



SOUTH MERUYA PPM IN MSMEs FINANCIAL MANAGEMENT

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Abstrak:

PPM activities target MSME partners in the Meruya Selatan Village area, West Jakarta. Based on the situation analysis, it is known that the increasing number of MSMEs in the Meruya Selatan area is facing problems related to finance, such as poor financial performance, difficulty in increasing business profits, and insignificant business development. The potential that can be developed includes the number of active MSME actors, cooperatives that accommodate MSMEs, and motivation to become entrepreneurs. Thus, the socialization of MSME management is packaged directly by determining selling prices, recording financial transactions, and providing simple financial reporting to MSME actors in the Meruya Selatan Village. This activity aims to provide knowledge and skills to MSME actors in the Meruya Selatan Village area to determine the selling price of products appropriately to avoid losses and use accounting easily to prepare simple financial reports. Understanding simple accounting helps MSME actors manage sources of funds carefully and efficiently so that MSMEs can develop better and improve the Indonesian economy.

INTRODUCTION

Micro-small businesses are small-scale businesses or home industries that are still partly done at home with simple or traditional tools, in addition to employing a few people and oriented to the local market. These micro-small businesses are the community's main businesses because they can be run with little capital. These Micro Small Businesses are an important part of a region's economy. Because they have an important role in absorbing labor, increasing regional income and overcoming unemployment.

The number of MSMEs is increasing year by year. Micro, Small and Medium Enterprises (MSMEs) are spread across every region. Each region has a variety of businesses, including crafts, food, agriculture, livestock and others. These MSMEs are also a characteristic of a region and are usually used as souvenirs. In addition, they are also a mainstay of the economy and can prevent unemployment and poverty.

Financial developments do not accompany the development of MSMEs in terms of numbers. Only a few MSMEs have experienced performance development (Kasmir, 2007). Many MSME actors feel their business is usually running, but development is needed.

The significant growth of MSMEs in Meruya Selatan Village, Kembangan District, West Jakarta, must also be followed by improvements in the performance of the MSMEs themselves in order to be able to compete. Currently, from BPS data, the number of MSMEs that have joined the Jakpreneur program until early September 2021 is more than 264,000. The number of MSME actors who have been fostered has reached 8,637 people at the end of 2020, and until March 12, 2021, there have been around 10,000 Jakpreneurs. This was stated by the Head of the PPAPP (Empowerment et al.) Service of DKI Jakarta. MSME actors in the Meruya Selatan area cannot determine the profit



generated each period. This is because MSME actors do not record each financial transaction. Many service exchange/barter transactions need to be recorded. In addition, MSME actors do not separate their Company and personal assets. Tangible assets in the form of land, buildings or vehicles for business operations are obtained not only using company funds but also personal funds and are not recorded. If many similar transactions are recorded, it will hurt the financial performance (Sudarmo et al., 2002).

There is no recording of financial transactions by MSMEs, so MSMEs cannot manage their funds. The source of funds and the type of use must be appropriately recorded to avoid misappropriation and irregularities in the Company's financial performance. In addition, with the absence of recording of financial transactions, MSMEs cannot estimate the expected profit/benefit due to their inability to determine the selling price of the product accurately.

Accounting is essential for MSMEs (Warsono, 2010). Through accounting, MSMEs can record all financial transactions. Recording financial transactions helps determine the right selling price so MSMEs can estimate the profit. By recording, MSMEs can evaluate their business capabilities and capacities so that they can plan business development. Accounting records carried out by MSMEs are carried out in several stages, from input to output. Recording financial transactions through accounting in MSMEs in South Meruya is intended so that MSMEs can manage their business and finances to advance their business.

Financial management training activities through accounting need to be carried out for MSME actors in the South Meruya area. This training is simple accounting that is adjusted to the conditions in MSMEs but does not deviate from existing standards and regulations. With this training, MSME actors can learn and understand financial management simply, especially when determining selling prices and making simple financial reports.

This activity aims to provide knowledge and skills for MSME actors in the Meruya Selatan Village area so that they can determine the selling price of products correctly to avoid losses and use accounting easily to prepare simple financial reports. Understanding simple accounting helps MSME actors manage funding sources carefully and efficiently so that MSMEs can develop better and improve the Indonesian economy.

METHODS

The method of implementing the activity is divided into 3 stages, starting with the pre-activity stage. This stage is carried out with an initial survey to convey the intent and purpose of organizing Community Service activities and social mapping related to Meruya Selatan Village residents' knowledge of the importance of accounting for MSMEs and its critical role. This stage aims to measure the level of knowledge and identify obstacles and problems faced by MSME actors related to financial management and the use of accounting in supporting their business activities. At this stage, discussions are also held regarding determining the date of the activity, preparing concepts and instruments, and forming a team for direct practice in the field.

