

The Influence of Inventory and Sales on Net Profit at CV. Petroasia Jaya Utama

Jamal Handitia Putra¹, Dedi Mulyadi², Sungkono³

^{1,2,3}Universitas Buana Perjuangan Karawang

Article Info

Article history:

Received July, 2024

Revised July, 2024

Accepted September, 2024

Keywords:

Inventory

Sales

Net Profit

ABSTRACT

This research aims to determine the effect of inventory and sales on net profit at CV. Petroasia Jaya Utama. The research method used is quantitative descriptive with secondary data from the company's financial reports for the 2021-2023 period. The sampling technique used was saturated sampling with a sample size of 36 data. Data analysis used multiple linear regression with SPSS version 24 software. The results showed that inventory and sales partially and simultaneously had a significant effect on the company's net profit. The coefficient of determination value of 0.977 indicates that 97.7% of the variation in net profit is influenced by inventory and sales, while the remainder is influenced by other factors. Companies are advised to manage inventory and improve marketing and sales strategies to increase net profits optimally.

This is an open access article under the [CC BY-SA](#) license.



Corresponding Author:

Name: Jamal Handitia Putra

Institution: Universitas Buana Perjuangan Karawang

e-mail: mn21.jamalputra@mhs.ubpkarawang.ac.id

1. INTRODUCTION

In the development of the business world that is increasingly advanced from time to time, it makes the competition even more intense. The existence of competition in the business world to achieve the goal forces business actors to make quality decisions. One of the company's resources that can play an important role in achieving the company's goals is inventory. This is because most of the company's activities are related to inventory. According to [1], to increase the company's profits, it is necessary to increase the inventory of merchandise. Inventory is an important element in a company's operational activities, because inventory determines or affects the smooth production of the company.

Every company, both large and small, has a long-term goal of maintaining its survival. According to the Indonesia Institute of Accountants (PSAK No.14, 2014), inventory is an asset that includes three types: goods available for sale in normal business activities, goods in the production process, and raw materials or equipment to be used in the production process or provision of services. Inventory facilitates and facilitates operations that are carried out successively to produce goods and sell them to consumers.

A company will not thrive if it is unable to sell the goods it produces. On the other hand, if the company is able to continue to increase the sales rate, then the company can continue to compete in business competition [2] [3] states that sales are the main activity of a company to sell the goods

and services produced. Sales indicators include reaching sales levels, earning profits and supporting the growth of the company. To achieve the expected sales target, the seller must know important aspects such as the type and advantages of the products offered, the price of the product and the conditions of sale.

One of the main goals of the company is to obtain the maximum profit, to maintain the survival of the company so that all activities in the company can take place properly [4]. Profit is the difference between income and expenses and business activities. If expenses are greater than income, then the difference is called a loss. Profit or loss is usually used to assess a company's performance [5].

This study aims to determine the effect of inventory of goods and sales on net profit on CV. Petroasia Jaya Utama. Understanding the relationship between inventory, sales, and net profit can help companies in improving their financial performance through better inventory and sales management.

2. LITERATURE REVIEW

2.1 Merchandise Inventory

Inventory is an important element in a company's operational activities, because inventory determines or affects the smooth production of the company. If there is a problem in inventory, then all company operational activities will also be disrupted [6].

Inventory management of merchandise is an important aspect of a trading company's operational activities. Optimal inventory can minimize costs and ensure product availability to meet customer demand. [7] states that inventory is a whole of goods, starting from raw materials, semi-finished goods, and finished goods.

According to [8] Inventory has several main functions, namely, to anticipate fluctuations in demand and supply, to anticipate future price increases and to ensure smooth production and sales operations. Inventory is a company asset that occupies a

fairly important position in a company, because it is directly related to the company's sales and revenue.

2.2 Sales

Sales is the most important thing in a company in the course of business activities. [3] states that sales are a system of the company's main activities to buy and sell goods and services. Sales can be defined as a program consisting of various marketing activities that seek to facilitate and facilitate the delivery of goods or production from the company to consumers [9].

