment, because ROA It looks at the extent to which the investment that has been invested is able to provide expected returns and the investment is actually the same as the company's assets invested or placed.

Return On Assets (ROA) using the method Du pont system can be calculated by the following formula:

$$\text{ROA (Du Pont)} = \text{Net Profit Margin} \times \text{Total Assets Turn Over}$$

2) Profit Margin or Net Profit Margin (NPM)

The ratio of net profit to sales is very important for the owner. It is very important for the owner to know how much profit he is entitled to. This ratio measures the end result of all company activities. The difference between net profit and operating profit can reflect how much the company bears for non-operational expenses.

According to Sudana (2015) "Net profit margin is the ratio measuring the company's ability to generate net profit from sales made by the company. This ratio reflects the efficiency of all parts, namely production, personnel, marketing, and finance within the company. That efficiency makes it more likely for companies to survive when product lines fall short of expectations, or when periods of economic contraction hit the wider economy. Net Profit Margin a company generates a certain level of sales profit.

According to Kasmir (2015) "Net Profit Margin (NPM) is a measure of profit by comparing profit after interest and tax compared to sales, thus showing the company's net income from sales.

According to Harahap (2009) "The large percentage of net income obtained from each sale is related to the greater the ratio Net Profit Margin the better because it is considered that the company's ability to earn a profit is quite high. This ratio can be calculated in the following way:

$$\text{Net Profit Margin (NPM)} = \frac{\text{Net Profit}}{\text{Sale}} \times 100\%$$

3) Total Assets Turnover (TATO)

With the ratio of total asset turnover will know the effectiveness of using the company's operating assets in generating sales. If the company generates the same sales with fewer assets, it means that the company is more effective, because it requires a lower level of investment. The more effectively a company uses its assets, the fewer assets it needs to have in the company. Thus in the end if fewer assets are used, then the cost of using assets will be less and so on profitability will increase.

According to Wahyuni & Gunawan (2013) "Total Assets Turn Over is a ratio that can explain or give an overview to the analyst about the good and bad conditions or the position of the company's asset turnover. This shows how efficient the company is in using the assets acquired to generate sales on an ongoing basis.

According to Kasmir (2012) Total Asset Turnover (TATO) is the last asset management ratio measuring the turnover of all company assets, and is calculated by dividing sales by total assets and measuring the number of sales earned from each rupiah of assets. This ratio can be calculated in the following way:

$$\text{Total Assets TurnOver (TATO)} = \frac{\text{Sale}}{\text{Total assets}}$$

3. RESEARCH METHOD

Research design

The research method used is a descriptive method with a quantitative approach. Descriptive research aims to describe a situation or object in actual fact, systematically and the characteristics of the subject and object are examined accurately, precisely and in accordance with the actual incident.

Population and Sample

Population

The population is a generalization area consisting of: objects/subjects that have certain qualities and characteristics determined by researchers to be studied and then drawn conclusions (Sugiyono, 2013).

The population in this study are Cosmetics and Household Needs Companies that are listed on the Indonesia Stock Exchange (IDX) for the 2017-2021 period. The number of Cosmetics and Household Needs companies listed on the Indonesia Stock Exchange in the 2017-2021 period totaled 6 companies.

Sample

The sample is part of the number and characteristics possessed by the population (Sugiyono, 2013). In taking the sample, the researcher uses the purposive sampling method, which is a sampling technique with certain considerations (Sugiyono, 2013).

The sample criteria studied in Cosmetics and Household Needs companies listed on the Indonesia Stock Exchange (IDX) are as follows.

Table 1 Sampling Process

No.	Criteria	Amount
1.	Cosmetics and Household Supplies Companies listed on the Indonesia Stock Exchange in 2017-2021.	6
2.	Companies that publish financial reports consecutively from 2017 - 2021.	6
3.	Cosmetics and Household Use Companies that have completed financial reports for the last 5 years.	6

The number of companies used as samples	6
Total Samples (6x5)	30

Source: Processed Secondary Data, 2022

Table 2 List of Sample Companies Listed on the Indonesia Stock Exchange for 2017-2021

No.	code	Company name
1.	KINO	PT. Kino Indonesia Tbk
2.	MBTO	PT. Martina Berto Tbk
3.	ADES	PT. Akasha Wira International Tbk
4.	MRAT	PT. Mustika Ratu Tbk
5.	TCID	PT. Mandom Indonesia Tbk
6	UNVR	PT. Unilever Indonesia Tbk

Source : www.idx.co.id, 2022

Operational Definition and Variable Measurement

The meaning of research variables according to Sugiyono (in Sujarweni, 2020) is something in any form that is determined by researchers to be studied so that information about this is obtained, and then conclusions are drawn. In this study Analysis Du Pont is not a regression analysis, so this study does not need to use variables X and Y variables in it. To measure financial performance in this study using the Du Pont System Analysis test tool using ratios Net Profit Margin (NPM), Total Asset Turnover (TATO) and Return On Asset (ROA) (Du Pont).

