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Analysis of the Effect Break Even Points and Margins of Safety on Profit Planning in Hospitality Companies Listed on the IDX 2017-2021

Arief Fadilah
S1 Akuntansi, Universitas Singaperbangsa Karawang, Indonesia

Solihin Sidik
S1 Akuntansi, Universitas Singaperbangsa Karawang, Indonesia

Penulis Korespondensi
Arief Fadilah
1910631030157@student.unsika.ac.id

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Abstract
Top management requires a plan to maximise revenues in order to succeed in a competitive business. The study's goal is to assess and evaluate the impact of the Break-Even Point and the Margin of Safety on revenue and profit forecasts for Hospitality sub-sector IDX companies for the period of 2017 to 2021. Using the IDX and the company's own website, the researchers documented financial data gathered by researchers and given by firms operating in the hotel market. Researchers performed multiple linear regression analyses with SPSS 29. Only two of the investigated hospitality-related businesses are found to be profitable (or at least break even), with the biggest safety margins. Profitability is heavily influenced by the break-even point as well as the margin of safety. The Break-even Point and the Margin of Safety have a very favourable effect in making a profit plan for hospitality listed on the IDX between 2017 and 2021.

Keywords *: Break-even point, Margin of safety and profit planning*

1. INTRODUCTION

Indonesia is a non-industrial nation with different business valuable open doors, from miniature to full scale, from administration organizations, exchange to assembling. Every business that faces a lot of increasingly tough competition must keep an eye out for this. The company's management is obligated to foresee upcoming occurrences so that the company can prepare for them and avoid losses.

Quite possibly of the main marker in the improvement of an organization is benefit. The objective of every operating business must be profit. Profits, on the other hand, fluctuate depending on a variety of factors. The organization's underlying move toward procure benefits is through benefit arranging. In benefit arranging, the apparatuses that are frequently utilized are Earn back the original investment point examination and Edge of wellbeing which are in many cases utilized in benefit arranging.

Break-even point and margin of safety are crucial components in profit planning because they assist businesses in devising sales and cost strategies that are both efficient and effective. Companies can determine the appropriate selling prices, costs, and sales volume to achieve the desired profit target by taking into account BEP and MOS. In this instance, BEP and MOS are instruments that can assist businesses in profit planning in making the best decisions.

Referring to some of the results of previous studies, there are differences in research results. The results of (Suhartono, 2018), show that profit planning is influenced by BEP only by 64%, where this influence is relatively low. Meanwhile, the results of

Indarsari's research, (2021) show that profit planning is influenced by BEP only by 56%, where this influence is relatively low. These results are in contrast to the research results of Jayanti & Hartanti, (2019) showing that profit planning is influenced by the BEP of 99.2%, which is a relatively high influence.

On the other hand, the results of Yulistia's research, (2014) show that profit planning is influenced by the Margin of Safety of only 79.3%, where this influence is relatively low. This result is in contrast to the results of Pramiarsih's research, (2020) showing that profit planning is influenced by the Margin of Safety of only 88% where this influence is relatively high,

Researchers used hotel sub-sector company objects listed on the Indonesian stock exchange in 2017-2021. Because they see that hotel companies are very vulnerable to external factors such as the political situation, economic conditions, Force majeure such as pandemics, fierce competition, reputation risk and very large fixed costs so that they can potentially experience very significant losses. Based on the description of this phenomenon, researchers are interested in conducting research with the title *"The Impact of Break Even Point and Margin of Safety on Profit Planning in Hospitality Sub-Sector Companies Listed on the IDX for the 2017-2021 Period".*

2. THEORETICAL FRAMEWORK

2.1. Signaling Theory

According to (Mustainah, 2019), this signal comes in the form of information about the actions taken by management to meet the expectations of investors and owners. Signaling theory illustrates how signaling in the chain of command can help even out differences in knowledge.

2.2. Accountancy

According to (Darya, 2019), in a book entitled Management Accounting, accounting is known as a business language, a communication tool that provides information to those who need it. Both the company's internal operations and its external stakeholders need access to accurate financial data.

2.3. Financial Accounting

According to (Rahardjo, 2020), Accounting is concerned with the accounting for a business unit as a whole. The purpose of financial accounting is to communicate the financial status of a company to stakeholders outside the organization. the output produces financial reports, which are widely used by company stakeholders.

