

FINANCIAL PLANNING ASPECTS IN THE ERA OF DIGITAL AT NGO PERMAI PENANG

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Abstract:

Pertubuhan Masyarakat Indonesia (PERMAI) Penang has been an NGO registered with the Malaysian Organization Registration (Register of Society/ROS) since 2019, with the number 006-07-04022019. PERMAI Penang operates in the social and educational sectors. PERMAI Penang is an abbreviation of the Indonesian Community Organization in Pulau Pinang, Malaysia. An NGO or non-governmental, non-political organization operating in the social, educational and cultural fields. PERMAI members or experts are Indonesian people living in Malaysia, including workers, expatriates, lecturers, teachers, students and scholars. This NGO aims to educate the Indonesian people and ensure Indonesian children in Malaysia receive an education. In order to become an incubator, they need to have unique skills and abilities so that they can get jobs in positions and salaries that are higher or at least equal to other nations. The community service team from UMB had been holding training activities with objective items to address understanding financial planning. In the era of new-age technology with which technology has penetrated every inch of people's everyday lives, even how we plan and operate our investments and financial planning. Understanding and embracing the modern financial planning aspects in the new digital economy is wiser. The results of this PKM will provide scientific insight with presentations regarding financial management in business.

INTRODUCTION

The introduction should contain 1,500 words, containing an analysis of the partner's situation and problems to be resolved. The description of the situation analysis is comprehensive to describe the partner's condition thoroughly. The situation analysis is explained based on the existing conditions of the partner/community to be empowered, supported by partner profiles with informative data and images, especially for partners who are engaged in economics and learning entrepreneurship. The existing conditions are made completely upstream and downstream of its business. The purpose of the activity and its relation to MBKM, IKU, and the focus of service need to be described. The following five-year community services roadmap is outlined, and the compatibility between the community services proposal and the UMB Community Service Master Plan (RIPkM), especially regarding the community services roadmap. The implementers determine the areas of excellence and topics relevant to the roadmap. Thus, the proposed community services can explain the synergy between community service groups to produce solutions to problems that exist in the community.

Analysis of the partner's situation and problems Mitra. Indonesian People Working Abroad, or RIBLU, has long been in the spotlight in the eyes of the world. What we need to know is that there are many Indonesian people abroad who have positive activities for their development. However, several things cause the problems faced by migrant workers abroad. The first is the low educational



background of migrant workers, so they can only fill low job vacancies with harsh working conditions and minimal wages. Apart from that, the inability to adapt to a new culture and the inability to read acts of exploitation are also noted as the root of the problems faced by migrant workers. The second root of the problem lies in the government, where there is overlapping authority and differences in the interpretation of authority between related institutions. Low law enforcement is also the root of the problem because it is unable to produce a deterrent effect against perpetrators of crimes against migrant workers. The conditions of the destination country also cause problems for migrant workers, especially for countries that do not have adequate legal instruments regarding the protection of migrant workers. The local community's stigma towards workers from abroad as lower-class citizens also contributes to the problems faced by migrant workers. One of them is Permai Penang, an NGO (non-governmental organization) with a vision to become a platform for workers' self-growth. Now, Amid increasingly rapid technological developments, workers are required to adapt. Expertise in cloud technology, computing, the Internet of Things, artificial intelligence, and data trading. Regarding data trading, the new digital economy is a dynamic, global network system of economic activities, commercial dealings and digitally-improved interactions. With the advent of big data, artificial intelligence (AI), automated computing, robotic automation and more, economies are innovative but agile and flexible.

Financial planning in the new digital economy has become more inclusive. Innovative technology has led to an ecosystem where all consumers and markets participate on a given scale. This is advantageous because it discourages monopolies, promotes smaller players, allows market forces to govern prices, eliminates intermediaries, and provides investors with broader access to financial planning options and services. Enhanced Ease and Accessibility. The era of the cumbersome paperwork and piles of files is long gone. In the new digital economy, financial planning has become easy and more accessible. Everything, whether financial advice, investment options, insurance, loans, or more, is available within a few clicks. Smartphones and the internet have changed the entire facet of financial planning. You have mobile banking apps, security apps, mobile money, e-wallets, and more. In fact, with the introduction of online, government-approved identification proofs, consumers can now conduct authenticated transactions and buy financial plans more conveniently and securely. The modern aspects of financial planning in the new digital economy are more customer-friendly, dynamic, comprehensive, simplified, and supportive. With the profound impact of the changing technological and digital environment in the financial sector, financial planning is bound to experience significant changes even in the coming years. It is expected that in the next five years, the planet will experience the most significant change ever, with more than 3 billion people accessing the internet through mobile phones. In such an environment, consumers must be aware of and open to changing scenarios and expect significant changes shortly in financial planning.