Table 3 Operational variables

Variabel	Definition	Indicator	Scale
Net Profit Margin (NPM)	Net Profit Margin (NPM) is a measure of profit by comparing profit after interest and tax compared to sales, thus showing the company's net income from sales. (Kasmir, 2015)	$NPM = \frac{\text{Net profit}}{\text{Sale}} \times 100\%$	Ratio
Total Assets Turnover (TATO)	Total Asset Turnover (TATO) is the last asset management ratio measuring the turnover of all company assets, and is calculated by dividing sales by total assets and measuring the number of sales earned from each rupiah of assets. (Kasmir, 2012)	$TATO = \frac{\text{Sale}}{\text{Total assets}}$	Ratio
Return On Assets Du Pont (ROA)	Return On Assets (ROA) is a ratio that shows the results (return) on the total assets used in the company. In addition, ROA provides a better measure of a company's profitability because it shows the effectiveness of management in using assets to generate income. (Kasmir, 2012)	$ROA \text{ (Du Pont)} = \text{Net Profit Margin} \times \text{Total Assets TurnOver}$	Ratio

Data collection

According to Sugiyono (2017), data collection techniques are the most strategic step in research, because the main objective of research is to obtain data. Without knowing data collection techniques, researchers will not get data that meets the established data standards.

The data taken in this study is secondary data, namely data obtained indirectly from the company used as the unit of analysis using the following techniques:

a. Library Studies (Library Research)

Writing obtains several data sources derived from previous research references.

b. Web Searching

The author tries to collect articles, journals, documentation and others that have something to do with the material.

Data analysis

In this study using descriptive analysis method according to Sugiyono (2017) descriptive analysis is research conducted to collect information about a symptom according to what it was at the time the research was conducted. This descriptive research method with a quantitative approach is carried out by analyzing the company's financial report data and then tabulating it so that it can determine whether the company's category is healthy or not. The stages used in analyzing this research data are as follows:

1. Collect document data in the form of financial reports consisting of income statements and balance sheets.
2. Calculating financial ratios such as Return On Assets (Du Pont), Net Profit Margin, and Total Assets TurnOver.
3. Look at the trend whether it has increased or decreased.
4. Analyze data based on financial ratios Du Pont System.
 - a. Asset rate of return or Return On Assets (ROA) is a form of profitability ratio used to measure a company's ability with all funds invested in assets used for the company's operational costs in increasing its return on assets.

$$\text{ROA (Du Pont)} = \text{Net Profit Margin} \times \text{Total Assets Turn Over}$$

- b. Net Profit Margin or Net Profit Margin (NPM) is the company's ability to generate profits from a certain level of sales. This ratio provides a measure of the net profit generated for each rupiah of sales. The higher the net profit achieved by the company, the more efficient the company's operations.

$$\text{Net Profit Margin (NPM)} = \frac{\text{Net Profit}}{\text{Sale}} \times 100\%$$

- c. Total Asset Turnover or Total Assets TurnOver (TATO) is the rotation speed of the company's assets in a certain period. This ratio is used to determine the effectiveness of the use of all company assets in order to generate sales.

$$\text{Total Assets TurnOver (TATO)} = \frac{\text{Sale}}{\text{Total assets}}$$

5. Make conclusions about the condition of the company's financial performance.

4. RESULTS AND DISCUSSION

Results

Pt. Kino Indonesia, Tbk (KINO)

1) Net Profit Margin (NPM)

Table 4 Data on Net profit, Sales, and NPM at PT. KINO 2017-2021

Year	Net profit	Sale	NPM
2017	109.696.001.798	3.160.637.269.263	3,47 %

2018	150.116.045.042	3.611.694.059.699	4,15 %
2019	515.603.339.649	4.678.868.638.822	11,0 %
2020	113.665.219.638	4.024.971.042.139	2,82 %
2021	100.649.538.230	3.976.656.101.508	2,53 %

Source: IDX Annual Report (Data processed), 2022

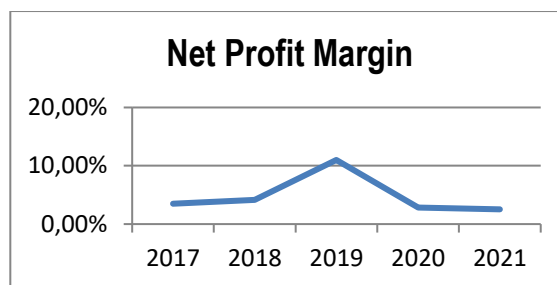


Figure 4 Graph Net Profit Margin (NPM) PT. KINO

Source: Data processing by the author, 2022

From the chart Net Profit Margin (NPM) PT.KINO experienced ups and downs. This can be seen from the NPM calculations and graphs at PT.KINO, based on these calculations and graphs it can be seen that in 2019 there was a significant increase of 11.0% while in 2021 the NPM decreased by 2.53%. This shows unfavorable conditions for the company's performance, so that the company has not been able to reduce costs within the company. According to Sofyan Harahap (2013) "The bigger the net profit, the better it is because it is considered that the company's ability to increase profits is quite high". The greater this ratio, the better the company's ability to earn high profits.