[10] stated that sales are one of the most important and decisive marketing functions for the company in achieving the company's goals, namely obtaining profits to maintain the survival of the company, sales are a system of the company's main activities to buy and sell the goods and services that the company produces. Therefore, sales play an important role for the company so that the products produced by the company can be sold and provide income to the company. Sales made by companies aim to sell goods or services that are needed by the public as a source of income to cover all costs to make a profit.

2.3 Net Profit

Every company has the main goal, which is to achieve maximum net profit. Profit or loss is usually used to assess a company's performance achievements. In general, the profit earned by a company is used to assess whether or not a management in the company is successful or not [11].

According to Harahap, quoted on [12] Net profit is the total revenue and profit of a company over a period of time, plus costs and losses, including income taxes, minus the costs incurred to earn that income. [13] states that net profit is calculated as the result of the subtraction between profit before tax and income tax expense. Net profit reflects the company's ability to generate profits after deducting all expenses related to business operations [14].

3. METHODS

The research method used is descriptive quantitative, namely data in the form of numbers or numbers and sourced from secondary data or data from existing sources, namely CV company financial report data. Petroasia Jaya Utama in the period of 2021 - 2023. The technique used for sampling is non-probability sampling technique. The non-probability sampling technique used in this study is a saturated sampling technique. Saturated sampling is a sampling technique when all members of the population are sampled, which is as many as 36 data. The data analysis in this study uses Multiple Linear Regression. Meanwhile, the data processing uses SPSS statistical software

version 24. Data analysis uses the stages of classical assumption tests (normality test, multicollinearity test, and heteroscedasticity test) and hypothesis test (t-test, F test, and customized R square test).

4. RESULTS AND DISCUSSION

4.1 Results of the Classic Assumption Test

4.1.1 Normality Test Results

The normality test is useful to see if the data is normally distributed or not. One of the methods used to test normality is the analysis of the probability plot normal graph. The results of the normality test carried out in the regression model of this study can be seen in the figure below:

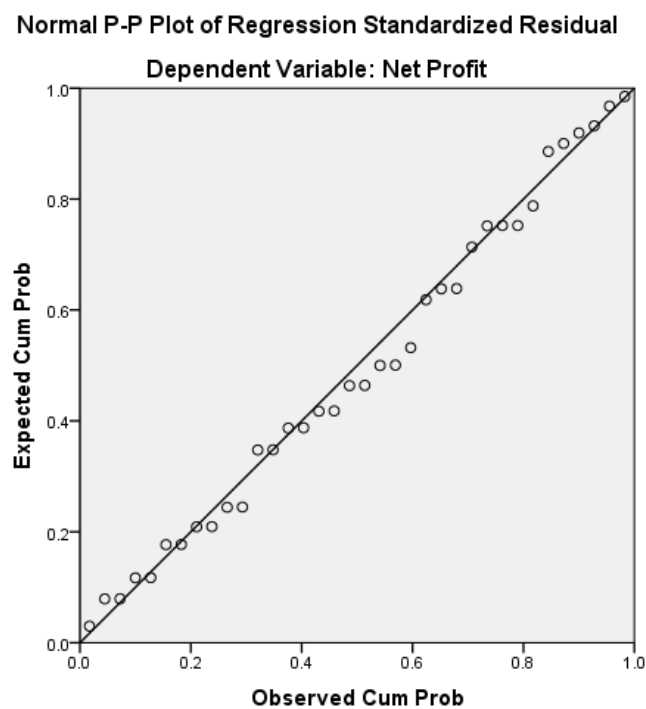


Figure 4.1 Normality Test Results

Source: SPSS Output (2024)

Based on the plot graph images, it can be interpreted that the data tends to be normally distributed. This can be seen from the pattern of points that follow the diagonal line on the chart. The closer these points are to the diagonal line, the stronger the assumption of normality is fulfilled.

