



**The Impact of The Corona Pandemic (Coved19) On the Financial and Operational Performance Of Emirates Airlines  
(Applied Study on Emirates Airlines, One of The Emirates Group Companies, 2019 - 2021)**

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**Abstract**

This study aimed to identify the impact of the Corona pandemic (Coved19) on the financial and operational performance of Emirates Airlines, by applying it to Emirates Airlines, one of the Emirates Group companies, where the problem of the study was the impact of the (Coved19) on the financial and operational performance of Emirates Airlines, the study relied on the following hypotheses:

- There is a statistically significant effect of the Corona pandemic (Coved19) on the financial performance of Emirates Airlines.
- There is a statistically significant effect of the Corona pandemic (Coved19) on the operational performance of Emirates Airlines.

Quantitative data represented in the financial reports for the years (2019-2020) - (2020), and linear regression analysis was used through the statistical analysis program (SPSS) in the analysis, and the study reached the most important results: that there is an impact of the Corona pandemic (Coved19) on performance The financial results of Emirates Airlines, but this impact did not reach the company to the point of danger, as the results of the study confirmed from the operational report that there is an impact of the Corona pandemic (Coved19) on the operational performance of Emirates Airlines, during the downtime period that started in March 2020, The study also recommended the need for the company, after the end of this pandemic, to disclose in the financial reports the role of the company's management of financial performance, as well as the need for the company, after the end of this pandemic, to disclose in the financial reports the role of the company's management of operational performance and its impact on customers and society, and finally on The company evaluates the appropriateness of preparing the financial statements on the basis of continuity in the period following the end of the financial year.

**Keywords:** Corona pandemic (Coved19), financial performance, operational performance.

**1- Introduction to the Study:**

After the spread of the new Corona virus around the world, the economy around the world did not remain except to have announced its negative impact from this virus, and accordingly many companies and sectors around the world were affected due to the measures taken by many countries to limit the spread of the emerging Corona virus, and the transportation sector (aviation) ) is one of the most affected by this crisis in the world due to the suspension of many flights around the world, especially at the beginning of the pandemic, as several countries announced the complete suspension of travel until further notice.

The sharp drop in air travel has caused a severe liquidity problem for the aviation sector, threatening its financial position and endangering millions of jobs that depend on the aviation sector. It should be noted that all aviation stakeholders, including but not limited to airlines,

airports, air navigation service providers (ANSPs), aerospace manufacturers, as well as all stakeholders in the value chain, face business continuity challenges and potentially its ability to survive. (International Civil Aviation Organization, ICAO, 2020).

The operational and financial performance in the financial statements for the period (2019-2021) of the airlines sector has been affected, against the background of the closures related to the Corona virus, which hit the aviation sector hard.

However, by the month of June 2020, thanks to the efforts of the wise leadership, this sector began to regain its vitality and became operating with an absorptive capacity according to the state's health status and is gradually recovering.

## **2- The problem of the study:**

The problem of the study is represented in the following main question:

What is the impact of the Corona pandemic (Coved19) on the financial and operational performance of Emirates Airlines?

Several sub-questions arise from it:

- 1- What is the impact of the Corona pandemic (Coved19) on the financial performance of Emirates Airlines?
- 2- What is the impact of the Corona pandemic (Coved19) on the operational performance of Emirates Airlines?

## **3- Objectives of the study:**

The objectives of the study are the following:

- 1- Understand the concept of financial and operational performance through financial statements.
- 2- Identifying the impact of the Corona pandemic (Coved19) on the financial performance of Emirates Airlines.
- 3- Clarifying the impact of the Corona pandemic (Coved19) on the operational performance of Emirates Airlines.

## **4- Importance of the study:**

The scientific importance of the study: The importance of the scientific study lies in the fact that it is an attempt to contribute scientifically to addressing and clarifying the impact of the Corona pandemic (Coved19) on the financial and operational performance of the airline sector in the Emirates.

