JURNAL ILMIAH MANAJEMEN BISNIS DAN INOVASI
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ANALYSIS OF THE IMPACT OF INITIAL PUBLIC OFFERING ON FINANCIAL PERFORMANCE

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A R T I C L E   I N F O

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Abstract. The number of companies conducting IPOs on the Indonesia Stock Exchange continues to increase so that competition between companies also increases. One of the company's strategies to grow is the Initial Public Offering (IPO) to obtain additional capital. After an IPO, it is very important to conduct a financial performance assessment because it can affect the stock price and the value of a company. The purpose of this study is to describe the financial ratios and analyze the differences of the average financial performance before and after the IPO and describe the impact of the IPO on the financial performance of each company sector. The research method used was the wilcoxon signed ranks test and the MANOVA test on the financial statements of 48 companies that conducted IPOs in 2019. Based on the results of the study, there was a performance improvement in the ratio of liquidity and solvency, but in the ratio of profitability and activity, there was a decrease in performance. The results of the Wilcoxon signed ranks test showed that the ratio of profitability, solvency, liquidity, and activity had significant differences and the MANOVA test proved that the ratio of profitability, solvency, liquidity, and activity simultaneously had differences before and after the IPO

Abstrak. Jumlah perusahaan yang melakukan IPO di Bursa Efek Indonesia terus meningkat sehingga persaingan antar perusahaan pun semakin meningkat. Salah satu strategi perusahaan untuk tumbuh adalah Initial Public Offering (IPO) untuk mendapatkan tambahan modal. Setelah IPO, sangat penting untuk melakukan penilaian kinerja keuangan karena dapat mempengaruhi harga saham dan nilai suatu perusahaan. Tujuan dari penelitian ini adalah untuk mendeskripsikan rasio-rasio keuangan dan menganalisis perbedaan rata-rata kinerja keuangan sebelum dan sesudah IPO serta mendeskripsikan dampak IPO terhadap kinerja keuangan masing-masing sektor perusahaan. Metode penelitian yang digunakan adalah uji peringkat bertanda wilcoxon dan uji MANOVA terhadap laporan keuangan 48 perusahaan yang melakukan IPO pada tahun 2019. Berdasarkan hasil penelitian terdapat peningkatan kinerja pada rasio likuiditas dan solvabilitas, namun pada tahun 2019 terdapat peningkatan kinerja pada rasio likuiditas dan solvabilitas. rasio profitabilitas dan aktivitas, terjadi penurunan kinerja. Hasil uji Wilcoxon Signed Ranks menunjukkan bahwa rasio profitabilitas, solvabilitas, likuiditas, dan aktivitas terdapat perbedaan yang signifikan dan uji MANOVA membuktikan bahwa rasio profitabilitas, solvabilitas, likuiditas, dan aktivitas secara simultan terdapat perbedaan sebelum dan sesudah IPO.

INTRODUCTION

The company implements various strategies to survive and thrive in the long-term, one of the methods is to expand. To do that, companies need large amounts of funds, which can be obtained from outside parties by selling part of the company's ownership in the capital market, which is often called as "*go public*" or *initial public offering* (IPO).

In addition to obtaining new sources of funds from the public, IPOs can also improve the company's operating performance, improve the company's financial performance, improve the company's image in the community, and foster the loyalty of company employees, as well as increase company revenue and value. Whatever the company's motivation for conducting an IPO, it will always have a financial and operational impact on the company(Pastusiak, Bolek, *et al*. 2016a). According to himJain dan Kini (1994), the IPO is called the first important stage of the company's development because this decision can change the entire structure of the company.
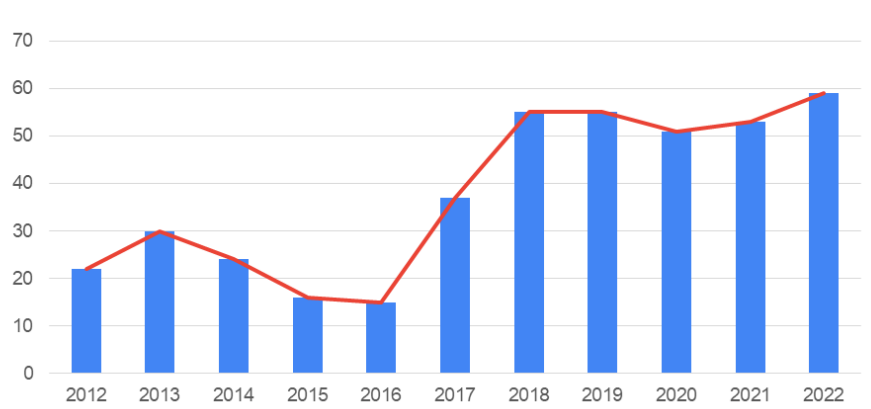

Figure 1 Number of IPO companies on the Indonesia Stock Exchange per year 2012-2022
Source: idx.co.id, stokok.net data processed 2023

Figure 1 shows the number of companies that conducted IPOs on the Indonesia Stock Exchange from 2012 to 2022 which fluctuated. Based on data from the last 10 years, 2016 was the year with the least number of companies conducting IPOs, there was 15 companies. In 2018 and 2019, there were 55 companies that conducted IPOs, a significant increase from 2017 where there were 37 companies that conducted IPOs. Based on these data, the company's interest in conducting a public offering is quite high, indicating that there are still many companies that require additional income from the public.

