

Financial Literacy and Simple Bookkeeping Training for Micro, Small and Medium Enterprises in Mattirotasi Village

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ABSTRACT

Micro, Small and Medium Enterprises are the drivers of the people's economy. In a number of conditions, MSMEs are the wheels of economic rotation for the Indonesian nation. The MSME development strategy is needed so that the business being carried out progresses. If no strategy is used, it can result in the business being run in place, initiative is an answer for a change both in terms of administration and product promotion. Of course it will be an interesting concern if strengthening the economy will further strengthen the people-based economy. The service method uses Community Based Research (CBR) which is a service model that prioritizes community needs and actively conducts research that combines various elements of society to answer challenges that arise within the community itself. The result of this service is that the community understands the importance of simple bookkeeping in developing a business or business being run. Direct practice in the dedication process becomes an integral part of the dedication implementation process. In addition, the support from the Mattirotasi village government was extraordinary, as evidenced by its involvement in the community service process.

Keywords: MSME, Economy, Literacy, Bookkeeping.



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INTRODUCTION

Micro, Small and Medium Enterprises are the drivers of the people's economy. In a number of conditions, MSMEs are the wheels of economic rotation for the Indonesian nation. In its development, MSMEs are able to encourage Indonesia's economic growth and absorb as much as 97% of the workforce (Alinsari, 2021) . MSMEs are also the hope to be at the forefront in strengthening the economic pillars to achieve sustainable development as stated in the Sustainable Development Goals (SGDs). Furthermore, the realization of these expectations is shown by the provision of jobs that are accessible, become a renewable innovation capable of adapting to existing conditions, as well as the social environment (Siregar, 2020 in Alinsari, 2021) . Even though the world is being hit by the Covid-19 storm, there is still hope for economic growth from micro, small and medium enterprises to recover and get up.

As if recalling the events of 1998, in the midst of the monetary crisis at that time, only the MSME sector remained the only sector that survived, this event seemed to be repeating itself with the current conditions of the 2019 Covid pandemic, that there was a decline in sales turnover such as selling snacks and the like, hawkers or street vendors, restaurants/food stalls to those selling at the market which can hinder the activities of business actors tend to decrease and make the income of these business actors drop. The MSME development strategy is needed so that the business being carried out progresses. A typical business plan generally includes marketing, operations, human resources and financial plans (Thottoli, 2021). If no strategy is used, it can result in the business being run in place, initiative is an answer for a change both in terms of administration and product promotion.

MSMEs are the axis of economic growth for Indonesia, the Coordinating Minister for the Economy (Menko) Airlangga Hartarto said that the budget allocation for MSME support groups is IDR 95.87 trillion. Furthermore, according to information from the Ministry of Cooperatives and Small and Medium Enterprises (Kemenkop UKM) in March 2021, (Idxchannel, 2022). The number of MSMEs in Indonesia reached 64.2 million with a contribution of 61.07% or IDR 8,573.89 trillion. MSMEs are able to absorb 97% of the total workforce and attract up to 60.42% of total investment in Indonesia. Of course it will be an interesting concern if strengthening the economy will further strengthen the people-based economy. One of the government's strategies to develop MSMEs and improve their performance is to increase access to finance. President Joko Widodo has issued a directive to increase the portion of MSME loans to at least 30% by 2024 (SuaraGovernment.id, 2022). Of course, if this is really implemented, it will create real support for the development of MSMEs. In line with support from the government and external parties for the progress of MSMEs, of course, internal management support should be in line. MSMEs are one corner of the economy that is able to survive by prioritizing simple management. In every crisis, small businesses are buffers, resilient, and able to recover well.