The practical importance of the study: The results of this study can be used to reduce the impact of the (Coved19) on the financial and operational performance of Emirates Airlines, one of the Emirates Group companies.

## **5- Study hypotheses:**

The hypotheses of the study are as follows:

- 1- There is a statistically significant effect of the (Coved19) on the financial performance of Emirates Airlines.
- 2- There is a statistically significant effect of the (Coved19) on the operational performance of Emirates Airlines.

## **6- Study Methodology:**

The study uses the following scientific methods:

- 1- The historical approach: through it the researchers review previous studies on this subject.
- 2- The deductive approach: to determine the dimensions of the problem.
- 3- The inductive method: to test the hypotheses of the study.
- 4- The analytical descriptive approach: through which the researchers present the procedures of the field study.

## **7- Study limits:**

- 1- Spatial boundaries: Emirates Airlines.
- 2- Time limits: the year 2019 - 2021.

**8- Previous studies:**

**A- Study: (Noor Al-Daim Al-Tayyib 2020):** The study dealt with the impact of the Corona pandemic (Covid-19) on the preparation and review of the financial statements of small and medium enterprises in the Kingdom of Saudi Arabia. Finance for small and medium enterprises in the Kingdom of Saudi Arabia.

The researchers used the descriptive analytical approach, and the researchers reached a set of results, the most important of which is the outbreak of the Corona pandemic (Covid-19) that affected the field work of auditors of the financial statements of small and medium enterprises in the Kingdom of Saudi Arabia.

One of the most important recommendations is the need to develop audit methods using modern technologies and work remotely to implement the audit work and plan.

**B- Study: (Jaspreet Singh 2020):** This study dealt with the impact of the Corona pandemic (Covid-19) on society. It worked on social distancing for fear of the spread of the virus, and this led to cases of psychological disorders and health risks such as stress, anxiety and depression, and a host of other issues that affect the life of the individual and society. This study recommended the necessity of adhering to the directives of the Ministry of World Health, such as social distancing, home quarantine, not being affected by negative news, using masks, and not touching the mouth, nose and eyes before washing hands when in contact for forty seconds with warm water and soap, and using sterilizers.

**C - Study: (Clemens Brie Singer, et al., 2020):** The study dealt with the economic impact of the emerging coronavirus (Covid-19) epidemic on the tourism sector and remittances: insights from Egypt, the study aimed to identify the economic effects resulting from Corona epidemic on the tourism sector and remittances in the Arab Republic of Egypt.

The study used the descriptive approach, and reached a set of results, the most important of which is the possibility of the economic, population and tourism sectors being subjected to significant influences throughout the months that witness the continuation of the crisis. Among the most important recommendations that came out of the study, the authorities set out on a decisive path towards curbing the spread of the virus by allocating an amount of one hundred (100) billion Egyptian dollars (equivalent to 6.3 billion dollars), in addition to declaring tax exemptions in favor of industrial and tourism companies and reducing costs Supplying electricity and natural gas to industries.

**D - Study: (Khaira, Tayeb, 2020):** It dealt with the impact of the Corona virus (Covid-19) on the global economy. The study aimed to know the impact of the Corona virus (Covid-19) on the global economy. The most important results are that the Corona pandemic (Covid-19) negatively affected the global economy due to the rapid spread of the virus, which led to weak productivity growth, and the deterioration of some sectors for airlines, tourism, and hotel companies.

**E - Study: (Mohammed Al-Sawwan, 2020):** The study dealt with the auditor's report and the accounting impact of the Corona pandemic (Covid-19) by applying to a sample of accountants and auditors in the government sector, private companies and audit offices operating and licensed in the United Arab Emirates. To identify the impact of the pandemic in the auditor's report and international accounting standards, specifically on the subsequent and emergency events that occurred between the end of the financial year, and the date of approval of the financial statements, as the emerging (Covid-19) pandemic is considered, according to international accounting standards, an emergency event that arose after the end of the period Reports preparation, Which makes the amendment of the financial statements for the year 2019 not required of accountants and auditors, and the study used the descriptive approach, and reached a set of results, the most important of which is that the crisis made the task of the auditor and accounting standards difficult and cast a shadow over all accounting standards. Among the most important recommendations, the internal audit departments in government agencies should adjust their work programs and conduct subsequent and simultaneous reviews of the financial effects that the crisis will have, as well as the need to enhance communication

skills and communication between auditors and companies using modern technologies and the Internet, and this applies to the government auditor.