Companies that conduct IPOs consist of various industrial sectors. A new industry classification has been launched by the Indonesia Stock Exchange (IDX) on January 25, 2021, namely the IDX *Industrial Classification* (IDX-IC), which is a new approach in the classification of companies listed on the Indonesia *Stock Exchange, replacing the Jakarta Stock Industrial Classification* (JASICA) used since 1996. IDX-IC has 4 classification levels consisting of 12 sectors, 35 sub-sectors, 69 industries, and 130 sub-industries. The sector consists of the energy sector, the raw materials sector, the industrial sector, the primary consumer goods sector, the non-primary consumer goods sector, the health sector, the financial sector, the property & real estate sector, the technology sector, the infrastructure sector, the transportation & logistics sector, and the investment products sector.

Sen dan Syafitri (2014) stated that a person's interest to investment can encourage a company to conduct an IPO in the hope that after the IPO it will get an improvement in terms of company/management performance, capital owned, profit earned, financial performance, and quality. This is supported by several studies that indicate an increase in company performance, Carter *et al.* (1998) which shows an increase in performance during the IPO due to *underwriters* andKrishnan *et al.* (2011);Bessler dan Seim (2012); Kinyua *et al.* (2013) due to the increase in capital.

The Alanazi *et al.* (2008) study on the financial performance of 16 Saudi Arabian companies that conducted IPOs between 2003 and 2009, on the other hand, yielded different results, with the measured company performance being *return on assets* (ROA) and *return on sales* (ROS), which showed a significant decrease after the IPO. This study Doski (2014) is supported by the results of the study showing that there was a decrease in company performance as measured by ROA, ROE, EBITDA, EBITDA margin, and net income in four different time periods (one week, one month, three months, and one year) of IPO companies on the Iraq Stock Exchange. Meanwhile Sen dan Syafitri (2014), according to the financial performance that includes profitability, liquidity and company activities before the IPO is not significantly different after the IPO, as measured by ROI, CR, DER, and TATO on companies that conduct IPO in the IDX.

Assessment of the company's performance after the IPO is very important to do because if there is a decrease in the company's performance after the IPO, it will affect the price of outstanding shares in the secondary market(Izfs dan Supriatna, 2019). Stating Kurniawati (2016) that the profitability ratio, liquidity ratio and solvency ratio partially have a significant effect on the stock price variable and simultaneously the *current ratio*, QR, *debt to equity ratio*, ROE and *earnings per share* affect the stock price. Meanwhile, based on the Sekartaji (2019) current ratio, return on equity and price earning ratio partially have a significant effect on stock prices. While the *total asset turnover* and *debt to equity ratio* partially have no significant effect on stock prices. Meanwhile, Daniarto dan Dul (2020) stated *return on equity*, *return on assets*, *debt to equity ratio*, *current ratio*, *earnings per share*, and *book value per share,* showed a positive and significant effect on changes in stock prices. The results of partial data testing showed that the *current ratio* variable had a positive and significant effect on changes in stock prices, while the *return on equity*, *return on assets*, *debt to equity ratio*, *earnings per share*, and *book value per share* variables had no significant effect.

According to that background, it is interesting to research more deeply about the differences in performance before and after the company conducts an IPO.

RESEARCH METHOD

This study aims to analyze the effect of IPOs on company financial performance, which is proxied by financial ratios, namely profitability ratios, solvency ratios, liquidity ratios, and activity ratios, because these four financial ratios can be used as a reference to see the state of a company's performance (Gumanti, 2011:111). Furthermore, the *wilcoxon signed ranks test* was used to determine whether or not the IPO had an effect on financial performance.

The sources of the data was from the Indonesia Stock Exchange (IDN) website, IDN Financials website, RTI business application, and financial statements of each company for the 2017-2021 period. The financial statements for the period before IPO in 2017 and 2018 were obtained from the company's prospectus and financial statements on the IDNFinancials website, while the financial

statements for the period after the IPO in 2020 and 2021 were obtained from the company's financial statements on the Indonesia Stock Exchange website.