2) Total Assets Turn Over (TATO)

Table 5 Sales Data, Total Assets, and TATO at PT. KINO 2017-2021

Year	Sale	Total active	TATO
2017	3.160.637.269.263	3.237.595.219.274	0.97 times
2018	3.611.694.059.699	3.592.164.205.408	1 time
2019	4.678.868.638.822	4.695.764.958.885	0.99 times
2020	4.024.971.042.139	5.255.359.155.031	0.76 times
2021	3.976.656.101.508	5.346.800.159.052	0.74 times

Source: IDX Annual Report (Data processed), 2022

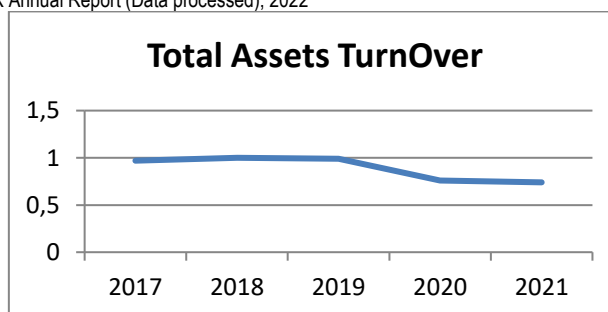


Figure 5 GraphTotal Asset Turnover (TATO) PT. KINO

Source: Data processing by the author, 2022

Based on the data and graphs above, it can be seen that the value Total Assets Turn Over (TATO) owned by the PT.KINO company from 2018 to 2021 has decreased. This means that the company is still not effective in creating sales from its assets. According to Agnes Sawir (2007) "the faster the turnover of assets indicates the more effective the company is in using the company's assets, and conversely if the turnover is slower then it indicates the assets owned are too large compared to the company's ability to sell them".

3) Return On Assets (ROA) Du Pont

Table 6 Data on NPM, TATO and ROA data at PT. KINO 2017-2021

Year	NPM	TATO	ROA
2017	3,47%	0.97 times	3,36 %
2018	4,15%	1 time	4,15 %
2019	11,0%	0.99 times	10,9 %
2020	2,82%	0.76 times	2,14 %
2021	2,53%	0.74 times	1,87 %

Source: IDX Annual Report (Data processed), 2022

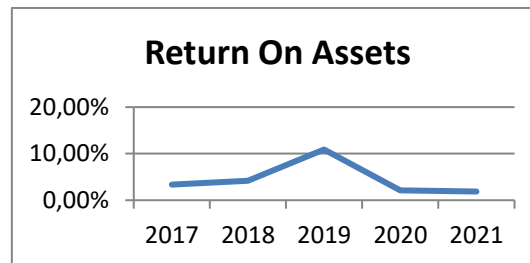


Figure 6 Graph Return On Assets (ROA) Du Pont PT. KINO

Source: Data processing by the author, 2022

From the chart above Return On Assets (ROA) Du Pont at PT. KINO shows that it has experienced ups and downs from year to year. In 2019 the ROA value increased by 10.9%. In 2021 it will decrease to 1.87%. With the decrease in ROA at PT. This shows a decrease in the company's financial performance, because the company has not been able to manage the company's assets to generate profits. Where according to Kasmir (2012) "The smaller this ratio the less good, and vice versa".

Pt.Martina Berto, Tbk (MBTO)

1) Net Profit Margin (NPM)

Table 7 Data on Net profit, Sales, and NPM at PT. MBTO Year 2017-2021

Year	Net profit	Sale	NPM
2017	(24.690.826.118)	731.577.343.628	- 3,37 %
2018	(114.131.026.847)	502.517.714.607	- 22,7 %
2019	(66.945.894.110)	537.567.605.097	- 12,4 %
2020	(203.214.931.752)	297.216.309.211	- 68,3 %
2021	(148.766.710.345)	210.528.089.820	- 70,6 %

Source: IDX Annual Report (Data processed), 2022

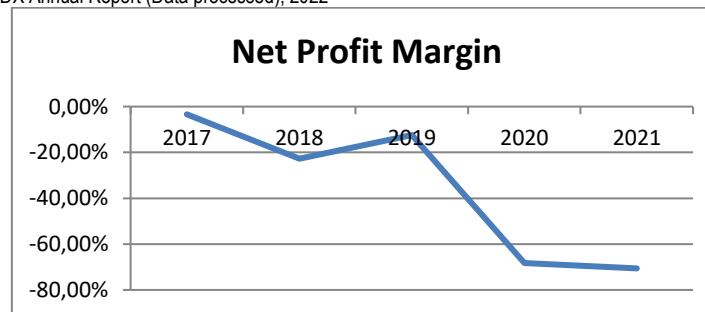


Figure 7 Graph Net Profit Margin (NPM) PT. MBTO

Source: Data processing by the author, 2022

Based on the chart above Net Profit Margin (NPM) PT. The MBTO above can be seen experiencing conditions that rose and fell significantly where in 2017 namely (3.37%) while in 2021 NPM experienced a decrease namely (70.6%) both were in a minus position, this shows that the condition was poor financial performance. so that the company's Net Profit Margin has not been able to reduce costs within the company. According to Sofyan Harahap (2013) "The bigger the net profit, the better it is because it is considered that the company's ability to increase profits is quite high". The greater this ratio, the better the company's ability to earn high profits.