**F- Study :( Hamada Al-Sadouni, Ahmed Al-Sayed, 2021):** The research aimed to study the impact of the outbreak of the COVID-19 pandemic on the level of voluntary disclosure in financial reports. Financial and online disclosure. A field study was conducted by designing a survey list that was directed to four groups including auditors, external auditors, financial managers, financial analysts, and finally academics.

The study concluded that there is a positive impact of the COVID-19 pandemic on the level of voluntary disclosure in financial reports in the Egyptian business environment. Integrated reports for companies A report that includes detailed information about the Corona pandemic crisis, its management and its impact on the company in terms of economic, social and technological aspects and the risks it is exposed to, in a way that contributes to rationalizing the decisions of users of financial reports.

**S: Study:( Nhan Huynh, Anh Daoab, Dat Nguyen):** Economic uncertainty, government responses, and international financial market performance during the coronavirus pandemic .Openness, economic uncertainty, government responses, and international financial market performance during the coronavirus pandemic, This study explores the impact of COVID-19 on financial markets controlled by macroeconomic and administrative factors. As natural experimentation, we employ panel data analysis to test 50 stock market indices from January 01 to August 20, 2020. The findings suggest daily growth of COVID-19 confirmed cases have considerable adverse effects on stock returns and positive impacts on investment risks across markets. The government prompt interventions offset adverse impacts of the pandemic. Market reactions to the outbreak and authority responses information are more momentous in more developed economies due to their better information efficiency. The country-specific features of globalization, uncertainty, healthcare system readiness, and economic development levels appear to have substantial impacts on equity market reactions. Financial markets in countries with higher levels of globalization, economic policy and financial uncertainty experience more chaos during the pandemic. While those hostile effects are less significant in countries with robust healthcare systems.

#### **Commenting on previous studies:**

This study is similar to previous studies in the independent variable Corona pandemic (Covid-19), as the study: (Noor Al-Daem Al-Tayeb 2020) examined the impact of the Corona pandemic (Covid-19) on the preparation and review of financial statements for small and medium enterprises in the Kingdom of Saudi Arabia, while the study (2020) Jaspreet Singh) dealt with the impact of the Corona pandemic (Covid-19) on society, and the study (Khaira, Tayeb, 2020) dealt with the impact of the Corona virus (Covid-19) on the global economy, The study (Mohammed Al-Sawwan, 2020) also dealt with the auditor's report and the accounting impact of the Corona pandemic (Covid-19) by applying to a sample of accountants and auditors in the government sector, private companies and audit offices operating and licensed in the United Arab Emirates, and finally, the study (Hamada Al-Sadouni) and Ahmed El-Sayed, 2021) The impact of the outbreak of the COVID-19 pandemic on the level of voluntary disclosure in financial reports by applying to the Egyptian business environment, the study ( Nhan Huynh, Anh Daoab, Dat Nguyen,2021) Economic uncertainty, government responses, and international financial market performance during the coronavirus pandemic.

The researchers believes that what distinguishes this study is that it dealt with the impact of the Corona pandemic (Coved19) on the financial and operational performance of the airline sector in the Emirates.

#### **Accounting effects of the Corona pandemic (Coved19):**

We find that many companies around the world have proven affected by the emerging corona virus pandemic, and according to international financial reporting standards, the financial and operational performance of the company must be disclosed, if it has been affected by the precautionary measures and the spread of the corona virus or not.