The population is the company that conducted the IPO in 2019, which is one year before the COVID-19 pandemic crisis. By examining companies that conducted IPOs in 2019, it can be compared to the sectors affected by the COVID-19 pandemic as seen from the financial statement data before the IPO, namely in 2017 and 2018 and after the IPO, namely in 2020 and 2021. Based on IDX data, the number of companies that conducted IPOs in 2019 was 55 companies. The method used to determine the research sample is *purposive sampling* method with the following sample criteria:

1. Non-financial companies that go public or conduct Initial Public Offreings (IPO) in 2019. Non-financial companies were chosen because the financial statements of financial companies have different characteristics from non-financial companies.

2. The availability of financial statements for the two financial years before the IPO, namely 2017-2018 and two financial years after the IPO, namely 2020-2021.

The data obtained in this study were processed using the normality test and then analyzed using descriptive analysis and differential test analysis. Normality test is used to determine the different test methods by looking at whether the data used in the research was normally distributed or not. If the test results show that the sample is normally distributed, then the parametric test (*paired sample t-test*) is used. However, if the sample is not normally distributed, then the non-parametric test (*wilcoxon signed ranks test*) is used. Differential test analysis was used to determine the significant difference between the two variables tested, because the average data came from the same two members. Descriptive statistical analysis is used to provide an overview or description of the data.

Hypothesis

The financial ratios studied are profitability ratio, solvency ratio, liquidity ratio, and activity ratio, each of them were represented by *return on equity* (ROE), *debt to equity ratio* (DER), *current ratio* (CR), and *total assets turnover* (TATO). The research hypothesis is described as follows to see the effect of financial ratios on the company's financial performance.

1. The Effect of Profitability Ratio on Company Financial Performance

Profitability ratio shows how much the company's ability to generate profit. Profitability can be known by comparing the profit on a certain period with the amount of company capital(Munawir 2006:33). The profitability ratio is measured using *return on equity* (ROE) which describes the company's ability to earn net income for shareholders. If the funds obtained from the IPO are used to increase working capital as an investment, then the profits obtained by the company after the IPO are expected to increase compared to the period before the IPO (Fitriyani, 2016).

According to Khatami *et al.* (2017) there is a significant difference between ROE before and after the IPO with the value of ROE decreasing after the IPO, this decrease in ROE is due to the increase in equity obtained from the sales of shares during and after the IPO. Meanwhile, research Mahfiro *et al.* (2020) shows that there is no significant difference between ROE before and after the IPO. Thus, the following hypothesis can be proposed.

H1:There is a significant difference between the *return on equity* before and after the company's IPO.

2. The Effect of Profitability Ratio on Company Financial Performance

The solvency ratio indicates the company's ability to meet all of the company's obligations, both short-term and long-term. The company can be said to be solvable if the company has enough assets to meet all its obligations, on the other hand, if the number of company assets is smaller or cannot meet all its obligations, the company can be said to be an insolvable company(Munawir 2006:32). The solvency ratio is measured using the *debt to equity ratio*, which describes the comparison of the value of liabilities with capital and knows the amount of funds provided by borrowers with company owners.

According to Cahyani dan Suhadak (2017) there is a significant difference between DER before and after the IPO with the value of DER decreasing after the IPO, which can be interpreted as the increasing risk of the company's capital owners, as proven by the amount of debt on their own capital guaranteed by the company. The higher the debt ratio, the greater the company's financial risk. Meanwhile, research Khatami *et al.* (2017) shows that there is no significant difference between DER before and after the IPO. Based on this explanation, the second hypothesis is proposed as follows.

H2:There is a significant difference between the *debt to equity ratio* before and after the company's IPO.

3. The Effect of Profitability Ratio on Company Financial Performance

The liquidity ratio indicates the company's ability to meet the company's short-term obligations or obligations that will be due. The company is said to be liquid if it is able to meet its obligations on time and has current assets that are greater than the company's short-term obligations(Munawir 2006:31). The liquidity ratio is measured using the *current ratio* (CR) which describes the ability of current assets to pay off the company's current liabilities.

According to Arfandi dan Taqwa (2018) there is a significant difference between CR before and after IPO with CR value increasing after IPO. The increasing cash on the asset side and in current assets can provide a reasonable comparison of the company's ability to pay off liabilities, particularly on the current or future liabilities that will due. Therefore, the comparison of current assets generated with current liabilities gets a better value, which reflects the company's better ability to pay off its current liabilities or overcome its liquidity risks. Meanwhile, research Sen dan Syafitri (2014) shows that there is no significant difference between CR before and after the IPO. Based on this description, the following hypothesis is proposed.

H3:There is a significant difference between the *current ratio* before and after the company conducts an IPO.

4. The Effect of Activity Ratio on Company"s Financial Performance

The activity ratio measures the ability of a company to maintain its business stability by considering the company's ability to pay debt principal and interest expenditure on time, as well as dividend payments that are free of obstacles and done regularly (Munawir 2006:33). The activity ratio is

measured using *total assets turnover* (TATO) which describes the turnover of all assets owned by the company and the amount of sales are obtained from each asset.