2.4. Financial statements

The company's financial statements are the end result of keeping careful records of all the company's transactions. Sales and purchases are just two examples of financial transactions that may impact business profits (Prihadi, 2019).

2.5. Profit Planning

According to (Marwanto, 2021), Profit Planning is a process in which a business creates an operational strategy to achieve its goals. The main goal of any strategy is to make a profit. The level of profit that management wants is reflected in the amount of profit that is budgeted or planned.

2.6. Break-even Point

According to (Moch Yusuf Guntara Maulidin, 2020), earn back the original investment point investigation is one of the techniques for creating benefit arranging. The executives utilizes earn back the original investment point examination as a preparation, observing, and dynamic methodology in business tasks to make money and stay adaptable with changes in selling costs and consumptions.

2.7. Margin Of Safety

According to (Muhammad Zaki, 2020), the difference between the sales volume at the breakeven point and the budgeted sales volume is the safety margin. The safe limit, or the amount of decrease in sales volume without the company experiencing a loss, will be known if the sales volume at the breakeven point is known and then related to planned sales.

2.8. Research paradigma

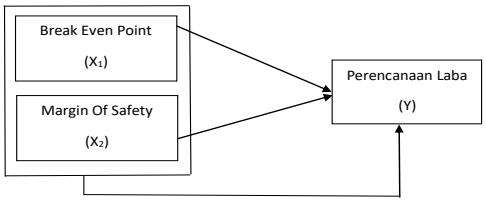


Figure 1 Research paradigm

2.9. Research Hypothesis

In this study, the researcher describes several hypotheses that will be checked for accuracy based on the background, problem identification, research objectives, and the framework provided by the researcher:

H1: There is an influence of the Break Even point on profit planning.

H2: There is an influence of Margin of safety on profit planning.

H3: There is a simultaneous effect of Break Even Point and Margin of Safety on profit planning.

3. RESEARCH METHOD

Population and sample

The population and sample in this research are hotel sub-sector companies listed on the Indonesia Stock Exchange for the 2017 and 2021 periods. Overall, samples that fit the criteria amounted to 30 samples. Example are selected using purposive sampling technique, with the following criteria.

Table 1 Sample selection list

Criteria	Total sample
The sample was the firms in the hotel sector that were listed on the idc throughout the study period	25
Firms in the hospitality sector with net loss figures for the research period.	(6)
Companies that do not present financial statements consecutively during the study period	(13)
Total Sample	6
Total data	30

Source: data processed by researchers (2023)

Table 2 List of Sample Companies in the Hospitality Sub Sector Period 2017-2021

No	Company	Code
1	PT Bukit Uluwatu Villa Tbk	BUVA
2	PT Jakarta Setiabudi Internasional Tbk	JSPT
3	PT Pudjiadi And Sons Tbk	PNSE
4	PT Sahid Jaya Internasional Tbk	SHID
5	PT Pembangunan Graha Lestari Tbk	PGLI
6	PT Red Planet Indonesia Tbk	PSKT

Source: www.idx.co.id

3.1. Collection technique Data

Researchers gathered information from 2017-2021 using hotel and restaurant financial statements. The phrase "literature research" is used to describe the practice of obtaining data from previously published works like books and the internet. These theoretical studies are based on research that has been published in journals and theses. Information was gathered from the Notes section of financial reports found at www.idx.co.id.

3.2. Place and time of research

Data was collected from the IDX's official website (www.idx.co.id.) and the firms utilized as study object were all listed on the IDX in the hotel industry between 2017 and 2021.

3.3. Analysis technique Data Descriptive statistics

In order to examine information in the form of data, descriptive analysis is a kind of analysis that focuses on describing or explaining the data as it has been obtained, without drawing any general conclusions. The mean, min, max, and standard deviation data are included in the descriptive analysis of this study.

3.4. Classic assumption test

The assumption of normality must be met by multiple linear regression models, and must also be devoid of other traditional statistical assumptions, such as multicollinearity, autocorrelation, or heteroscedasticity, and vice versa. (Nabila, 2020). Before testing the hypothesis, it is mandatory to fulfill initially testing the traditional hypotheses of normality, multicollinearity, autocorrelation, and heteroscedasticity.