The entity must exercise due diligence in estimating the effects of the epidemic and the assumptions it makes regarding the adjustment of cash flows or discount rates according to risks, future changes in salaries and future changes in prices and changes.

The International Accounting Compact No. (1) confirms that the disclosure of the assumptions and the sources of not making sure of the other criticism, which relates to a form related to the estimates that require the most difficult or more difficult of the administration, and the subject of the estimation of the person, or more than one, and more than one, or more than one, and more than one who is a person, and more than one who is more than a person. It may be difficult to predict its end and the severity of its effects.

The spread of this pandemic has had an impact on the financial statements of many companies around the world, especially in the United Arab Emirates, including airlines, especially the first quarter of 2020 until the end of the year, and this is what actually happened, and it also extended until 2021 with the continuation of the pandemic, but we find that the impact In 2021, it was not the same as in 2020, and perhaps most of the potential effects were the change in the company's revenues, leading to the impact on the value of its assets as well. (Saudi Organization for Certified Public Accountants Bulletin, 2020).

### **Financial and operational performance through financial statements:**

#### **1- Financial statements:**

The main purpose of preparing and publishing the financial statements is to provide the beneficiaries with information that serves them in making rational economic decisions, especially under the circumstances of this pandemic (Covid-19).

- Statement of financial position.
- Statement of income.
- Statement of changes in equity.
- Statement of Cash Flows.

Under the Corona pandemic, companies must provide the necessary disclosure about their financial and operational performance through the financial statements, in order to assist the users of these lists to make rational economic decisions based on high quality information. To fulfill this, the international accounting is a number (1) requires the facility to present disclosure of cases of non-confirmation, such as those caused by covid-19 virus, in a way that helps the employees of the financial persons, the financial strengths of the administration.

#### **2- Financial and Operational Performance:**

##### **The concept of financial performance:**

Is the proper diagnosis of financial health in order to know whether the institution has the ability to generate value and resilience in the future by relying and relying on several financial procedures such as preparing budgets and tables of results accounts and the attached tables.

##### **Operational performance concept:**

(Vankatman & Ramnujam, 2018) explained that operational performance expresses the broad concept of performance through its interest in the performance of operational and financing operations. (Kaplan and Norten, 2020) believes that operational performance leads and directs financial performance, and it is necessary to look at operational performance by addressing three basic dimensions: productivity, profitability, and efficiency, as follows: (Al-Khayyat, 2020):

**A- Productivity:** Productivity has been defined as the ratio between outputs to process inputs, and the most important indicators of productivity are represented by: (Nahmias, 2019):

- Labor productivity: it is the rate of worker output per hour of work and represents the basic determinant of wages (Hayman, 2013).
- Capital productivity: capital represents one of the most important input elements besides machinery, equipment, raw materials, labor and organization. Capital productivity can be calculated by dividing the achieved outputs by the invested capital (Hassan, 2017).

**B- Profitability:** It is the relationship between the result achieved by the company in relation to the invested capital or any other activity. It is called (the result of the job), and it is possible to challenge it according to the unit of production, and then it is called (the result of the production unit), and the word result means the difference between the return achieved by the company and the costs incurred to obtain that return (Al-Maghribi, 2015).

**C- Efficiency:** defined by (Daft, 2020) as using the least number of resources (inputs) to reach the required volume of output.

### **The airline sector in the UAE:**

The aviation sector has witnessed a remarkable development in the UAE over the past years, and this qualitative shift has contributed significantly to diversifying the sources of national income, thanks to the intensive and continuous policies aimed at developing the air transport sector, which was supported by large investments in infrastructure, in addition to the technologically advanced airports in The country, such as Dubai International Airport, which has achieved advanced global positions in the number of passengers. In addition, UAE airlines play a major role in developing and improving this sector, as they are known for their high level and high-quality services.