According to Nisak dan Budiono (2020) there is a significant difference between TATO before and after the IPO with the value of TATO decreasing after the IPO, which means that the average decrease in TATO is caused by the percentage of sales generated by the company being lower than the percentage of total assets owned by the company. Meanwhile, research Khatami *et al.* (2017) shows that there is no significant difference between TATO before and after the IPO. Based on this explanation, the proposed hypothesis is as follows.

H4:There is a significant difference between the *total assets turnover* before and after the company IPO.

RESULTS AND DISCUSSION

Of the 55 companies that conducted an IPO in 2019, using the purposive sampling method, 48 companies were obtained that met the criteria, namely having financial reports two years before the IPO and two years after the IPO.

Descriptive Statistics

Descriptive statistical analysis is used to provide an overview or description of the data. In this study, descriptive statistical analysis was seen using minimum value, maximum value, and mean value.

Table of 1 Descriptive statistics results

	N	Minimum	Maximum	Mean	Std. Deviation
ROE Pre-IPO	48	-117.80	67.27	9.9277	26.23969
ROE Post-IPO	48	-2430.95	527.04	-42.2681	361.37410
DER Pre-IPO	48	-2309.97	2638.15	160.8071	613.77381
DER Post-IPO	48	-2442.60	4381.89	126.7273	740.63092
CR Pre-IPO	48	19.23	800.00	162.8625	155.23821
CR Post-IPO	48	4.58	11163.69	714.0771	2103.48670
TATO Pre-IPO	48	1.86	3575.53	166.1142	509.72978
TATO Post-IPO	48	0,21	756.78	82.5673	122.88776

Source: Processed data SPSS output (2022)

Based on the results of descriptive statistics, it is known that the profitability ratio measured using the minimum return on equity (ROE) ratio before the IPO is -117.80 and the minimum value after the IPO is -2430.95 while the maximum value before the IPO is 67.27 and the maximum value after the IPO is 527.04. The average value of roe before the IPO was 9.9277 and after the IPO was -42.2681, there was a difference in the value of ROE of 52.1958. A negative ROE value indicates that the company is unable to generate profits as expected, even by obtaining additional funds from the sale of shares. The average decrease is due to the fact that the profit generated by the company is lower than the total equity capital of the company.

Solvency ratio testing, which is measured using debt to equity ratio (DER), the minimum value before the IPO is 2309.97 and the minimum value after the IPO is 2442.60, while the maximum value before the IPO is 2638.15 and the maximum value after the IPO is 4381.89. The average value of DER before IPO 160.8071 and after IPO 126.7273, there was a difference in DER value of 34.0798. The

average decrease is caused by a derivation in the company's total liabilities that are greater than the share of the decrease in total equity or an increase in total equity relative to total debt, so the company can fulfill its obligations better.

 Liquidity ratio testing measured using current ratio (CR), the minimum value before IPO is 19.23 and the minimum value after IPO is 4.58, while the maximum value before IPO is 800 and the maximum value after IPO is 11163.69. The average CR value before the IPO was 162.8625 and after the IPO was 714.0771, there difference in CR value was 551.2146. The average increase is caused by a proportion of the increase in the company's current assets that is greater than the increase in current liabilities, so that the company can pay off its current liabilities.

The examination of the activity ratio that was measured using total asset turnover (TATO) the minimum value before IPO is 1.86 and the minimum value after IPO is 0.21, while the maximum value before IPO is 3575.53 and the maximum value after IPO is 756.78. The average value of TATO before the IPO was 166.1142 and after the IPO was 82.5673, the difference in TATO values was 83.5469. The decrease in the average total asset turnover (TATO) is due to the fact that the revenue generated by the company is lower than the total equity owned by the company.

Wilcoxon Signed Ranks Test

Differential test analysis was used to determine the significant difference between the two variables tested because the average data came from the same two members. Before conducting a different test, the data must be tested for the normality to see whether the data used in this study is normally distributed or not. If the test results show that the sample is normally distributed, then the parametric test (*paired sample t-test*) is used. However, if the sample is not normally distributed, then the non-parametric test (*wilcoxon signed ranks test*) is used.

Normality 2 Test Table

	Kolmogorov-Smirnov[a]			Shapiro-Wilk		
	Statistic	Df	Sig.	Statistic	df	Sig.
ROE Pre-IPO	0,187	48	0.000	0.796	48	0.000
ROE Post-IPO	0.449	48	0.000	0,223	48	0.000
DER Pre-IPO	0.337	48	0.000	0,604	48	0.000
DER Post-IPO	0.411	48	0.000	0.352	48	0.000
CR Pre-IPO	0.213	48	0.000	0.692	48	0.000
CR Post-IPO	0.388	48	0.000	0.306	48	0.000
TATO Pre-IPO	0.401	48	0.000	0.244	48	0.000
TATO Post-IPO	0.251	48	0.000	0.587	48	0.000

Source: Processed data SPSS output (2022)

From the results of the normality test, it shows that some of the data have a Sig value of less than (<) 0.05. So, it can be concluded that the data distribution is abnormal which causes the data to not meet the assumptions for testing with *paired sample t-test*. Therefore, data testing was continued by using a non-parametric test, namely the *wilcoxon signed ranks test*.