2) Total Assets TurnOver (TATO)

Table 8 Sales data, Total assets, and TATO at PT. MBTO Year 2017-2021

Year	Sale	Total active	TATO
2017	731.577.343.628	780.669.761.787	0.93 times
2018	502.517.714.607	648.016.880.325	0.77 times
2019	537.567.605.097	591.603.928.037	0.90 times
2020	297.216.309.211	982.822.686.217	0.30 times
2021	210.528.089.820	714.647.740.684	0.29 times

Source: IDX Annual Report (Data processed), 2022

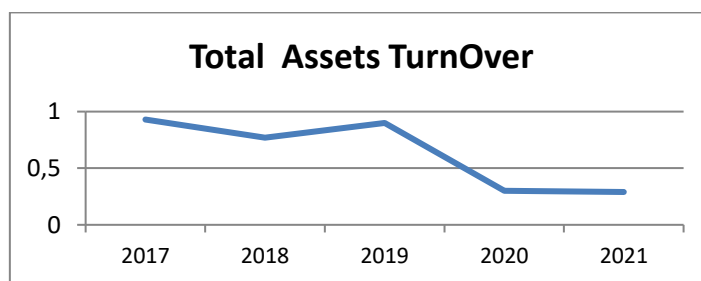


Figure 8 Graph of Total Assets Turnover (TATO) PT.MBTO
Source: Data processing by the author, 2022

From data and graph Total Assets TurnOver (TATO) at PT. It can be seen that the MBTO has experienced ups and downs from 2017 to 2021. In 2017, the TATO value experienced a turnover of 0.93 times, so the company was only able to generate revenue of 0.93 times of its total assets. In 2018, the TATO value decreased compared to the previous year by 0.77 times, so the company was only able to generate revenue of 0.77 times from its total assets. In 2019 the TATO value increased compared to 2018 by 0.90 times, so the company was only able to generate revenue of 0.90 times of its total assets. In 2020 it decreased by 0.30 times compared to 2019. Likewise in 2021 it decreased by 0.29 compared to 2020. Based on the explanation above this means that the company has not effectively maximized its assets and has an impact on inefficient asset turnover.

3) Return On Assets (ROA) Du Pont

4)

Table 9 Data NPM, TATO, and ROA at PT. MBTO Year 2017-2021

Year	NPM	TATO	ROA
2017	-3,37%	0.93 times	- 3,13 %
2018	-22,7%	0.77 times	-17,4 %
2019	-12,4 %	0.90 times	-11,1 %
2020	-0,68%	0.30 times	-0,20 %
2021	-70,6%	0.29 times	-20,4 %

Source: IDX Annual Report (Data processed), 2022

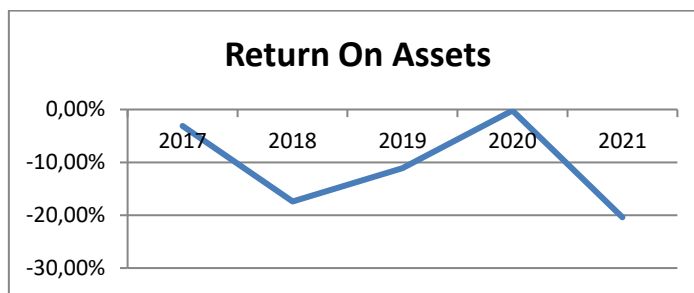


Figure 9 Graph Return On Assets (ROA) Du Pont PT. MBTO
Source: Data processing by the author, 2022

From the chart Return on Assets (ROA) at PT. The MBTO above fluctuates from year to year. In 2017 the ROA value was (3.13%). In 2018 the ROA value decreased (17.4%). In 2019 it rose to (11.1%). In 2020 there was another increase in the ROA value to (0.20%). However, in 2021 there was a significant decrease in the ROA value of (20.4%) but in a minus position, this indicates that there has been a decrease in the company's financial performance, because the company has not been able to manage the company's assets to generate profits. Where according to Kasmir (2012) "The smaller this ratio the less good, and vice versa".

Pt. Akasha Wira International, Tbk (ADES)

1) Net Profit Margin (NPM)

Table 10 Data Net profit, Sales, and NPM at PT. ADES 2017-2021

Year	Net profit	Sale	NPM
2017	38.242.000.000	814.490.000.000	4,69 %
2018	52.958.000.000	804.302.000.000	6,58 %
2019	83.885.000.000	764.703.000.000	10,9 %
2020	135.789.000.000	673.364.000.000	20,1 %
2021	265.758.000.000	935.075.000.000	28,4 %

Source: IDX Annual Report (Data processed), 2022

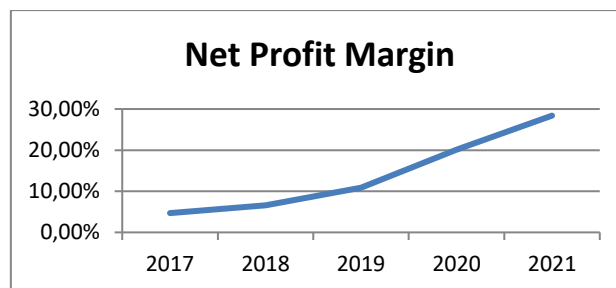


Figure 10 Graph Net Profit Margin (NPM) PT. ADES
Source: Data processing by the author, 2022

From the chart Net Profit Margin (NPM) PT. ADES can be seen in data and graphs that have increased every year starting in 2017-2021, this shows that the company's condition is very good for company performance. This also means that the company's ability to increase profits is quite high. According to Sofyan Harahap (2013) "The bigger the net profit, the better it is because it is considered that the company's ability to increase profits is quite high". The greater this ratio, the better the company's ability to earn high profits.