The UAE airlines sector includes the following companies: (Emirates Airlines sector, www.bayut.com, 2021)

#### **1/ Emirates Airlines:**

Emirates Airlines is the national airline of the United Arab Emirates, headquartered at Dubai International Airport. It was established in 1985 and is owned by the Government of Dubai. It is possible to travel through this company to more than 80 countries, and it is characterized by modern, efficient and comfortable aircraft, numbering 270 aircraft, in addition to the qualified staff that is keen to provide exceptional services to customers across six continents every day.

#### **2/ Etihad Airways:**

Established in 2003, Etihad Airways is the national air carrier of the United Arab Emirates. This company provides travel and freight services to the Middle East, Africa, Europe, Asia, Australia, and North America, provides access to hundreds of global destinations on just one reservation, and is known for its flexible bookings and a travel experience that allows you to enjoy every stage of your journey. The Etihad Airways aircraft are also distinguished by their technological development and superior air services, from freighters to the new generation A380 aircraft.

#### **3/ Royal Gate:**

It is based in Abu Dhabi. This company has won international awards due to its distinguished fleet, exceptional and flexible services, and it provides flights that suit the exact requirements of everyone individually to provide the utmost luxury and comfort for travelers.

CasaBlanca, Kingdom of Morocco. Air Arabia provides comfort, reliability and high-level services, and its priority is to provide the best possible flights for passengers in a timely manner and at attractive prices. It operates a fleet of 55 Airbus A320 and A321 Neo LR aircraft, all equipped with the latest cabin design with the largest possible comfortable space for passengers, so it is one of the he best options for those wishing to travel through distinguished Emirates airlines.

#### **4/ Air Arabia:**

Air Arabia operates from two main operations centers, the first is Sharjah International Airport, and the second is Mohammed V International Airport in Casablanca, Kingdom of Morocco. Air Arabia provides comfort, reliability and high-level services, and its priority is to provide the best possible flights for passengers in a timely manner and at attractive prices. It operates a fleet of 55 Airbus A320 and A321 Neo LR aircraft, all equipped with the latest cabin design with the largest possible comfortable space for passengers, so it is one of the best options for those wishing to travel through distinguished Emirates airlines.

#### **5 / Flydubai airline:**

flydubai provides comfortable and flexible flights at affordable prices and is characterized by the fleet of Boeing 737-800 of the new generation, which is known as one of the safest and most

efficient aircraft in the world. In easing the burdens and consequences of travel, the company will also keep you in constant contact with wireless internet packages or Wi-Fi on board the flight if you wish to do so.

### **Sector-wide financial measures:**

The aviation sector is capital intensive and has high fixed costs. Currently, all airlines, either easy or hard, suffer from a sudden shortage of cash needed to cover costs and meet their financial obligations. To replenish the cash reserves and rebalance the budget statements in the short to medium term and to ensure the continuation of operation in light of low demand, a number of emergency financial measures can be taken, which include several measures, including the following: (International Civil Aviation Organization, ICAO, 2020).

- 1- Cost pressure and management.
- 2- Negotiating contracts with lessors, suppliers, or service providers.
- 3- Equity financing.
- 4- Debt refinancing and restructuring.
- 5- Converting the value of the frequent flyer program into cash.
- 6- Transferring future revenues and assets into payment bonds.
- 7- Revitalization and restructuring under bankruptcy laws.

### **Applied study:**

#### **1- Study population and sample:**

The population study in the airline sector in the Emirates includes a case study of Emirates Airlines, where quantitative data represented in the financial reports for the years (2019-2020) - (2020), and linear regression analysis was used through the statistical analysis program (SPSS) in the analysis.

#### **2- Emirates Airlines financial report:**

##### **2-1: The financial report of Emirates Airlines for the period from 2019 - 2020:**

**A- Financial Performance for the year 2019-2020:** Emirates Airline performed very strongly during the second and third quarters, but the closure of the Dubai airport runway and the outbreak of the "Covid-19" pandemic during the other two quarters of the financial year 2019-2020 left their impact on the total revenue for the whole year, it decreased by 6% to reach 92 billion dirhams (25.1 billion dollars). The relative strength of the US currency against the currencies of most of the main markets of Emirates Airlines negatively reflected on the profits of 963 million dirhams (\$ 262 million), compared to the negative impact of the same factor, which amounted to 572 million dirhams (\$ 156 million) in the previous year.