4.1.2 Multicollinearity Test Results

The purpose of the multicollinearity test is to detect the presence of a high linear relationship between two or more independent variables in a regression model. The results of this test can be identified through the following table:

Table 4.1 Multicollinearity Test Results
Coefficientsa

Type	Collinearity Statistics	
	Tolerance	BRIGHT
1 Inventory	.168	5.956
Sales	.168	5.956

a. Dependent Variable: Net Profit

Source: SPSS Output (2024)

The table above shows that the Variance Inflation Factor (VIF) values of the inventory variable (X1) and the sales variable (X2) are $5.956 < 10$ and the tolerance value is $0.168 > 0.10$ in the regression model test. Based on this data, it can be concluded that there is no multicollinearity between independent variables in the regression model tested.

4.1.3 Heteroscedasticity Test Results

The purpose of heteroscedasticity testing is to detect the presence or absence of variance inequality from residuals or errors in the regression model. In other words, heteroscedasticity testing aims to ensure that residual variance remains constant throughout the observation range. The results of the heteroscedasticity test can be seen in the figure below:

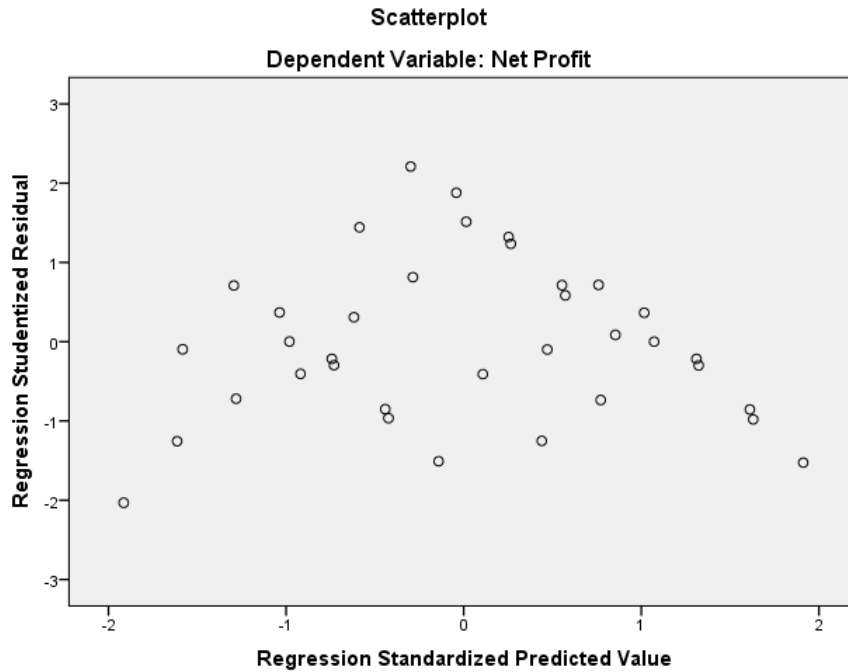


Figure 4. 2 Heteroscedasticity Test Results

Source: SPSS Output (2024)

Based on the graph, it can be seen that the data points (residuals) are randomly spread around the horizontal axis without forming a specific pattern. This indicates that the variance of the residual tends to be constant along the regression line. In addition, the data points appear to be evenly distributed above and below the horizontal

axis, with no grouping on one particular side. It also shows that there is no significant heteroscedasticity in the regression model.

