


**The provision of financial management training for  
Micro, Small, and Medium Enterprises (MSMEs) in Roti  
Putra Solo**

<sup>1\*</sup>Lidia Olga, <sup>2</sup>Taufik Rahman, <sup>3</sup>Dominikus Djago Djoa, <sup>4</sup>Zaenal Arifin

<sup>1,2,3,4</sup>Sekolah Tinggi Teknologi Nusantara Lampung

**Corresponding Author:** lidiaolga@sttnlampung.ac.id

ARTICLE INFO	ABSTRACT
<p><i>Keywords: MSMEs, Management, Finance</i></p> <p><i>Received: August 25<sup>th</sup>, 2023</i></p> <p><i>Revised : August 30<sup>th</sup>, 2023</i></p> <p><i>Accepted: September 4<sup>th</sup>, 2023</i></p> <p>©2023 The Author(s): This is an open-access article distributed under the terms of the <a href="https://creativecommons.org/licenses/by/4.0/">Creative Commons Atribusi 4.0 Internasional</a>.</p> 	<p>The growth of Micro, Small and Medium Enterprises (MSMEs) can only be seen in their quantity, while quality and development are still unsatisfactory. In general, one of the weaknesses, especially in the financial aspect, is that only a few MSMEs have experienced development in their financial performance. This is due to the lack of awareness of MSMEs actors regarding the importance of financial management in the company.</p> <p>Financial management is one of the essential aspects of the company's progress, especially MSMEs. This is because the actors are faced with human resource problems. Financial management can be done through accounting, even though the standards are basic and straightforward. Accounting is a systematic process to generate financial information that can be used for decision-making by users.</p> <p>As long as MSMEs still use money as their transaction tool, accounting is greatly needed by MSMEs. The existence of financial/accounting reports will provide several benefits for MSMEs actors.</p>



## 1. INTRODUCTION

In accordance with its philosophy, MSMEs (Micro, Small and Medium Enterprises) in Indonesia are one of the cornerstones and pillars of the economy apart from current Indonesian cooperatives. This is demonstrated by the contribution of the MSME sector to GDP (Gross Domestic Product) in 2011 which reached 57 percent. Based on the number of business units which reached 55 million units in 2011, the MSME sector was able to provide employment for 101 million people or around 99 percent of the entire Indonesian workforce. MSMEs have become a pillar of economic growth, driving the real sector, and absorbing a significant workforce through the development of entrepreneurship.

The development of new MSMEs can be seen from the number side, while in terms of quality and development it is still unsatisfactory. In general, one of the weaknesses, especially in the financial aspect, is that only a few MSMEs experience development in terms of their financial performance. This is inseparable from the unawareness of MSME actors on the importance of managing company finances.

MSMEs also proved to be the most resilient in facing the 1997-1998 monetary crisis and the 2008 global crisis. Most MSMEs were able to survive not only in the economic crisis but also in competition from companies with large-scale production.

This is partly due to the use of local raw materials, labor, and market orientation. MSME players have also increased in number after the crisis. Several factors are considered to be the cause of the increase in the number of MSME actors, including :

- a) MSME products are consumer goods with a very low level of chemical processing;
- b) MSMEs are not easily affected by the economic crisis;
- c) Most MSMEs rely on public trust capital so that during an economic crisis, they avoid high-interest charges;
- d) There are almost no barriers to entry and exit in the industries that are involved in SMEs;
- e) The number of unemployed workers due to limited employment opportunities.

Even though the number of MSME actors is quite large and significantly contributes to the national economy, most MSMEs need help developing their businesses. The problems MSMEs face include access to capital, marketing, business and financial management, and legal and taxation aspects.

Financial management is a critical aspect of companies' progress, especially MSMEs. This is because the perpetrators are faced with HR problems. Financial management can be done through accounting, although, in this case, the standards used are basic and straightforward. Accounting is a systematic process to produce financial information that can be used for user decision-making.

As long as MSMEs still use money as a transaction tool, accounting is needed by MSMEs. The existence of financial/accounting reports will provide several benefits for MSME actors, including :

- a) MSMEs can find out the company's financial performance, especially the level of business and capital turnover;

- b) MSMEs can know, sort, and differentiate between business finance and owner finance;
- c) MSMEs can know the position of cash flows, both sources and uses;
- d) MSMEs can make proper budget planning;
- e) MSMEs can calculate taxes;
- f) MSMEs can know the flow of cash during a specific period.

Many MSME actors manage their businesses based on inadequate skills, especially aspects of financial management, needing to have basic knowledge or skills regarding good business management and financial management. Not infrequently, a business is only carried out by relying on makeshift notes, instinct, and experience. Aspects of business management, including business planning, organizing, implementing and controlling business, should be considered more, even though it is a crucial aspect in building and developing a business because the continuation of MSMEs is assessed from the benchmark of their financial performance.