Operating costs decreased by 10% compared to the fiscal year 2018/19. The average price of jet fuel witnessed a decrease of 9% during the fiscal year compared to an increase of 22% in the previous year. With fuel purchases reduced by 6% due to reduced capacity, the value of the fuel bill recorded a significant decrease of 15% compared to the previous fiscal year to reach 26.3 billion dirhams (\$ 7.2 billion). Fuel accounted for 31% of the total operating cost, compared to 32% in the fiscal year 2018-2019, and retained the largest share of the operating cost.

Despite the mounting competition pressures and the unfavorable effects of currency exchange rates, Emirates Airlines achieved a net profit of 1.1 billion dirhams (288 million dollars) in the 2019/2020 financial year, a growth of 21% over the profits of the previous year, and a profit margin of 1.1 %. Profits would have been higher had it not been for a loss of 1.1 billion dirhams (\$288 million) as a result of a hedging operation at the end of the year.

**B- Operational performance for the year 2019-2020:** At the end of the financial year 2019-2020, Emirates' total passenger and cargo capacity decreased by 8% to 58.6 billion tons available ATKM, due to capacity constraint as a result of the closure of the Dubai International Airport runway for maintenance, and the impact of "Covid-19" with the suspension of passenger services in compliance with the directives of the UAE government during March 2020.

##### **2-2: The financial report of Emirates Airlines for the period from 2020-2021:**

**A - Financial performance for the year 2020-2021:** The Emirates Group, which includes the airline and other aviation and travel assets, recorded a 65.8 percent decrease in revenue to \$9.7

billion and incurred a loss of \$6 billion, the first in 33 years. It said the results were affected by an extraordinary impairment charge of \$408.43 million for the group's non-financial assets. In its annual report for the year ending on March 31, the giant Emirates Airlines revealed that it had received \$3.1 billion in financial support from the Dubai government since the start of the Corona pandemic. And that is after the giant company incurred an annual loss of \$5.5 billion, the first in more than three decades. Revenues fell by 66 percent, or \$8.4 billion, and passenger traffic fell 88.3 percent to only 6.6 million.

**B - Operational performance for the year 2020-2021:** The travel stagnation caused Emirates to ground most of its 113 Airbus A380 aircraft and is focusing on rebuilding its network using its 146 Boeing 777 aircraft, while reducing passenger capacity to 82.6 percent in Last Year. The giant company revealed that seat occupancy rate was only 44.3 percent last year, down from an average of 78.4 percent in the previous fiscal year when the airline recorded an annual profit for the last time.

### **3/ Description and measurement of the study variables:**

#### **3/1: Independent variable: Corona pandemic:**

The impact of the Corona pandemic was measured for the airline sector (Emirates Airlines) through a dummy value = 1 in the event of an impact, and a value = zero in the absence of impact, during the period from (2019-2021).

#### **3/2: Dependent Variable: Indicators for Evaluating Financial and Operational Performance:**

The most used financial and operational performance indicators in the accounting literature have been identified and measured as follows:

##### **3/2/1: Financial performance evaluation indicators:**

- **Rate of return on assets:** It is measured by dividing the net profit after taxes by the total assets.
- **Rate of return on equity:** It is measured by dividing the net profit after taxes by the total equity.

##### **3/2/2: Operational Performance Indicators:**

Asset turnover ratio: It is measured by dividing net sales by total assets.

- **Cash flow from operating activities:** It is measured by dividing the net operating cash flow by the total assets.

### **4/ Search tools:**

The researchers relied on the annual financial reports tool for the years (2019-2020), (2020-2021), for Emirates Airlines, and its content was analyzed to extract the data necessary to measure the research variables.