3.5. Multiple Linear Regression Analysis

To determine on the off chance that a connection between a gathering of free factors and a reliant variable exists, different direct

relapse investigation is performed. also, to make expectations about the strength of that relationship.

3.6. Determination Coefficient Analysis

The coeficient of the relapse line made while mirroring the examination informational index is evaluated utilizing the coefficient of assurance (R2) (Indarsari, 2021). The proportion of assurance's coefficient the piece of the all out variety to which the model can be applied. So the more prominent the worth of R2 (more like 1) the better the precision.

3.7. T Test (Partial)

(Indarsari, 2021) claims that the purpose of partial testing is to explain what factors contribute to the link between the independent and dependent variables. By contrasting the value of tcount with ttable, which has a sig of 0.05 (5%), the t-test is tested.

3.8. F Test (Simultaneous)

To evaluate if the simultaneous presence of numerous independent variables has a statistically significant effect on the dependent variable, apply the F test (Simultaneous Test). The researcher investigates the interaction of two independent variables on the dependent during simultaneous testing.

4. RESULT AND DISCUSSION

RESULT

Data from calculations of Break Even points Margin of safety, Profit planning, and Occupancy rates for hotel sector companies listed on the IDX 2017-2021.

Table 3 : BEP, MOS, Profit planning result

CODE	YEAR	BEP (Rp)	MOS	PROFIT PLANNING (Rp)
BUVA	2017	199.296.670.085	21%	284.985.725.581
	2018	481.603.237.863	1%	494.380.323.537
	2019	303.253.503.333	51%	1.171.469.133.551
	2020	111.974.731.438	-65%	152.154.590.173
	2021	95.954.035.476	-56%	116.688.006.515
JSPT	2017	636.859.087.631	43%	1.337.278.906.203
	2018	682.185.617.632	56%	1.834.619.200.610
	2019	940.660.399.313	27%	1.463.049.330.929
	2020	777.784.757.310	-32%	464.331.459.489
	2021	819.129.073.255	-48%	376.079.808.326
PNSE	2017	32.199.846.357	86%	231.412.975.032
	2018	31.862.077.981	85%	225.932.456.778
	2019	37.172.506.580	83%	223.636.821.063
	2020	19.470.620.455	75%	79.774.423.622
	2021	15.741.754.832	77%	71.488.934.512
SHID	2017	127.655.930.101	25%	232.361.964.386
	2018	149.523.901.805	21%	201.414.151.820
	2019	149.704.010.623	4%	158.011.388.962
	2020	110.016.590.550	-87%	49.102.170.295
	2021	118.242.241.159	-70%	45.280.833.088
PGLI	2017	17.686.029.947	22%	113.838.937.048
	2018	20.584.753.001	7%	22.880.684.497
	2019	15.719.812.563	21%	21.541.080.047

	2020	12.228.841.640	8%	13.735.249.434
	2021	8.574.378.937	41%	16.306.565.060
PSKT	2017	96.891.848.841	-42%	63.552.919.157
	2018	85.898.589.482	-14%	73.646.572.578
	2019	63.453.341.686	7%	69.185.235.777
	2020	53.073.332.021	-25%	40.732.206.098
	2021	48.639.564.736	-3%	47.043.572.480

Source: data processed by researchers (2023)

From the table, it means that if the Business wants To make money, the business needs be able to be at the calculated breakeven point with a higher margin of safety and at least the company must be at the calculated occupancy level so as not to suffer losses.

4.1. Descriptive statistics

Based on Table 4 shows that:

1. Profit planning has a minimum value of 23.34 and a maximum value of 28.24, while the mean value is 25.66 and a standard deviation value of 1.34507.
2. The break even point (BEP) has a min value of 23.35 and a max value of 27.57, while the mean value is 24.8481 and a standard deviation value of 1.66984
3. Margin of safety (MOS) has a min value of .00 and a max value of 1.00, for a mean value of .5231 and a std value. deviation of ,28739

Tabel 4.1
Hasil Analisis Statistik Deskriptif
Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
LN_X1	30	22,35	27,57	24,8481	1,66984
LN_X2	30	,00	1,00	,5231	,28739
LN_Y	30	23,34	28,24	25,6675	1,34507
Valid N (listwise)	30				

Source: data processed by researchers, used SPSS29 (2023)

Normality test

Based on Table 5, a sig value of 0.200 is determined, indicating that the data is regularly distributed and allowing for the execution of further tests.