Table of 3 Differential Test *Wilcoxon signed ranks test*

	ROE Post-IPO - ROE Pre-IPO	DER Post-IPO - DER Pre-IPO	CR Post-IPO-CR Pre-IPO	TATO Post-IPO - TATO Pre-IPO
Z	-3.036b	-4.267b	-3.877c	-4.256b
Asymp. Sig. (2-tailed)	0.002	0.000	0.000	0.000

Source: Processed data SPSS output (2022)

Based on the differential *Wilcoxon signed ranks* test results using SPSS 25 *software* in table 3, it was concluded that in the ROE test, a significance value of 0.002 was obtained with an error rate of 0.05, the significance value obtained was lower than the level of error. In the DER test, it obtained a significance value of 0 with an error level of 0.05, the significance value obtained was lower than the degree of error. In the CR test obtained a significance value of 0 with an error rate of 0.05, the significance value obtained was lower than the level of error. In the TATO test, it obtained a significance value of 0 with an error level of 0.05, the significance value obtained was lower than the level of error.

Multivariate Analysis of Variance (MANOVA) **Test**

Meanwhile, the *Multivariate Analysis of Variance* (MANOVA) test was performed to determine the significant value of the five variables used to assess the company's financial performance, namely the profitability ratio, solvency ratio, liquidity ratio, and activity ratio.

Table 4 of MANOVA test results

Effect		Value	F	Hypothesis df	Error df	Sig.	Partial Eta Squared
Financial_Ratio	Pillai's Trace	0.089	2.920	6,000	376,000	0.009	0.045
	Wilks' Lambda	0.912	2,931b	6,000	374,000	(0.008)	0.045
	Hotelling's Trace	0,095	2,942	6,000	372,000	0,008	0.045
	Roy's Largest Root	0,077	4,843c	3,000	188,000	0,003	0,072

Source: Processed data SPSS output (2022)

The results of the examination of all variables on the company's performance before and after the *initial public offering* obtained a significance value of 0.009; 0.008; and 0.003 from a predetermined error rate of 0.05, which is smaller than the error rate, proving that the company's performance is seen from the ratio of profitability, solvency ratio, liquidity ratio, and activity ratio simultaneously there are differences before and after the *initial public offering* (IPO).

Hypothesis Examination

Based on the Differential *Wilcoxon Signed Ranks Test*, it is known that the profitability ratio measured using the *return on equity* (ROE) ratio obtained a significance of 0.002 with an error rate of 0.05, the result is 0.002 < 0.05, meaning that the GIS value is smaller than the error level so that H1 is accepted. This proves that there is a significant difference in the company's performance in terms of profitability by measuring the ROE ratio before and after the IPO. These results are consistent with the research Khatami *et al.* (2017) and Cahyani dan Suhadak (2017) result in significant differences after *initial public offering* (IPO) to *return on equity* (ROE). The average of ROE value before IPO 9.9277 and the average ROE value after IPO -42.2681, there is a decrease in ROE value of 52.1958. This proves that the company's goal for increased profitability following the IPO was not realized. Chumaidi M. F. *et al.* (2020) stated that the decreased in ROE after the IPO is due to the company being less effective in using existing capital to get profits compared to before the IPO due to the increase in the average percentage of net income after tax is lower than the average percentage of increase in total assets after the IPO. Decreasing in ROE value is reasonable because the profit generated after the IPO during the pandemic

is lower than the increase in company equity obtained from the sale of shares during and after the IPO. Large-scale social restrictions (LSSR) are one of the reasons companies are unable to generate profits as expected due to limited company operations and the decrease of community purchasing power when required to stay at home.

Solvency ratio testing measured using *debt to equity ratio* (DER) obtained a significance value of 0 with an error rate of 0.05, because 0 < 0.05 means that the GIS value is lower than the error rate so that H2 is accepted. This proves that the company's performance reviewed with the solvency ratio (DER) before and after the IPO was significantly different. These results are consistent with research conducted by Cahyani dan Suhadak (2017) and Nisak dan Budiono (2020) that there is a significant difference between before and after *initial public offering* (IPO) to *return on equity* (ROE). The average DER value before the IPO was 160,8071 and after the IPO 126,7273, there was a decrease in DER value of 34,0798. This shows that by conducting an IPO, the company's goal to increase the company's solvency can be realized, meaning that the total assets of the company conducting the IPO are greater than the total liabilities so that the company is able to reduce debt with funds obtained during the IPO.