This NGO, PERMAI, aims to educate the Indonesian people and ensure Indonesian children in Malaysia receive an education. In order to become an incubator, I have unique skills and abilities. One of the skills and abilities of PERMAI members is to manage financial planning. NGO Permai comprises workers, lecturers, teachers, students, and scholars empowered and supported by financial planning education. Financial planning provides a holistic picture of an individual's financials with realistic goals. A financial planner will evaluate a customer's income and expenses, both current and future, and work with the client on what they want to achieve.





Figure 1. Financial Plan

Financial planning is essential for personal life and securing the future of children and others. It must be regarded as one of the most essential things to make life better and more satisfying. Helping grow financially and build wealth successfully, personal financial planning provides many benefits by providing stability and satisfaction.

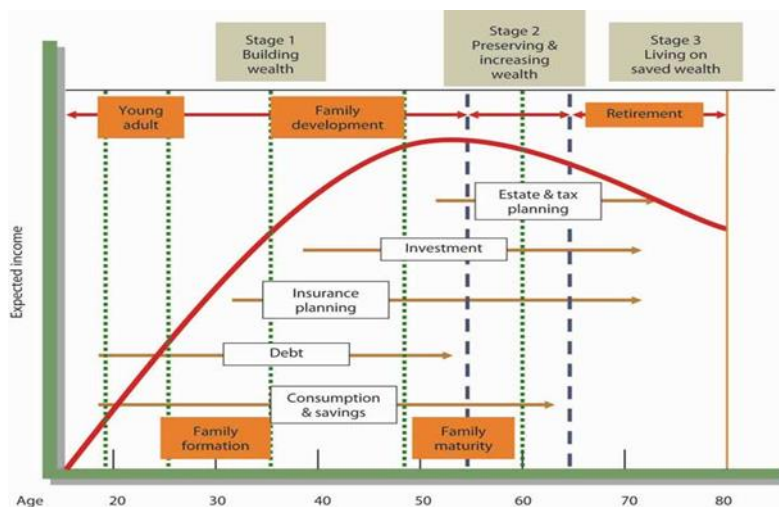


Figure 2. Life cycle Financing

The picture above shows a financial life cycle. Life cycle financial planning is identifying and managing the financial needs and challenges that arise at different stages of life, from childhood to retirement age. By understanding and preparing for the unique financial considerations of each life stage, clients can make the correct decisions to work towards a financially secure future.

The purpose of the activity and its relation to MBKM, IKU, and the focus of service. The purpose of this community service activity is to provide insight into knowledge of how to manage personal finance. The target of this activity is NGO PERMAI's change in managing their work income and planning while paying attention to the financial cycle. The relationship between this activity and MBKM is that the activity involves students providing opportunities to learn outside

the study program and the campus. The relation with IKU is no. 2 (Students gain experience outside campus) and 3 (lecturers carry out activities outside campus).

The following five-year community services roadmap will be compatible with the community services proposal and the UMB Community Service Master Plan (RIPkm).



Figure 3. RIPkm

This community services activity is based on RIPkm's central theme, sustainability business. Thus, the proposed community services will create synergy between community service groups to produce solutions to community problems.

The maximum priority problem consists of 500 words containing a description that will handle at least 2 (two) fields/aspects of the activity. This is for economically productive communities and prospective new entrepreneurs, including production, business management, and marketing (upstream and downstream of business). For non-productive community groups (the general public), the problems are to the needs of these groups, such as improving services, increasing community peace, and improving/assisting service facilities in all fields, such as social, cultural, economic, security, health, education, law, and various other problems comprehensively. The priority of the problem is explicitly made. The purpose of the activity and its relation to IKU and the focus of service need to be described. The priority problem that will be handled includes two aspects:

1. Low internal knowledge to manage the salary or employment income
2. Low internal knowledge to understand financial planning.