Table 5: Results of the normality test

One-Sample Kolmogorov-Smirnov Test		
		Unstandardized Residual
N		30
Normal Parameters	Mean	,0000000
	Std. Deviation	,68063281
Most Extreme Differences	Absolute	,084
	Positive	,084
	Negative	-,071
Test Statistic		,084
Asymp. Sig. (2-tailed)[c]		,200[d]

Source: data processed by researchers, used SPSS29 (2023).

4.2. Multicollinearity test

to address a situation when there is areas of strength for a relationship among every one of the free factors in the relapse model. assuming every free factor's VIF esteem is under 10.0. Given the test discoveries, which show that BEP and MOS have VIF upsides of 1.001, it is feasible to presume that the two autonomous factors don't display multicollinearity.

Table 6 : Multicolinearity test result

Coefficients[a]

Model	Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.	Collinearity Statistics Tolerance	Collinearity Statistics VIF
(Constant)	9,688	1,954		4,960	<,001		
LN_X1	,675	,079	,838	8,546	<,001	,987	1,013
LN_X2	-1,502	,459	-,321	-3,274	,003	,987	1,013

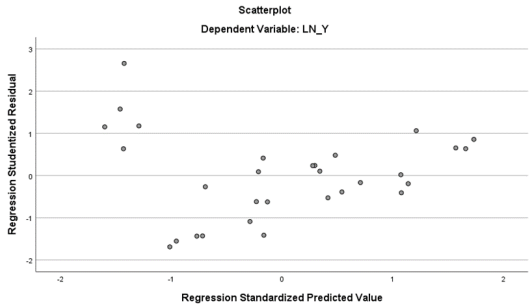
a. Dependent Variable: LN_Y

Source: data processed by researchers, used SPSS29 (2023).

4.3. Heteroscedasticity test

Testing for heteroscedasticity When the lingering genuine worth (SRESID) is plotted against the extended worth of the reliant variable (ZPRED), it tends to be seen that the example is similarly circulated above and underneath the worth 0 and the Y hub.

Figure 1 :Heteroscedasticity test



Source: data processed by researchers, used SPSS29 (2023).

4.4. Autocorrelation test

The classic assumption that must be fulfilled is that there is no autocorrelation. To determine whether or not autocorrelation occurs, it can be reviewed through the Durbin-Watson value of the resulting model. The autocorrelation test results show that the resulting d value is 1.779, which is between 1.48 and 2.51. the conclusion that there is no autocorrelation between BEP (X1) and MOS (X2).

Tabel 7 Autocorrelation test results

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	,863[a]	,744	,725	,70539	1,779

a. Predictors: (Constant), LN_X2, LN_X1
b. Dependent Variable: LN_Y
Source: data processed by researchers, used SPSS29 (2023)

4.5. Multiple linear regression analysis

Tabel 8 : Multiple linear regression analysis result

Coefficients[a]

Model	Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.	Collinearity Statistics Tolerance	Collinearity Statistics VIF
(Constant)	9,688	1,954		4,960	<,001		
LN_X1	,675	,079	,838	8,546	<,001	,987	1,013
LN_X2	-1,502	,459	-,321	-3,274	,003	,987	1,013

a. Dependent Variable: LN_Y
Source: data processed by researchers, used SPSS29 (2023)

A study of the outcomes of the equation for multiple linear regression analysis is provided below:

1. The resulting constant value of 9,688 shows that the dependent variable, Y, will have a fixed starting value of 9,688 if the independent variable, Profit Planning (Y), is 0.
2. The coefficient value for the Break Even Point (BEP) variable is positive at 0,675, suggesting that bad profit planning will result from an increase in the Break Even Point (BEP) value and vice versa.
3. The margin of safety (MOS) variable's coefficient value has a positive value of 1,502 and a negative value of 1.502, indicating an inverse link between the MOS variable and profit planning, where the greater the profit planning the lower the MOS.