2) Total Assets TurnOver (TATO)

Table 11 Sales data, Total asset, and TATO at PT. ADES Year 2017-2021

Year	Sale	Total active	TATO
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2017	814.490.000.000	840.236.000.000	0.96 times
2018	804.302.000.000	881.275.000.000	0.91 times
2019	764.703.000.000	822.375.000.000	0.92 times
2020	673.364.000.000	958.791.000.000	0.70 times
2021	935.075.000.000	1.340.108.000.000	0.69 times

Source: IDX Annual Report (Data processed), 2022

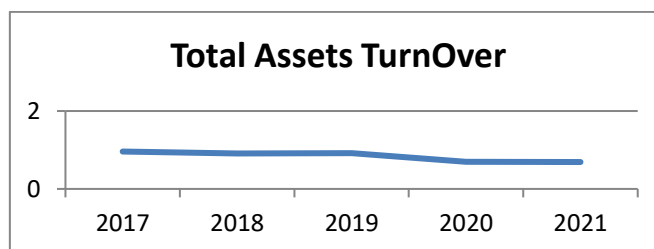


Figure 11 Graph Total Assets TurnOver (TATO) PT. ADES

Source: Data processing by the author, 2022

Based on the chart above Total Assets TurnOver (TATO) at PT. ADES from 2017 to 2021 has experienced ups and downs from year to year. This means that the company has not effectively maximized its assets and has an impact on inefficient asset turnover. According to Agnes Sawir (2007) "the faster the turnover of assets indicates the more effective the company is in using the company's assets, and conversely if the turnover is slower then it indicates the assets owned are too large compared to the company's ability to sell them".

3) Return On Assets (ROA) Du Pont

Table 12 Data NPM, TATO, and ROA at PT. ADES Year 2017-2021

Year	NPM	TATO	ROA
2017	3,37%	0.93 times	4,50 %
2018	22,7%	0.77 times	5,98 %
2019	12,4 %	0.90 times	10,0 %
2020	0,68%	0.30 times	14,0 %
2021	70,6%	0.29 times	19,5 %

Source: IDX Annual Report (Data processed), 2022

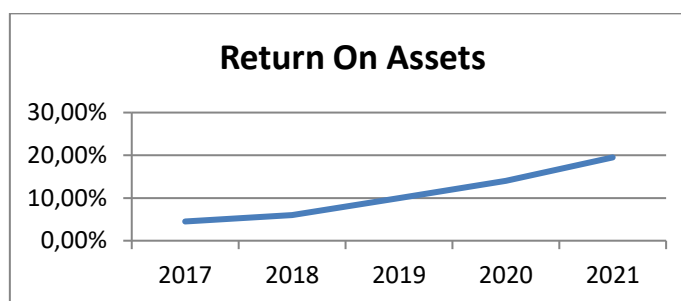


Figure 12 Grafik Return On Assets (ROA) Du Pont PT. ADES

Source: Data processing by the author, 2022

From the chart above Return On Assets (ROA) at PT. ADES has increased from year to year starting from 2017 – 2021. With an increase in the ROA value every year, this shows that there is an increase in the company's financial performance, because the company can manage the company's assets to generate profits.

Pt. Mustika Ratu, Tbk (MRAT)

1) Net Profit Margin (NPM)

Table 13 Data on Net profit, Sales, and NPM at PT. MRAT 2017-2021

Year	Net profit	Sale	NPM
2017	(1.283.332.109)	344.678.666.245	-0,37 %
2018	(2.256.476.497)	300.572.751.733	-0,75 %
2019	131.836.668	305.224.577.860	0,04 %
2020	(6.766.719.891)	318.408.499.475	-2,12 %
2021	357.509.551	326.794.571.097	0,10 %

Source: IDX Annual Report (Data processed), 2022

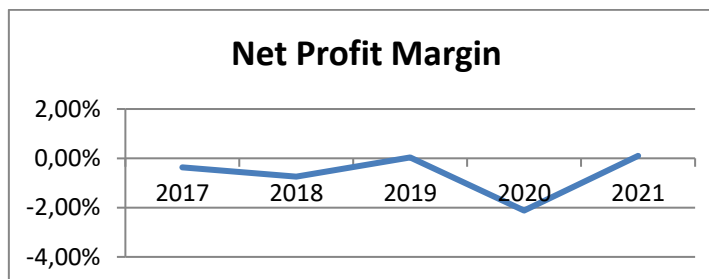


Figure 13 Graph Net Profit Margin (NPM) PT. MRAT

Source: Data processing by the author, 2022

From the chart Net Profit Margin (NPM) PT. MRAT experienced fluctuating conditions from year to year. This can be seen from the tables and graphs of NPM PT. MRAT, from the tables and graphs it can be seen that in 2017 the NPM value (0.37%) in 2018 has decreased, namely the NPM value (0.75%) in 2019 has increased where the position of the NPM value is in a positive position with a value of 0, 04% but in 2020 it has decreased to a negative position with the NPM value (2.12%) while in 2021 the NPM value has increased to 0.10%.