The liquidity ratio test measured using the *current ratio* (CR) obtained a significance value of 0 with an error rate of 0.05, because 0 < 0.05 so that *H3* is accepted. This proves that the company's performance reviewed by the solvency ratio (SR) before and after the IPO was significantly different. These results are consistent with researchKhatami *et al.* (2017) Arfandi dan Taqwa (2018); Nisak dan Budiono (2020) which found a significant difference between before and after *initial public offering* (IPO) to *current ratio* (CR). The average of CR value before IPO 162,8625 and after IPO 714,0771, there was an increase in CR value of 551,2146. This shows that by conducting an IPO, the company's expectation to increase the company's liquidity level can be realized, which means that the company's current assets when conducting an IPO are greater than the company's current liabilities so that it can guarantee the company is able to pay its short-term liabilities.

The activity ratio test measured using *total asset turn over* (TATO) obtained a significance value of 0 with an error rate of 0,05, because 0 < 0,05 so that *H4* is accepted. This proves that the company's performance in terms of activity ratio by measuring the ratio of TATO before and after the IPO there is a significant difference. These results are consistent with research Arfandi dan Taqwa (2018) and Nisak dan Budiono (2020) which found significant differences before and after *initial public offering* (IPO) to *total asset turn over* (TATO). The average value of TATO before the IPO was 166,1142 and after the IPO 82,5673, there was a decrease in the value of TATO by 83,5469. This shows that by conducting an IPO, the company's expectation to increase company activity has not been realized. The decrease in the value of TATO occurred because the net profit generated by the company after the IPO was lower than the increase in the company's total assets obtained from the sale of shares during and after the IPO. Large-Scale Social Restrictions (LSSR) are one of the reasons companies are unable to generate profits as expected due to limited company operations and the decrease on community purchasing power when required to remain at home. Arfandi dan Taqwa (2018) stated that most of the decline in the value of TATO is due to funds allocated to asset outposts in the context of capital expenditure which causes total assets to increase while sales cannot compensate for additional assets.

The Influence of Company *Initial Public Offering* on Each Sector

The impact of IPOs on company financial performance in each sector was analyzed by grouping all company samples in each industry classification based on IDX-IC.

The sector with the largest number of companies is non-primary consumer products, which has 12 companies. There are eight companies from the primary consumer goods sector, seven companies from the raw materials sector, five companies from the property and real estate sector, four companies from the technology sector and the industrial sector, three companies from the infrastructure sector, two

companies from the energy sector and the transportation and logistics sector, and there is only one company from the health sector.

1. The Influence of *Initial Public Offering* on the Raw Goods Sector

The number of companies that conducted IPOs in the raw goods sector consists of seven companies. The *Wilcoxon* differential test was carried out to see whether or not there was an impact of the IPO on the raw goods sector.

Table 5 Differential test of *Wilcoxon* in the raw goods sector

	ROEpost_IPO - ROEpre_IPO	DERpost_IPO- DERpre_IPO	CRpost_IPO - CRpre_IPO	TATOpostIPO - TATOpre_IPO
Z	-0.507b	-2.366b	-1,521c	-1.690b
Asymp. Sig. (2-tailed)	0,612	0,018	0,128	0,091

Source: Processed data SPSS output (2022)

 Table 5 shows a significant difference in DER values before and after the IPO with a significant value of 0,018 which is smaller than 0,05. Meanwhile, in the ROE, CR and TATO values before and after the IPO, there were no significant differences with significant values of 0,612; 0,128; and 0,091, which were greater than 0,05.

2.   The Influence of *Initial Public Offering* on the Non-Primary Consumer Goods Sector

There are 12 companies that do IPOs in the non-primary consumer goods industry.   The *Wilcoxon* differential test was conducted to see whether or not there was an impact of the IPO on the non-primary consumer goods industry.

Table of 6 Wilcoxon*Differential test*on the sector of

	ROEpost_IPO - ROEpre_IPO	DERpost_IPO - DERpre_IPO	CRpost_IPO - CRpre_IPO	TATOpostIPO - TATOpre_IPO
Z	-1,726b	-1,255b	-2,432c	-3,059b
Asymp. Sig. (2-tailed)	0,084	0,209	0,015	0,002

Source: Processed data SPSS output (2022)

Table 6 presents the test results in the non-primary consumer goods sector which show a significant difference in CR and TATO values before and after the IPO with significant values of 0,015 and 0,002 which are smaller than 0,05. Meanwhile, in the ROE and DER values before and after the IPO, there were no significant differences with significant values of 0,084 and 0,209, which were greater than 0,05.

3. The Influence of *Initial Public Offering* on the Primary Consumer Goods Sector

There are 12 companies that do IPOs in the non-primary consumer goods industry.   The *Wilcoxon* differential test was used to determine whether the IPO had an effect on the primary consumer goods industry sector.