The problems are related to the needs of these groups to improve services, increase community knowledge, and improve/assist service facilities in all economic fields. Solution This Joint Community Service :

There needs to be more internal knowledge of managing salary or employment income. The member NGO PERMAI will provide education to increase knowledge about managing income and recording personal finances for all receipts and expenses (bank statements, receipts, money transfers, investments, withdrawals, paychecks, mortgages, loans, stocks, mutual funds, and insurance policies). They will also track spending across categories and spend on non-essentials.

Low internal knowledge to understand financial planning. Several steps in financial planning: Set financial goals, track money, budget for emergencies, tackle high-interest debt, and plan for retirement.

METHODS

Solutions offered to overcome partner problems. The target audience in the community service program organized by the PKM TEAM at Mercu Buana University is TKI residents who live in Penang and are members of the NGO Permai (PARI). Training and counseling are provided in Penang, Malaysia.

The implementation method section to solve the problem. The stages and methods used in the training are:

1. Initial Stage, includes:
 - a. Formation and strengthening of the implementation team
 - b. Outreach to the community who will be given training as training participants
 - c. Effective training
2. Implementation Stage, including:
 - a. Exposure to the need to encourage creative and innovative behavior in citizens
 - b. The stage of making bag products from used materials used to wrap liquid soap, etc.
 - c. Presentation of Calculation of Cost Price and Selling Price
 - d. Exposure to marketing materials from packaging to marketing.
3. Evaluation Stage

This stage is carried out after all activities have been carried out. This stage needs to be carried out to measure the level of community understanding of the training provided and provide a basis for improvement for implementing subsequent activities. Based on the problems presented above, the solutions that will be implemented are:

1. Survey and make an agreement letter
2. Implementation activities with partners participate in program implementation.
3. Discussion Q and A
4. Assessment Questioners distribute

RESULT AND DISCUSSION

The implementation of community service has been carried out for Permai to enhance their internal knowledge of how to manage salary or employment income and taxation counting, and they understand how to manage financial planning. At the Q and A session, NGO member Asturias asked about the financial reports and how to predict profits after calculating production costs. The information presented provides additional information and reinforcement to Permai NGO members in utilizing technology, especially knowledge regarding financial planning and reporting. Many questions and discussions were asked and conveyed during the implementation of the activity services, which indicated that this activity was exciting and helpful for the community service



participants who took part. Many participants need to gain knowledge and use technology, in this case for financial planning and management, to help their knowledge and use it in the business activities they have carried out. Responding and paying attention to these conditions gives an idea that activities like this must continue and be carried out sustainably, and this is in line with the enthusiasm and requests of the members so that they can be continued in the future. Distance limitations mean assisting participants directly in community service activities is impossible, but they can communicate using communication technology such as WhatsApp.

The planned output of this activity is mass media publication and video publication. Based on what has been planned, the output that has been carried out is the publication of activities carried out in the mass media with the link: <https://salakanews.com/universitas-mercu-buana-gandeng-permai-menggelar-bisnis-pencepatan-keuangan-di-abroad/> and video uploading has also been done on YouTube with the link: <https://www.youtube.com/watch?v=7LkENhSdFyM>

CONCLUSION

The community service activities conducted by Universiti Malaysia Berjaya (UMB) in collaboration with Pertubuhan Masyarakat Indonesia (PERMAI) Penang have made significant strides in addressing the financial planning needs of the Indonesian community in Penang. The initiative successfully imparted financial management and planning knowledge through training and counseling sessions, which is crucial for the community members' personal and professional growth in the digital economy.

The analysis revealed that migrant workers often face challenges such as low educational backgrounds, harsh working conditions, and minimal wages. PERMAI Penang's efforts to educate and equip its members with financial planning skills aim to mitigate these issues by enhancing their employability and financial stability. The training covered essential topics such as managing income, understanding financial cycles, and utilizing digital tools for financial planning.

The participants showed great enthusiasm and engagement, indicating the training's relevance and impact. The session's effectiveness was reflected in the participants' active participation and the insightful questions posed during the Q&A sessions. This demonstrates the community's need for continuous learning and support in financial management.

Maintaining and expanding these educational efforts is imperative to ensure sustained community empowerment. Technology, such as communication tools for ongoing support and the dissemination of information through mass media and online platforms, has proven beneficial and should be continued. Aligning these activities with UMB's Community Service Master Plan (RIPkM) ensures that the initiatives remain relevant and impactful, contributing to the long-term goal of fostering a financially literate and empowered Indonesian community in Penang.

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