4.2 Multiple Linear Regression Results

Based on the results of the calculation using SPSS 24, a multiple linear regression equation is obtained as shown in the following table:

Table 4. 2 Multiple Linear Regression Test Results

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Mr.
		B	Std. Error	Beta		
1	(Constant)	-4088.316	648.591		-6.303	.000
	Inventory	.152	.053	.184	2.841	.008
	Sales	.131	.010	.818	12.649	.000

a. Dependent Variable: Net Profit

Source: SPSS Output (2024)

Based on the table above, the equation can be included in the multiple regression equation, namely: $Y = -4088.316 + 0.152X_1 + 0.131X_2$

4.3 T Test Results

The t-test is used to test for significant differences between the mean of two or more

groups. In other words, to see the magnitude and significance of each independent variable on the dependent variable, it is seen from the significance value of each independent variable in the regression model. The results of the t-test in this study are presented in the table below:

Table 4. 3 T Test Results

Test Ta

Model	T	Mr.	Information
(Constant)	-6,303	0,000	
1 Inventory	2,841	0,008	Significant Influence
Sales	12,649	0,000	Significant Influence

a. Dependent Variable: Laba Bersih

Source: SPSS Output (2024)

Based on the output results of the T test in SPSS, it can be concluded as follows:

- a) The calculated t value for the merchandise inventory variable (X1) is 2.841, which is greater than the table t of 2.034. With a significance level of 0.008 (less than $\alpha = 0.05$), we can conclude that the null hypothesis (H_0) is rejected and the alternative hypothesis (H_a) is accepted. This means that there is a significant influence of the variable of merchandise inventory (X1) on net profit (Y) on CV. Petroasia Jaya Utama.
- b) The calculated t-value for the sales variable (X2) is 12,649, which is much larger than the t-table of 2,034. With a

significance level of 0.000 (less than $\alpha = 0.05$), we can conclude that the null hypothesis (H_0) is rejected and the alternative hypothesis (H_a) is accepted. In other words, there is a very significant influence of the sales variable (X2) on net profit (Y) on CV. Petroasia Jaya Utama.

4.4 Test Result F

The F test is used in statistics to test the simultaneous influence and significance of several independent variables on bound variables in a regression model. The results of the significant F test showed that at least one independent variable had a significant influence on the bound variable in the regression model. The results of the F test are presented in the table below:

Table 4. 4 Test Result F ANOVA

Model		Sum of Squares	df	Mean Square	F	Mr.
1	Regression	207631398.800	2	103815699.400	695.737	.000b
	Residual	4924156.781	33	149216.872		
	Total	212555555.600	35			

a. Dependent Variable: Net Profit

b. Predictors: (Constant), Sales, Inventory

Source: SPSS Output (2024)

Based on the results of the F test, a calculated F value of 695.737 was obtained which was significantly greater than the F value of the table of 3.28 with a significance level of $0.000 < 0.05$. This shows that all independent variables simultaneously have a significant effect on the bound variable. Therefore, the null hypothesis (H_0) is rejected and the alternative hypothesis (H_a) is accepted, i.e. there is a significant influence of

goods inventory and sales on the company's profit. The results show that the regression model used can be effective in predicting factors that affect the company's profit.

4.5 Coefficient of Determination Results

Based on the results of the determination coefficient (R^2) test, a regression equation is obtained as shown in the following table:

Table 4. 5 Coefficient of Determination Results Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.988a	.977	.975	386.286

a. Predictors: (Constant), Sales, Inventory

b. Dependent Variable: Net Profit

Source: SPSS Output (2024)

Based on the results of the analysis, it can be concluded that the variables of merchandise inventory and sales significantly affect the company's profit by 0.977 or 97.7%. Meanwhile, the remaining 2.3% is likely to be influenced by other factors that are not included in this regression model, indicating the existence of other variables that have the potential to affect the company's profit performance.

5. CONCLUSIONS

Based on research conducted on CV. Petroasia Jaya Utama by analyzing the financial statements from 2021 to 2023, here are the conclusions that can be drawn:

- 1) Merchandise inventory has a significant influence on a company's net profit. This is evidenced by a t-value of 2.236 which is greater than

the t-value of the table of 2.034, with a significance level of 0.008, which is smaller than the required significance level of 0.05.