2) Total Assets TurnOver (TATO)

Table 14 Sales data, Total assets, and TATO at PT. MRAT 2017-2021

Year	Sale	Total active	TATO
2017	344.678.666.245	497.354.419.089	0.69 times
2018	300.572.751.733	511.887.783.867	0.58 times
2019	305.224.577.860	532.762.947.995	0.57 times
2020	318.408.499.475	559.795.937.451	0.56 times
2021	326.794.571.097	578.260.975.588	0.56 times

Source: IDX Annual Report (Data processed), 2022

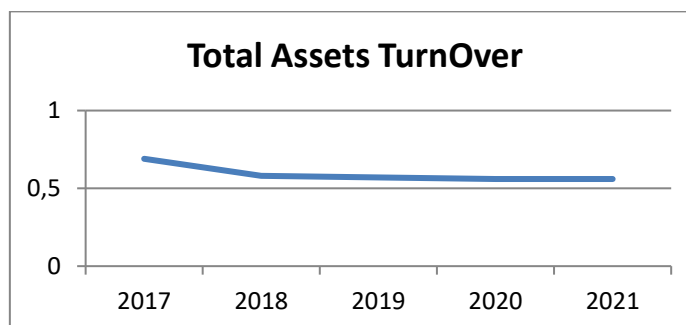


Figure 14 Graph Total Assets Turnover (TATO) PT. MRAT

Source: Data processing by the author, 2022

From the data in the table and graph above it can be seen that the value Total Assets TurnOver (TATO) at PT. MRAT from 2017-2021 has decreased. This means that the company is still not effective in creating sales from its assets. This happens because the company's assets are greater than sales. According to Agnes Sawir

(2007) "the faster the turnover of assets indicates the more effective the company is in using the company's assets, and conversely if the turnover is slower then it indicates the assets owned are too large compared to the company's ability to sell them".

3) Return On Assets (ROA) Du Pont

Table 15 Data on NPM, TATO, and ROA at PT. MRAT 2017-2021

Year	NPM	TATO	ROA
2017	-0,37%	0.69 times	- 0,25 %
2018	-0,75%	0.58 times	- 0,43 %
2019	0,04%	0.57 times	0,02 %
2020	-2,12%	0.56 times	- 1,18 %
2021	0,10%	0.56 times	0,05 %

Source: IDX Annual Report (Data processed), 2022

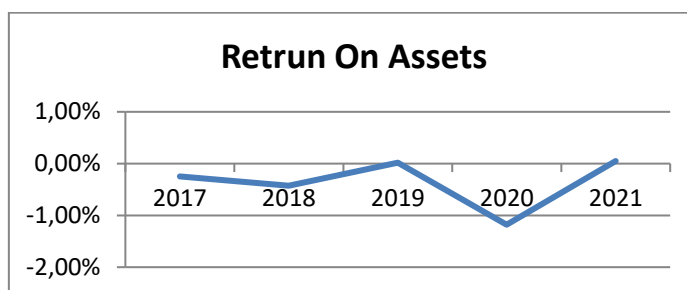


Figure 15 Graph Return On Assets (ROA) Du Pont PT. MRAT

Source: Data processing by the author, 2022

From the graph above the value Return On Assets (ROA) at PT. MRAT has fluctuated every year. In 2017 the ROA value was (0.25%). In 2018 the ROA value decreased to (0.43%). In 2019 it increased to 0.02%. However, in 2020 it decreased again by (1.18%) and in 2021 it increased by 0.05%. This was due to an increase in the company's net profit and sales supported by the relatively small total costs incurred and an increase in the company's total asset turnover.

Pt. Mandom Indonesia, Tbk (TCID)

1) Net Profit Margin (NPM)

Table 16 Data on Net profit, Sales, and NPM at PT. TCID Year 2017-2021

Year	Net profit	Sale	NPM
2017	179.126.382.068	2.706.394.847.919	6,61 %
2018	173.049.442.756	2.648.754.344.347	6,53 %
2019	145.149.344.561	2.804.151.670.769	5,17 %
2020	(54.776.587.213)	1.989.005.993.587	-2,75 %
2021	(76.507.618.777)	1.850.311.080.131	-4,13 %

Source: IDX Annual Report (Data processed), 2022

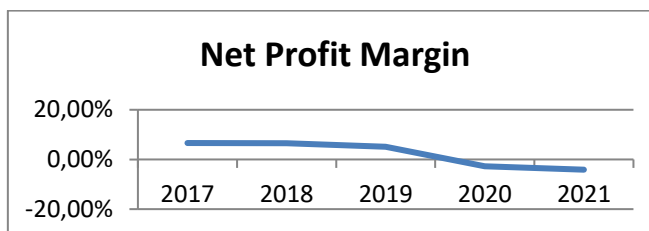


Figure 16 Graph Net Profit Margin (NPM) PT. TCID

Source: Data processing by the author, 2022

From the chart Net Profit Margin (NPM) at PT. TCID experienced conditions that decreased significantly from 2017 to 2021. Where the NPM value in 2017 was 6.61%, it decreased in 2021 by (4.13%), it decreased to a negative position, this illustrates the company's unfavorable condition. good for company performance, so the company has not been able to reduce costs within the company. According to Sofyan Harahap (2013) "The bigger the net profit, the better it is because it is considered that the company's ability to increase profits is quite high". The greater this ratio, the better the company's ability to earn high profits.