Table of 7 *Wilcoxon* differential test in the primary consumer goods sector

	ROEpost_IPO - ROEpre_IPO	DERpost_IPO- DERpre_IPO	CRpost_IPO - CRpre_IPO	TATOpostIPO - TATOpre_IPO
Z	-,840[b]	-1,400[b]	-1,680[c]	-1,680[b]
Asymp. Sig. (2-tailed)	0,401	0,161	0,093	0,093

Source: Processed data SPSS output (2022)

Table 7 presents the results of testing in the primary consumer good sector which showed no significant differences in roe, DER, CR and TATO values before and after the IPO with significant values of 0,401; 0,161; 0,093; and 0,093 which were greater than 0,05. This proves that companies engaged in the primary consumer goods sector have resilience during IPOs during the COVID-19 pandemic.

4.The Influence of *Initial Public Offering* on the Energy Sector

The number of companies conducting IPOs in the energy sector amounted to two companies. The Wilcoxon differential test was carried out to see whether there was an impact of the IPO on the energy sector.

Table   8 *Wilcoxon* differential test in the energy sector

	ROEpost_IPO - ROEpre_IPO	DERpost_IPO- DERpre_IPO	CRpost_IPO - CRpre_IPO	TATOpostIPO - TATOpre_IPO
Z	-1,342b	-1,342b	-1,342[c]	-1,342[b]
Asymp. Sig. (2-tailed)	0,180	0,180	0,180	0,180

Source: Processed data SPSS output (2022)

Table 8 presents the results of research in the energy sector which showed no significant differences in ROE, DER, CR and TATO values before and after the IPO with a significant value of 0,180 which is greater than 0,05. This proves that companies engaged in the energy sector have resilience during IPOs during the COVID-19 pandemic.

5.The Influence of *Initial Public Offering* on the Infrastructure Sector

The number of companies conducting IPOs in the infrastructure sector is three companies. The Wilcoxon differential test was carried out to see whether there was an impact of the IPO on the infrastructure sector.

Table of *Wilcoxon* Differential Test in the Infrastructure Sector 9 .

	ROEpost_IPO - ROEpre_IPO	DERpost_IPO - DERpre_IPO	CRpost_IPO - CRpre_IPO	TATOpostIPO - TATOpre_IPO
Z	-1,069[b]	-1,604[b]	0,000[c]	-1,069[b]
Asymp. Sig. (2-tailed)	0,285	0,109	1,000	0,285

Source: SPSS output processed data (2022)

Table 9 presents the results of testing in the infrastructure sector which showed no significant differences in ROE, DER, CR and TATO values before and after the IPO with significant values of 0,285; 0,109; 1,000; and 0,285 which is greater than 0,05. This proves that companies engaged in the infrastructure sector have resilience during IPOs during the COVID-19 pandemic.

6.The Influence of *Initial Public Offering* on the Health Sector

The number of companies conducting IPOs in the health sector amounted to one company. The Wilcoxon differential test was carried out to see whether there was an impact of the IPO on the health sector.

Table of 10 *Wilcoxon* differential test in the health sector

	ROEpost_IPO - ROEpre_IPO	DERpost_IPO - DERpre_IPO	CRpost_IPO - CRpre_IPO	TATOpostIPO - TATOpre_IPO
Z	-1,342[b]	-1,342[b]	-1,342[c]	-1,342[b]
Asymp. Sig. (2-tailed)	0,180	0,180	0,180	0,180

Source: Processed data SPSS output (2022)

Table 10 presents the results of research in the energy sector which showed no significant differences in ROE, DER, CR and TATO values before and after the IPO with a significant value of 0,180 which is greater than 0,05. This proves that companies engaged in the health sector have resilience during IPOs during the COVID-19 pandemic.

7.The Influence of *Initial Public Offering* on the Industrial Sector

The number of companies conducting IPOs in the industrial sector amounted to four companies. The Wilcoxon differential test was carried out to see whether there was an impact of the IPO on the industrial sector.

Table 11 Differential test of *wilcoxon* in the industrial sector

	ROEpost_IPO - ROEpre_IPO	DERpost_IPO - DERpre_IPO	CRpost_IPO - CRpre_IPO	TATOpostIPO - TATOpre_IPO
Z	-1,095[b]	-1,826[b]	-1,826[c]	-0,730[b]
Asymp. Sig. (2-tailed)	0,273	0,068	0,068	0,465

Source: SPSS output processed data (2022)

Table 11 presents the results of testing in the infrastructure sector which showed no significant differences in ROE, DER, CR and TATO values before and after the IPO with significant values of 0,273; 0,068; 0,068; dan 0,465 which is greater than 0,05. This proves that companies engaged in the health sector have resilience during IPOs during the COVID-19 pandemic.