One of the businesses that has survived and is trying to recover is an MSME located in Mattirotasi village, Ammani sub-village. Currently, the majority of its business is culinary, which is located along the coast. The history of Mattirotasi Village began with the founding of Ammani Hamlet which comes from the word AMANNI which means safety, and from the beginning Ammani Hamlet was part of the villages of Mutongan Tonga, Maros, Makassar, Mandal, etc. (jadesta.kemenparekraf.go.id, 2022). The climate of Matiro Tasi Village is similar to other villages in Indonesia, dry and wet, which directly affects the cultivation pattern of Matiro Tasi Village, Matiro Sompe District. By looking at the potential that exists, the development of community-based businesses is very possible to progress. The products of small and medium enterprises in Pinrang Regency are still unable to compete with other products because of the lack of business legality, poor product quality, lack of business funds and difficulty accessing marketing. In the processed food sector, helping to create jobs and sustain the investment climate. In addition, MSMEs, which sometimes do not care about the importance of financial administration (financial literacy), make MSMEs Easy to Open, Easy to Close (GBGT). Of course, this cannot be allowed to continue, it must be handled for the betterment of the community's economy. The importance of financial literacy in business management is not only limited to administration but rather to the going concern of a business. Businesses that will survive are businesses that can be managed properly, especially in the financial aspect of accounting. By looking at financial administration, it will be seen the potential for developing a business and its ability to survive. Ammani with the condition of the area being a tourist destination makes it a very good place for business development.

The establishment of Mattirotasi as a tourist village by Kemenparekraf through jadesta.kemenparekraf.go.id, this will make the area more crowded with visits so that the community's economy will grow even more. However, as the business grows, it must be accompanied by good administration. One of the most important aspects is financial management that is accountable and standardized so that the business can be run sustainably. Financial management can create a more tangible quality of net income. Not a few entrepreneurs mix private ownership with business ownership. Whereas in a business according to *Entity Theory* private

ownership must be separate from organizational ownership. Another obstacle for SMEs in general is that sales transactions are not recorded. Thus, MSME actors do not know how much profit they get from their production activities. This happens due to a lack of knowledge about administrative management and financial management owned by MSME actors, which is now known as financial literacy, because the development of Indonesian economic actors is increasing from year to year (Masturi et al., 2021) .

Financial literacy as referred to in the Financial Services Authority Regulation (POJK) Number 76/POJK/07/2016 is knowledge that influences attitudes and behavior to improve the quality of decision making and financial management to achieve prosperity, skills, confidence. Furthermore, *The Association of Chartered Certified Accountants (ACCA, 2014)* formulates that the concept of financial literacy includes knowledge of financial concepts, the ability to understand communication about financial concepts, skills in managing personal/company finances and the ability to make financial decisions in certain situations. In essence, financial literacy is also built from the family which is the starting point for the presence of economic processes in society. Money that cannot be managed effectively will have an impact on the family's financial condition (Braunstein & Welch, 2002) . Financial literacy is a basic requirement that must be possessed by small entrepreneurs and is closely related to knowledge of personal and business financial management, as well as knowledge of accessing capital through financial services or institutions (Harianti et al., 2021) . Even with financial literacy can help MSMEs to compare and understand financial products if they are accompanied by increased disclosure of information about products (Golubić & Huertas, 202) . Increasing understanding of financial literacy is certainly in line with improving product quality.

If you look at some of the services that have been carried out previously regarding financial literacy, including the service carried out by Darma and Sudarti, et al in 2021, Community Service Activities (PKM) are aimed at MSME business actors at the Community Empowerment House (RPM) located in South Tangerang City, Banten Province (Darma & Sudarti, 2020) Identification of the initial problem in the service that was carried out was that MSME stakeholders (led by the Community Empowerment House or RPM) had a desire to maintain and even develop their business by increasing their personal skills and financial capabilities . Apart from that, the courts conducted by Gantino and Setiyanti for the object of service focused on cooperatives in the culinary field. Service activities are carried out by observing the process of developing accounting knowledge (Gantino & Setiyati, 2021) . Starting the community service by providing material on the accounting cycle and the use of financial reports and calculating taxes through a zoom meeting. The result of this dedication is the ability of partners or participants to use simple software in presenting financial reports. The last service was carried out by Margumi, et al in 2020 which provided Peek UMKM soft skills related to basic financial documentation (Margunani et al., 2020) . This training has a positive impact on merchants by increasing their understanding of how financial records should be applied for more effective company financial management. Training activities are carried out with socialization techniques and practices. The results of the dedication shown by supporting basic accounting and financial reporting will help MSME stakeholders realize the importance of information from financial reporting as a basis for decision making and developing business strategies to achieve a sustainable business and peeping business people are good at making simple financial records.