2) Total Assets Turn Over (TATO)

Table 17 Sales data, Total assets, and TATO at PT. TCID Year 2017-2021

Year	Sale	Total active	TATO
2017	2.706.394.847.919	2.361.807.189.430	1.14 times
2018	2.648.754.344.347	2.445.143.511.801	1.08 times
2019	2.804.151.670.769	2.551.192.620.939	1.09 times
2020	1.989.005.993.587	2.314.790.056.002	0.85 times
2021	1.850.311.080.131	2.300.804.864.960	0.80 times

Source: IDX Annual Report (Data processed), 2022

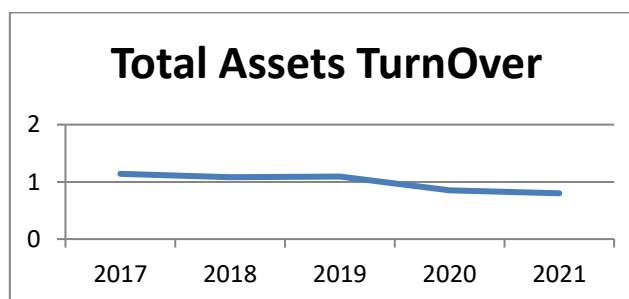


Figure 17 Graph Total Assets TurnOver (TATO) PT.TCID

Source: Data processing by the author, 2022

From the table and graphic data above it can be seen that the value Total Assets Turn Over (TATO) PT.TCID from 2017 to 2021 has experienced increases and decreases. This states that the company has not been effective in maximizing its assets and has an impact on inefficient asset turnover. According to Agnes Sawir (2007) "the faster the turnover of assets indicates the more effective the company is in using the company's assets, and conversely if the turnover is slower then it indicates the assets owned are too large compared to the company's ability to sell them".

3) Return On Assets (ROA) Du Pont

Table 18 Data NPM, TATO, and ROA at PT. TCID Year 2017-2021

Year	NPM	TATO	ROA
2017	6,61 %	1.14 times	7,53%
2018	6,53 %	1.08 times	7,05%
2019	5,17 %	1.09 times	5,63%
2020	-2,75 %	0.85 times	- 2,33%
2021	-4,13 %	0.80 times	- 3,30%

Source: IDX Annual Report (Data processed), 2022

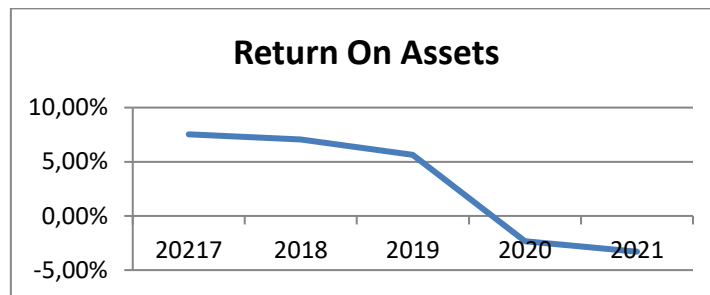


Figure 18 Graph Return On Assets (ROA) Du Pont PT. TCID

Source: Data processing by the author, 2022

From the chart above Return On Assets (ROA) at PT. TCID has decreased from year to year. In 2017 the ROA value increased by 7.53%, but in 2021 it experienced a significant decrease with an ROA value of (3.30%). With a decrease in the value of ROA, this indicates that there has been a decrease in the company's financial performance, because the company has not been able to manage the company's assets to generate profits.

Pt. Unilever Indonesia, Tbk (UNVR)

1) Net Profit Margin (NPM)

Table 19 Data on Net profit, Sales, and NPM at PT. UNVR Year 2017-2021

Year	Net profit	Sale	NPM
2017	7.004.562.000	41.204.510.000	0,16 %
2018	9.081.187.000	41.802.073.000	0,21 %
2019	7.392.837.000	42.922.563.000	0,17 %
2020	7.163.536.000	42.972.474.000	0,16 %
2021	5.758.148.000	39.545.959.000	0,14 %

Source: IDX Annual Report (Data processed), 2022

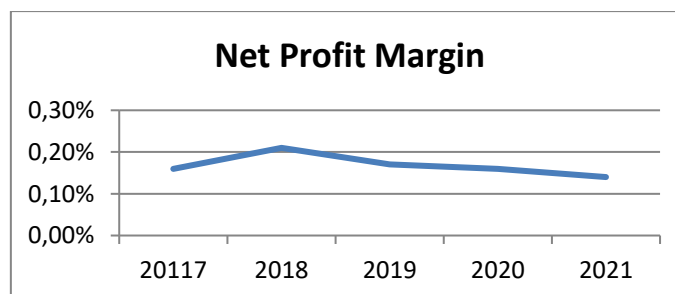


Figure 19 Graph Net Profit Margin (NPM) PT. UNVR

Source: Data processing by the author, 2022

From the chart Net Profit Margin (NPM) PT. UNVR experienced conditions that rose and fell every year from 2017 to 2021. This indicated unfavorable conditions for the company's performance, so the company had not been able to reduce costs with in the company. According to Sofyan Harahap (2013) "The bigger the net profit, the better it is because it is considered that the company's ability to increase profits is quite high". The greater this ratio, the better the company's ability to earn high profits.