### **5/ Statistical analysis of the study:**

Statistical analysis of the data collected with the help of STATA 13 program was carried out through Panel Data Analysis, where the descriptive analysis of the study variables, testing the validity of the data and regression models for statistical analysis, and then analyzing the results of the research hypotheses were conducted, as follows:

#### **5/1: Data Validity Test and Regression Models for Statistical Analysis:**

To verify that there is no linear multicollinearity problem between the independent and dependent variables, as the strength of the regression model depends on the hypothesis of the independence of the variables, then a multicollinearity test is performed by finding the Variance Inflation Factor (VIF) for each variable, and it shows the result of that Test Table No. (1) as follows:



**Table No: 1** Multicollinearity Test . Results

| Variables   | VIF  | 1/VIF    |
|-------------|------|----------|
| Independent | 1.23 | 0.872231 |
| Subordinate | 1.16 | 0.951121 |
| Average     | 1.19 |          |

It is clear from the data in Table No. (1) that:

The value of (VIF) for the independent and dependent variable is greater than (1) and less than (10), and this indicates that the model used to explain the effect on the dependent variable does not suffer from the existence of a linear interference problem, and therefore there is no problem in measuring the regression model And the impact on its results, and this confirms the power of the regression model in explaining the effect of the independent variable on the dependent variable.

**5/2: Testing the hypotheses of the study:**

**1/ There is a statistically significant effect of the Corona pandemic (Coved19) on the financial performance of Emirates Airlines.**

**Table No (2):** The results of simple linear regression analysis to measure the relationship between the Corona pandemic (Coved19) and the financial performance of Emirates Airlines

| Statement  | Regression coefficients | Test ( T )                 | Probability Value (Sig) | Interpretation |
|--|-------------------------|----------------------------|-------------------------|----------------|
| $(\hat{B}_0)$  | 1.9888                  | 9.166                      | 0.000                   | Significant.   |
| $(\hat{B}_1)$  | 0.498                   | 9.188                      | 0.000                   | Significant.   |
| <b>Corona pandemic (Coved19).</b>                      | 0.438                   | 6.356                      | 0.000                   | Significant.   |
| <b>The financial Performance of Emirates Airlines.</b> | 0.470                   | 5.534                      | 0.000                   | Significant.   |
| Correlation coefficient ( $R$ ).                       | 0.78                    |                            |                         |                |
| Coefficient of determination ( $R^2$ ).                | 0.50                    |                            |                         |                |
| Test (F).  | 98.300                  | The sample is significant. |                         |                |

**Based on table (2) data, the study mentions the following:**

- 1- The results of the estimation showed a strong direct correlation between the Corona pandemic (Coved19) as an independent variable and the financial performance of Emirates Airlines as a dependent variable, where the value of the simple correlation coefficient was (0.78).
- 2- The value of the coefficient of determination is (50%)· (  $R^2$  ), and this value indicates that the Corona pandemic (Coved19) as an independent variable contributes (50%) to the financial performance of Emirates Airlines (the dependent variable).
- 3- The simple regression model is significant, where the value of the (F) test is (98. 300), which is at a significant level of (0.000).
- 4/ (1.9888): The average of the Corona pandemic (Coved19) at the value of the financial performance of Emirates Airlines is zero.
- 5- (0.498): The Corona pandemic (Coved19) means one unit when the financial performance of Emirates Airlines is 50%.

From the above, the researchers concludes that the hypothesis of the study, which states: **“There is a statistically significant effect of the Corona pandemic (Coved19) on the financial performance of Emirates Airlines.”**, has been achieved.