Knowledge of business management that is owned is not upgraded, one of the reasons is the busyness of daily routines in the family. If this happens continuously, the business can collapse. So that servants are interested in sharing knowledge and skills in managing business administratively in the Mattirotasi village so that they can create sustainable MSMEs.

METHODS

Community Based Research (CBR) is a research model that prioritizes community needs and actively conducts research that integrates various elements of society to respond to challenges that arise within the community itself. The universities conducting this research exist as regional partners, not as research control bodies, and become facilitators of research that is actually carried out with the community. Community-based research (CBR) provides the support, strength, resources and participation in research processes to achieve this, says Sarah Banks of the Center for Social Justice and Community Action at the University of Durham. This research is based on community commitment. produce research results that are beneficial to them as well as researchers involved in the research process (Centre for Social Justice and Community Action, 2012)

CBR research involves the community in all research processes, as explained by Rena Pasick from the University of California, San Francisco, that the community is invited to be involved in six research processes (Pasick et al., 2010), namely:

1. Researchers or academics must start inviting the community to participate in the formulation of important issues that require intervention to bring change to society.
2. Then the community is also invited to participate in the formulation of research proposals and presentations in submitting proposals to the government or other agencies that sponsor the research.
3. Then researchers must also involve representatives from the community in determining social groups that will be used as research subjects.
4. Community representatives must also be involved in preparing the design model for intervention in their social community, and also involved in preparing measurement instruments, both when selecting social communities and when developing instruments to measure the success rate of interventions in the research they conduct.
5. Some social community groups as research subjects were also involved in the process of using the design model in an intervention that was carried out.
6. Finally, several community members from the community under study will be involved in the final formulation of research results, conducting dissemination, and how this new model will be implemented in social life to bring about the desired results. what community change.

RESULTS AND DISCUSSION

A. Overview of MSMEs in Mattirotasi Village

Mattirotasi Village is one of the villages that has great potential for MSME growth. The potential contained in the village of Mattirotasi is that there are several areas that become tourist areas. The area consists of beach tourism, ponds and rice fields. So if you look at the potential it has, it really has the opportunity to develop into an advanced village. The potential of a village with a large tourist attraction is a capital that is large enough to improve the standard of living and the welfare of the surrounding community. Visits to the Ammani beach area at any time make it a source of income for local people who are entrepreneurial in the culinary field and souvenirs.



Image 1

Ammani Beach area Village Mattirotasi

(Source : https://jadesta.kemendparekrif.go.id/desa/mattiro_tasi)

Mattirotasi Village has 40 MSMEs consisting of food entrepreneurs in the Ammani coastal area, under the supervision of Mattirotasi Village. The business carried out by members is mostly dominated by household businesses, but has productive economic value, if it is managed and developed properly, such as selling ready-to-eat food and offering tours around the coast.

B. Socialization of Financial Literacy Training Activities and Simple Bookkeeping.

Activities carried out at Micro, Small and Medium Enterprises (MSMEs) in Mattirotasi village began with a socialization process that was carried out both online and offline. Online is done by making posters and through social media. While offline socialization is carried out by directly informing MSME actors in the Ammani beach tourism area. Village apparatus support is extraordinary. This can be seen from the involvement of the Mattirotasi village head in the ceremonial opening of the activity and the emphasis on MSME actors regarding the importance of financial bookkeeping for the continuity of the business being run. Socialization with a persuasive approach is a factor that increases the interest of the business community in the Ammani area. In the data collection process, there were 30 training participants who registered and took part in financial literacy and simple bookkeeping training activities.