The next stage is the implementation of socialization and training. This stage explains the importance of accounting for MSMEs, such as separating personal and business assets, recording all financial transactions, calculating production costs and determining the right selling price for products and preparing simple financial reports so that MSME actors can estimate the expected profit/profit because of the ability to determine the right selling price for products. Participants are also allowed to discuss problems related to MSME finances that have been faced so far.



The final stage in this activity is evaluating it through observation and Q&A with PPM participants. Furthermore, the results are quantified to show the percentage level of achievement of each indicator of success of PPM activities.

In this case, partners are MSMEs in Meruya Selatan Village participating in supporting this Community Service activity. Partners will follow all directions from the PkM Team. Partners will follow learning and training and implement financial transaction recording and simple financial reporting because this is beneficial for partners.

This community service activity will be carried out in the 2023/2024 Academic Year, with an implementation period of 5 months.

RESULTS AND DISCUSSION

Financial management is one of the essential aspects of the company's progress. Financial management can be done through accounting (Riyanto, 2001). Accounting is a systematic process of producing financial information that can be used for decision-making by its users (Kismono, 2001). As long as MSMEs still use money as a means of exchange, accounting is very much needed by MSMEs. Accounting will provide several benefits for MSME actors, including knowing the Company's financial performance, knowing, sorting, and distinguishing company assets and owner assets, knowing the position of funds, both sources and uses, making the proper budget, calculating taxes, and knowing cash flow during a specific period (Munawir, 2004).

Accounting is essential for MSMEs. It can support their progress, especially in terms of finance. MSME actors can also do profit planning through accounting.

The activity of providing material on training in recording financial transactions and making simple financial reports aims to provide knowledge and skills for MSME actors in the Meruya Selatan Village area so that they can determine the selling price of products correctly to avoid losses and use accounting easily so that they can prepare simple financial reports. This activity is related to efforts to provide direct practice in determining selling prices, recording accounting, and making simple financial reports to MSME actors. This is a positive point for MSME actors because they know the Company's financial performance, know, sort, and distinguish company assets and owner assets, know the position of funds both in terms of sources and uses, make the proper budget, calculate taxes, and know the flow of cash during a specific period to support the progress of MSMEs, especially in terms of finance and increase economic independence and improve the Indonesian economy in general.

The socialization of UMKM management is packaged in the direct practice of determining selling prices, recording financial transactions and simple financial reporting to UMKM actors in Meruya Selatan Village. This direct practice method emphasizes motivating the use of accounting in UMKM businesses. The success of implementing this activity will be achieved if participants are serious about using accounting in managing their business finances so that business performance improves and profits increase.

The obstacles faced during the activity were the lack of commitment from the partner community due to the lack of understanding of the importance of accounting in the UMKM business they run, diversification of community life patterns including culture, social, economic and geographical conditions and lack of monitoring (supervision) in the empowerment process. This activity is interesting for UMKM actors in the Meruya Selatan Village area, West Jakarta, to learn about UMKM accounting and the important role of accounting for UMKM. In addition, participants also need knowledge about recording all financial transactions, calculating production costs



determining the right selling price for products and preparing simple financial reports. The response from the participants of the activity was excellent, where participants attended and joined on time and participated in the activity according to the specified time. In addition, participants' desire to gain knowledge and understanding of UMKM accounting also influenced the smooth implementation of this activity. The relevance of this activity can increase the knowledge and insight of UMKM actors in the Meruya Selatan Village area, West Jakarta.

At the end of the implementation of this activity, the community service team gave a questionnaire to the participants to find out the benefits and satisfaction of the participants with the materials provided by the Community Service Team and suggestions for materials for future community service activities. Most participants (more than 95%) stated that the materials provided in this activity were beneficial because they supported community empowerment programs through knowledge of MSME accounting, improved MSME performance and increased community economic independence. Most participants (more than 90%) expected the Community Service Team to provide ongoing guidance and different materials for future community service activities. The participants submitted several suggestions for materials for future community service activities, such as skills and activities that provide business opportunities for the community.

CONCLUSION

Financial management is an essential aspect of the Company's progress. Financial management can be done through accounting (Riyanto, 2001). Accounting is a systematic process for producing financial information that can be used for user decision-making (Kismono, 2001). As long as MSMEs still use money as a medium of exchange, they need accounting. Accounting will provide several benefits for MSME players, including knowing the Company's financial performance, knowing, sorting and distinguishing company assets and owner assets, knowing the position of funds both source and use, making the proper budget, calculating taxes, and knowing the flow of cash during the period. certain period (Munawir, 2004).

Financial management training activities through accounting need to be carried out for MSMEs in the South Meruya region. This training is simple accounting adapted to the situation in MSMEs but does not deviate from existing standards and regulations. With this training, MSME players will be able to know and understand simple financial management, especially in determining selling prices and making simple financial reports.

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