2) Total Assets Turn Over (TATO)

Table 20 Sales Data, Total assets and TATO at PT. UNVR Year 2017-2021

Year	Sale	Total active	TATO
2017	41.204.510.000	18.906.413.000	2.17 times
2018	41.802.073.000	20.326.869.000	2.05 times
2019	42.922.563.000	20.649.371.000	2.08 times
2020	42.972.474.000	20.534.632.000	2.09 times
2021	39.545.959.000	19.068.532.000	2.07 times

Source: IDX Annual Report (Data processed), 2022

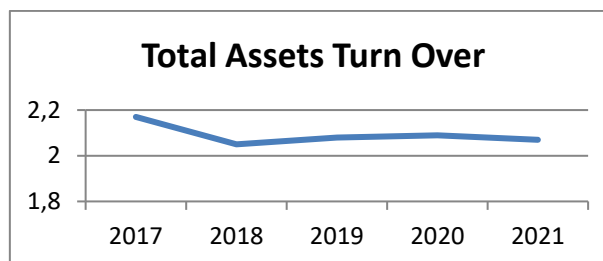


Figure 20 Graph Total Assets Turn Over (TATO) PT. UNVR

Source: Data processing by the author, 2022

From the chart Total Assets Turn Over (TATO) that PT. UNVR has achieved from 2017 to 2021 has experienced increases and decreases. This means that the company has not effectively maximized its assets and has an impact on inefficient asset turnover. According to Agnes Sawir (2007) "the faster the turnover of assets indicates the more effective the company is in using the company's assets, and conversely if the turnover is slower then it indicates the assets owned are too large compared to the company's ability to sell them".

3) Return On Assets (ROA) Du Pont

Table 21 NPM, TATO, and ROA at PT. UNVR 2017-2021

Year	NPM	TATO	ROA
2017	0,16%	2.17 times	0,34 %
2018	0,21%	2.05 times	0,43 %
2019	0,17%	2.08 times	0,35 %
2020	0,16%	2.09 times	0,33 %
2021	0,14%	2.07 times	0,28 %

Source: IDX Annual Report (Data processed), 2022

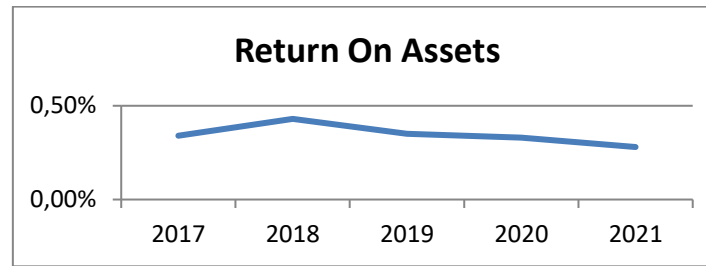


Figure 21 Graph Return On Assets (ROA) Du Pont PT. UNVR
Source: Data processing by the author, 2022

From the graph above the value Return On Assets (ROA) at PT. UNVR has increased and decreased from year to year. In 2018 the ROA value increased by 0.43% but in 2021 the ROA value decreased to 0.28%. With a decrease in the value of ROA, this indicates that there is a decrease in the company's financial performance, because the company has not been able to manage the company's assets to generate profits.

DISCUSSION

Analysis Du Pont system is a system used to assess the level of return on investment on assets invested in the company. Purpose of the Analysis Du Pont system is to determine the extent to which the company's effectiveness in increasing its return on assets, so that this analysis includes various ratios. Assessment of financial performance measurement is divided into several elements, namely comparative analysis of financial statements, financial ratio analysis, trend analysis, and analysis of changes in gross profit.

Financial Performance at PT. Akasha Wira International, Tbk by using Du Pont system from 2017 to 2021 shows that the ADES company is in good condition. Because the value of the company's NPM and ROA has increased every year except for the TATO value which has decreased due to the company not being effective in maximizing its assets and having an impact on efficient asset turnover. Even so, the state of the company can be said to be good. According to Syamsuddin (2011) "Return on Investment (ROI) or what is often referred to as Return on Total Assets is a measurement of the ability of the company as a whole the assets available in the company. The higher this ratio, the better the condition of a company.

5. CONCLUSION

Based on the results of the research and discussion in the previous chapter, it can be concluded that:

1. Financial performance in Cosmetics and Household Purposes companies as measured by analysis Du Pont system during the period 2017 – 2021 were in unfavorable conditions. This is because the ROA value generated by the company during 2017 – 2021 has decreased. This decrease in ROA was due to the decrease in the value of Net Profit Percentage and TATO. This condition reflects that the company is less efficient in managing its investment to generate profits. Except for PT. Akasha Wira International Tbk (ADES) has an ROA value that increases every year from 2017 – 2021. This shows that there has been an increase in the financial performance of PT. Akasha Wira International Tbk (ADES), because the company can manage the assets owned by the company to generate profits.
2. Net Profit Margin (NPM) in Cosmetics and Household Needs Companies listed on the Indonesia Stock Exchange tend to experience a decline. This decrease was due to decreased sales and profit after tax. Except value Net profit Margin (NPM) company PT. Akasha Wira International, Tbk (ADES) where the company's NPM value has increased every year, this means that the company's ability to increase profits is quite high. Mark Total Assets Turn Over experiencing a decrease in things that can be done to increase the value of that is by increasing sales from investment in company assets. If Net Profit Margin and Total Assets Turn Over successfully upgraded, then Return On Assets the company will also improve well.

6. SUGGESTION

The suggestions given to the company based on the existing conclusions are as follows:

1. Companies need to improve their financial performance by increasing their ability to manage their assets.
2. Investors in making investment decisions need to do better analysis. Investors need to look at the company's capabilities from various perspectives. Apart from the company's performance, it is also necessary to consider the company's prospects.
3. The financial analysis used by the author is a method Du pont system. There are still many analytical tools that can be used to analyze a company's financial performance. Therefore it is suggested that the next researcher conduct research using other methods or be able to compare this company with other companies and different year periods using different analyses.

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