- 2) Sales show a significant influence on the company's profit. The calculated t-value of 12.649 is much greater than the table's t-value of 2.034, with a significance level of 0.000, which is smaller than the required significance level of 0.05.
- 3) Simultaneously, merchandise inventory and sales have a significant effect on a company's bottom line. This is evidenced by the calculated F value of 695,737 which is greater than the table's F value of 3.28, with a significance level of 0.000, which is smaller than the required significance level of 0.05.

The above conclusion shows that both merchandise inventory and sales individually and together have a significant influence on the company's profit on CV. Petroasia Jaya Utama.

SUGGESTION

Based on the results of the research and discussion that has been submitted, the following are suggestions that can be conveyed:

- 1) Companies should manage their merchandise inventory more effectively and efficiently to minimize costs and ensure product availability to meet customer demand. Good inventory planning and control can increase a company's profits.
- 2) Companies need to improve their marketing and sales strategies in order to increase sales volume. The increase in sales will have a positive impact on the company's net profit.
- 3) Although inventory of merchandise and sales are important factors that affect net profit, companies also need to consider other factors that can affect profits, such as operational cost efficiency, pricing strategies, and others to improve the company's overall profitability.

REFERENCES

- [1] P. R. Adawia, A. Azizah, and A. Nopriyanto, "Inventory Accounting and Its Effect on Corporate Profit at PT. Indo-Sino Agrochemical Popon," *Perspective*, vol. XVI, no. 2, pp. 196–201, 2018.
- [2] E. Eriani, "Analysis of Sales Levels, Inventory of Merchandise and Business Capital on Corporate Profit on the Indonesia Stock Exchange," 2020.
- [3] V. V. Sujarveni, *Introduction to Accounting*. Yogyakarta: Pustaka Baru Press, 2016.
- [4] N. Sari and M. Rimawan, "Operational Cost Efficiency for Net Profit Increase," *J. Money Science. and Perbank*. Vol. 9 No. 2 pp. 107–116, 2020, doi:10.34010/jika.v9i2.2897.
- [5] A. M. Pasaribu, "Operating Income and Operating Expenses to Net Profit in Food and Beverage Companies," *J. Wira Ekon. Microskills*, vol. 7, no. 2, pp. 173–180 (2017), doi: 10.55601/jwem.v7i2.501.
- [6] S. N. P. Simanjuntak, S. P. Hari Sandi, and L. R. Khalida, "The Effect of Merchandise Inventory and Sales on Net Profit at CV Cahaya Sumatera Karawang," *J-MAS (Journal of Management and Science)*, Vol. 7, No. 2, p. 1084, 2022, doi: 10.33087/jmas.v7i2.671.
- [7] W. R. Murhadi, *Financial statement analysis: stock projections and valuations*. Jakarta: Salemba Empat, 2013.
- [8] S. Chopra and P. Meindl, *Supply Chain Management: Global Edition*. 2016.
- [9] I. Al Muna, D. Mulyadi, S. Pertiwi Hari Sandi, P. Management Studies, F. Economics and Business, and U. Buana Perjuangan Karawang, "Analysis of the Existence of the Campus in Increasing the Growth of Msmes and Sales Results in Msmes Around the Ubp Karawang Campus," Vol. 7, pp. 4042–4049, 2024.
- [10] S. Setiawan, "Definition of Sales – Types, Objectives, Factors, Market, Experts," *Education Teacher*, 2024.
- [11] O. D. Monica, "Analysis of Financial Statements as a Tool for Evaluating Financial Performance on CV. Muara Permai in Pekanbaru," vol. 8, pp. 1–9, 2021.
- [12] F. Pujihati Dwi, Sihabudin, and R. Fauji, "The Effect Of Production Costs And Sales Volume On Net Laba Bersih Pada Umkm Semprong Amoundy Karawang," vol. 7, pp. 4019–4029, 2024.
- [13] Hery *Financial statement analysis*. Jakarta: PT Grasindo, 2016.
- [14] C. S. Warren, J. M. Reeve, and J. E. Duchac, *Financial and Managerial Accounting*, 14th ed. Boston: Cengage Learning, 2018.