8.The Influence of *Initial Public Offering* on the Property & Real Estate Sector

The number of companies conducting IPOs in the property & real estate sector amounted to five companies. The Wilcoxon differential test was carried out to see whether there was an impact of the IPO on the property & real estate sector.

Table   *Wilcoxon* differential test in the industrial sector of property & real estate 12

	ROEpost_IPO - ROEpre_IPO	DERpost_IPO- DERpre_IPO	CRpost_IPO - CRpre_IPO	TATOpostIPO - TATOpre_IPO
Z	-0,405[b]	-0,944[c]	-0,674[b]	-1,483[c]
Asymp. Sig. (2-tailed)	0,686	0,345	0,500	0,138

Source: Processed data SPSS output (2022)

Table 12 presents the results of testing in the property & real estate sector which showed no significant differences in the value of ROE, DER, CR and TATO before and after the IPO with significant values of 0,686; 0,345; 0,500; and 0,138 which is greater than 0,05. This proves that companies engaged in the property & real estate sector have resilience during IPOs during the COVID-19 pandemic.

9. The Influence of *Initial Public Offering* on the Technology Sector

The number of companies conducting IPOs in the industrial sector amounted to four companies. The Wilcoxon differential test was carried out to see whether there was an impact of the IPO on the technology sector.

Table 13 Differential test of *wilcoxon* in the technology sector

	ROEpost_IPO - ROEpre_IPO	DERpost_IPO- DERpre_IPO	CRpost_IPO - CRpre_IPO	TATOpostIPO - TATOpre_IPO
Z	-1,461[b]	-1,461[b]	-1,095[c]	-0,730[b]
Asymp. Sig. (2-tailed)	0,144	0,144	0,273	0,465

Source: Processed data SPSS output (2022)

Table 13 presents the results of testing in the technology sector which showed no significant differences in ROE, DER, CR and TATO values before and after the IPO with significant values of 0,144; 0,144; 0,273;dan 0,465 which is greater than 0,05. This proves that companies engaged in the technology sector have resilience during IPOs during the COVID-19 pandemic.

10. The Influence of *Initial Public Offering* on the Transportation & Logistics Sector

The number of companies that conducted IPOs in the transportation & logistics sector amounted to two companies. Wilcoxon's differential test was carried out to see whether there was an impact of the IPO on the transportation & logistics sector.

Table   14 *Wilcoxon* differential test in the transportation & logistics sector

	ROEpost_IPO - ROEpre_IPO	DERpost_IPO- DERpre_IPO	CRpost_IPO - CRpre_IPO	TATOpostIPO - TATOpre_IPO
Z	-1,342[b]	-1,342[b]	-0,447[b]	-0,447[c]
Asymp. Sig. (2-tailed)	0,180	0,180	0,655	0,655

Source: Processed data SPSS output (2022)

Table 14 presents the results of testing in the transportation & logistics sector which showed no significant differences in the value of ROE, DER, CR and TATO before and after the IPO with significant values of 0,180; 0,180; 0,655; and 0,655 which is greater than 0,05. This proves that companies engaged in the transportation & logistics sector have resilience during IPOs during the COVID-19 pandemic.

CONCLUSION

Based on the results of research carried out on 48 companies that conducted *Initial Public Offering* (IPO) in Indonesia in 2019, it can be seen from the average financial performance seen from profitability, solvency, liquidity, and activity, there was an increase in the solvency ratio and liquidity ratio, this shows that by conducting an IPO, the company's goal to increase the level of solvency and liquidity of the company can be realized. While the profitability ratio and activity ratio have decreased, this shows that by conducting an IPO, the company's expectations to increase the level of profitability and company activity have not been realized, which is partly due to the impact of the COVID-19 pandemic. While the *Wilcoxon signed ranks test* results showed that the profitability ratio, solvency ratio, liquidity ratio, and activity ratio had significant differences before and after the IPO, the MANOVA test analysis proved that the company's performance was seen in terms of profitability ratio, solvency ratio, liquidity ratio, and activity ratio there were differences before and after the *initial public offering* (IPO) simultaneously. The impact of the *initial public offering* for each sector of companies conducting IPOs in 2019 has a significant impact on companies engaged in the raw goods sector and the non-primary consumer goods sector caused by the COVID-19 pandemic. Meanwhile, the test results in the primary consumer goods sector, the energy sector, the infrastructure sector, the health sector, the industrial sector, the property & real estate sector, the technology sector, and the transportation & logistics sector showed that there was no impact on companies conducting IPOs in terms of their financial ratios. This proves that companies engaged in the primary consumer goods sector, the energy sector, the infrastructure sector, the health sector, the industrial sector, the property & real estate sector, the technology sector, and the transportation & logistics sector have resilience during IPOs during the COVID-19 pandemic.

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