4.6. Coefficient of Determination (R2)

Tabel 9 : Coefficient of Determination (R2) result

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	,863[a]	,744	,725	,70539	1,779

a. Predictors: (Constant), LN_X2, LN_X1
b. Dependent Variable: LN_Y
Source: data processed by researchers, used SPSS29 (2023)

The resulting regression equation has an R2 value of 0.725 or 72.5%, meaning that the independent variables, namely BEP and MOS, are able to explain and influence profit planning by 72.5%, and the remaining 27.5% is influenced by other variables not included in this study. , The R2 value of 72.5% also means that the resulting regression model is able to predict the dependent variable well.

4.7. Partial test

Table 10 Partial Test Result

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients			Collinearity Statistics	
		B	Std. Error	Beta	t	Sig.	Tolerance	VIF
1	(Constant)	9,688	1,954		4,960	<,001		
	LN_X1	,675	,079	,838	8,546	<,001	,987	1,013
	LN_X2	-1,502	,459	-,321	-3,274	,003	,987	1,013

a. Dependent Variable: LN_Y

Based on T-Test on Table. 10, it can be concluded that:

1. The significance value of the X1 variable (break event point) is 0.001, which means less than 0.05 with a regression coefficient value of 0.675. This shows that partially, the break event point has a positive and significant influence on profit planning.
2. The significance value of Variable X2 (margin of safety) is 0.003, which means less than 0.05 with a regression coefficient of -1.502. This shows that partially, the margin of safety has a negative and significant effect on profit planning.

4.8. Simultaneous Test

Table 11 : Simultaneous Test

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	39,032	2	19,516	39,223	<,001[b]
	Residual	13,435	27	,498		
	Total	52,467	29			

a. Dependent Variable: LN_Y

b. Predictors: (Constant), LN_X2, LN_X1

Source: data processed by researchers, used SPSS29 (2023)

it is known that the prob value, F count (sig,) is 0.000, this value is smaller than the significance level of 0.05, so it can be concluded that simultaneously the independent variables Break Even Point (X1), and Margin of safety (X2) have a significant effect to variable (Y) Profit Planning.

4.9. DISCUSSION

Break Even Point Impact on Profit Planning

This is in accordance with the signal theory which states that the break even point is part of the factors that affect profit planning because it can help the business, its owner and other parties make decisions by looking at the break even point which refers to a situation where the business does not generate profits or losses or the same income. at full cost (Mustainah, 2019). Referring to some of the results of previous research conducted by (Esih Jayanti, 2019) that the break-even point significantly affects profit planning by 99.2%. then too (Indarsari, 2021) shows that profit planning is influenced by BEP only by 56% where the influence is relatively low. Menurut (Rosida, 2019) By knowing the brek even point, the company can carry out an analysis of the amount that needs to be sold or the income that must be earned in order to achieve the target. Then the results of the Break even point provide a signal in the form of financial information to investors or outsiders who have a financial interest. If you see that the company's BEP results are very large, this will give a negative signal to investors, indicating that the company has a higher risk and is vulnerable to market fluctuations or costs. Investors may be more careful in investing or even avoid these companies.

4.10. Margin of Safety Impact on Profit Planning

The margin of safety is a method or tool that a business can use to find out how safe it is to decrease sales, if a business wants to make a profit, the business must not reduce sales above the percentage margin of safety. Statistically, it can be seen that the margin of safety has a significant effect on profit planning according to research by (Yulistia, 2014) that the Margin of safety has a significant effect on profit planning by 79.3%. Supported by the results of other studies by (Pramiarsih, 2020) states that the results of the research margin of safety have a significant effect on profit planning by 88%. in line with the statistical results of implications in the industry In the framework of effective profit planning, Margin of safety is very important to consider MOS gives companies greater space, resilience to market fluctuations, and the opportunity to achieve higher profits. By monitoring and managing MOS properly,

companies can increase profit stability and business sustainability.

By implementing the break even points and Margin of safety methods in corporate profit planning, managers can make better decisions in pricing, sales planning, cost management, performance evaluation, and investment decision making. This method helps companies achieve stable earnings, manage risk, and plan for sustainable growth.

5. CONCLUSION

Based on the results of research on the analysis of the influence of the break-even point and margin of safety on profit planning in hotel companies listed on the IDX 2017-2021. The companies that have income above BEP and high MOS are PT Pudjiadi & Sons Tbk and PT Pembangunan Graha Lestari Tbk. And Break-even points and margin of safety partially and simultaneously affect profit planning. This is based on the coefficient of determination test of 72.5%.

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