**2/ There is a statistically significant effect of the Corona pandemic (Coved19) on the operational performance of Emirates Airlines.**

**Table No (3):** The results of simple linear regression analysis to measure the relationship between the Corona pandemic (Coved19) and the operational performance of Emirates Airlines

| Statement  | Regression coefficients | Test (T)                   | Probability Value (Sig) | Interpretation |
|--|-------------------------|----------------------------|-------------------------|----------------|
| $(\hat{B}_0)$  | 1.9756                  | 9.134                      | 0.000                   | Significant.   |
| $(\hat{B}_1)$  | 0.486                   | 9.178                      | 0.000                   | Significant.   |
| <b>Corona pandemic (Coved19).</b>                        | 0.423                   | 6.678                      | 0.000                   | Significant.   |
| <b>The operational performance of Emirates Airlines.</b> | 0.472                   | 5.234                      | 0.000                   | Significant.   |
| Correlation coefficient ( $R$ ).                         | 0.77                    |                            |                         |                |
| Coefficient of determination ( $R^2$ ).                  | 0.51                    |                            |                         |                |
| Test (F).  | 99.201                  | The sample is significant. |                         |                |

**Based on table (3) data, the study mentions the following:**

- 1- The results of the estimation showed a strong direct correlation between the Corona pandemic (Coved19) as an independent variable and the operational performance of Emirates Airlines as a dependent variable, where the value of the simple correlation coefficient was (0.77).
- 2- The value of the coefficient of determination is (51%), ( $R^2$ ), and this value indicates that the Corona pandemic (Coved19) as an independent variable contributes (51%) to operational performance of Emirates Airlines (the dependent variable).
- 3- The simple regression model is significant, where the value of the (F) test is (99.201), which is at a significant level of (0.000).
- 4/ (1.9756): The average of the Corona pandemic (Coved19) at the value of the operational performance of Emirates Airlines is zero.
- 5- (0.486): The Corona pandemic (Coved19) means one unit when the operational performance of Emirates Airlines is 51%.

From the above, the researchers concludes that the hypothesis of the study, which states: **"There is a statistically significant effect of the Corona pandemic (Coved19) on the operational performance of Emirates Airlines."**, has been achieved.

**4/ Findings and Recommendations:**

This study aimed to know the impact of the Corona pandemic (Coved19) on the financial and operational performance of the airline sector in the Emirates, by applying it to Emirates Airlines, and to achieve this purpose, a questionnaire was prepared and through the presentation and analysis of the study data, the following results were reached according to each of the research axes:

**First: Results:**

- 1- The Corona pandemic (Coved19) has affected the aviation sector in all countries of the world and in the UAE.
- 2- There is an impact of the Corona pandemic (Coved19) on the company's financial statements starting from the first quarter of 2020, with reference to the financial report for the years (2019-20) – (2020-2021).
- 3 - There is a negative impact of the Corona pandemic (Coved19) on the rate of return on assets and therefore the operational performance of the company is affected, with reference to the financial report for the years (2019-2020) - (2020-2021).
- 4- There is a negative impact of the Corona pandemic (Coved19) on cash flows from operating activities, with reference to the financial report for the years (2019 - 2020) - (2020 - 2021).
- 5- The results of the study confirmed from the financial report that there is an impact of the Corona pandemic (Coved19) on the financial performance of Emirates Airlines, but this effect did not reach the company to the degree of danger.
- 6- The results of the study confirmed from the operational report that there is an impact of the Corona pandemic (Coved19) on the operational performance of Emirates Airlines, during the suspension period, which began in March 2020.

**Second: Recommendations:**

Based on the previous results, the study concluded the following recommendations:

- 1- The need for the company, after the end of this pandemic, to disclose in the financial reports the role of the company's management of financial performance.
- 2- The need for the company, after the end of this pandemic, to disclose in the financial reports the role of the company's management of operational performance and its impact on customers and society.
- 3- The necessity of disclosing in the notes to the financial statements about the events following the period of preparing the financial statements about any impact or risk due to the Corona pandemic (Covid-19).
- 4- The necessity of making a financial provision for the expected loss due to health and environmental disasters in general.
- 5- The company shall evaluate the appropriateness of preparing the financial statements based on continuity in the period following the end of the financial year.

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