Image 2

Data collection Participant Training

C. Financial Literacy Training for MSMEs

The training, which was held on October 26 2022, began with an opening ceremony and continued with the delivery of material. Improving financial literacy in MSME entrepreneurs is a provision to advance businesses run by the community. Literacy training in this case refers to the understanding of MSME entrepreneurs in carrying out simple bookkeeping that can be easily applied to business activities.


Image 3
Giving Theory Literacy Finance

MSME entrepreneurs are given an explanation of the importance of financial accounting in a business and the importance of recording as a means of controlling the finances of the business being run. After that, the sharing session became an integral part of knowing the extent to which the trainees understood financial literacy. Financial literacy is not only in the context of reference to businesses that are already growing rapidly but in this training the emphasis is on financial understanding starting from personal awareness and the target you want to achieve, namely profit. If seen in terms of the achievement of understanding financial literacy, it is presented in the following table.

No	Program	Capaian
1	Peningkatan Pengetahuan Keuangan	Peserta Memahami Keuangan pada UMKM
2	Peningkatan Pengetahuan Transaksi Keuangan	Peserta memahami Transaksi Keuangan yang dapat dibukukan
3	Peningkatan Pengetahuan Transaksi Non Tunai	Peserta Memahami Transaksi Tunai dan Non Tunai

Table 1
Achievements Knowledge Literacy Finance
D. Simple Bookkeeping Practices.

Theory without direct practice will result in the inability of the trainees to apply the knowledge they have acquired. The training, which was carried out in a dialogue model with the participants, made the distribution of simple bookkeeping knowledge run smoothly. The bookkeeping practice that was carried out began with the distribution of cash books to each training participant.


Accompaniment Practice Bookkeeping Finance

The simple cash book provided is a cash book that is widely available in bookstores so that for the continuity of recording it can be easily retrieved in the future. Recording in a simple cash book emphasizes recording of every transaction that is carried out, both transactions that increase business capital or vice versa transactions that result in a decrease in owned capital. You can see in the picture

below a simple cash book which is distributed to MSME entrepreneurs which can be applied directly to businesses operating around the Ammani coast.

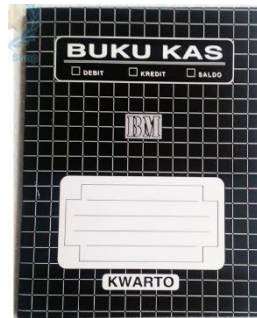


Image 5
Accompaniment Practice Bookkeeping Finance

TGL	KETERANGAN	DEBET	KREDIT	SALDO
2022				
Oktober	1 Penyetoran Modal Awal	10,000,000		10,000,000
	5 Pembelian Ikan		1,500,000	8,500,000
	6 Pembelian Sayuran		80,000	8,420,000
	6 Pembelian Bumbu		100,000	8,320,000
	6 Pembelian Kertas Minyak		120,000	8,200,000
	6 Pembelian Air Mineral		480,000	7,720,000
	7 Pembelian Air Galon		45,000	7,675,000
	7 Pembelian Ikan		1,000,000	6,675,000
	7 Pembelian Ayam		150,000	6,525,000
	8 Penjualan	900,000		7,425,000

Table 2
Recording finance simple

Table 2 shows the practice of recording in a simple cash book carried out in community service activities. This simple bookkeeping is the first step to improve MSME management administratively so that entrepreneurs can exercise control over whether the business is increasing or decreasing. Financial bookkeeping can be the key to success in running a business if it is implemented consistently. Strengthening financial management is one of the provisions for business actors to be sustainable in the future.

CONCLUSION

In the end this service activity can be carried out properly. From every process that is passed in this community service, it becomes an important lesson and plays a role in improving people's welfare in the MSME sector. Financial literacy for MSME actors with simple bookkeeping can be started based on personal awareness. MSMEs in Mattirotasi village, which are well known by many tourists and the local community, are excellent capital in developing the businesses they run. Financial bookkeeping is an integral aspect in the progress of a business, so that training activities can become a program for the village government so that it can also increase village original income (PAD). For further community service activities in the field of financial literacy, financial institution parties can be involved so that MSME actors gain more direct knowledge from institutions that interact directly with entrepreneurs.

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