Many MSME actors need help if they have to use accounting in their business activities. This is due to limited human resources and abilities and the absence of guidelines or books that can be used as references for learning how to manage MSME finances.

Currently, no books focus on MSME financial management in Indonesia. Apart from not having a book that explicitly discusses transactions in MSMEs, many MSMEs are reluctant to read books because of their limited educational background.

Based on these problems, it is necessary to hold training activities for

MSME actors to manage finances using accounting. The training program offered is in the form of simple accounting training for MSMEs. The accounting taught is simple accounting adapted to the conditions in SMEs but does not deviate from existing standards and regulations. This training is intended for MSME actors in the "Putra Solo" Bread Factory.

## **2. METHOD**

Community Service activities (PKM) are implemented using lecture, tutorial and discussion methods. The stages of implementing this service activity are as follows:

### **a) Lecture Method**

Participants were given insight into the importance of financial management in starting or running a business. The first step was held through the lecture method for 1.5 hours.

### **b) Tutorial Method**

Training participants are given material on preparing financial reports, including profit and loss reports, reports on changes in capital, balance sheets and cash flow reports. This material is delivered in the form of tutorials accompanied by exercises/case studies. The second step was held for 5 hours.

### **c) Discussion Method**

Training participants can discuss issues related to the businesses they have been running or things they want to ask about starting a business. The third step was held for 1.5 hours.

In addition to steps 1, 2 and 3 above, mentoring activities will be carried out to prepare business financial reports for 8 hours with a schedule adjusting to target audience participants so that the total



number of hours of community service fulfilled is 16 hours.

This service activity will be evaluated through a questionnaire to determine the increase in financial management knowledge which will be distributed before and after the activity. In addition, through mentoring activities carried out after the training, the success rate of this community service activity can also be known.

The following is an evaluation of this service program :

- 1) Objectives of Benchmark Achievement Indicators.
- 2) Participants know business financial management.
- 3) Knowledge of participants' business financial management increased.
- 4) Participants understand the importance of business financial management.
- 5) Participants can prepare business financial reports.
- 6) Participants can prepare business financial reports.

The financial statements prepared can be a model for the participant's business financial reports.

### **3. RESULTS AND DISCUSSION**

MSME Bread Factory "Putra Solo" has its address at Jalan Ikan Bawang, Bumi Waras Village, Bumi Waras District, Bandar Lampung City. The MSME Bread Factory "Putra Solo" will start its production activities in 2021. The family carries out production activities at first, and they currently have 2 employees in the production section. As for marketing, it is entrusted to stalls using the drop-in method, and the shop owner will receive a profit of 10% from each pack of bread sold.

Once every 3 days, marketing will take the bread that has been deposited and, at the same time, put back the new bread. Another marketing method used is collaborating with recitation groups, Islamic boarding schools and other parties organising an event.

The training on the first day went smoothly. The first material given is the factors that hinder the growth and progress of MSMEs, one of which is the human resource constraints and financial management knowledge, and the solution is to provide an introduction or introduction to accounting. The speaker explained the importance of accounting for MSMEs.

Most of the audience needed to understand the function of accounting; in fact, most trainees thought accounting was a complicated, challenging, troublesome, and time-consuming field. This first material strengthens the importance of accounting for small businesses (MSMEs).

After obtaining an agreement on the MSME concept, it continued with the financial reporting function for ethics. After the one-hour home event, the event continued with the second material regarding MSME accounting transactions. In this session, each audience was asked to explain the operational activities of their respective businesses.

Next identified economic activities and non-economic activities. Based on the economic activities that have been identified, accounting records are then carried out. The identified activities begin with starting a business (initial investment), raw material purchase transactions, expenditures/expenses, income/receipts, Etc. After recording accounting transactions, the following

material is preparing financial reports. As an exercise, the training participants were asked to make simple financial reports based on existing examples.

This exercise ends at 3.00 pm. In the last training session, participants were asked to collect and record business transactions based on their respective fields prepared from home. In this initial session, the participants asked about and discussed the transactions and records they had made.

Some of the participants still needed clarification about recording accounting transactions. This first session was time-

consuming because transactions and accounting records were discussed individually. After all, participants have finished recording accounting transactions, participants take a break for lunch and do the afternoon prayer. After resting, the discussion continued to discuss the preparation of financial reports. In this last session, participants were asked to prepare financial reports based on their accounting transactions.

Training activities ended at 15.00. Furthermore, assistance is provided to MSME accounting training participants independently in each place.

**Figure 1. Production process**



**(a)**



**(b)**

**Figure 2. Packaging process**



**(a)**



**(b)**

#### **4. CONCLUSION**

Empowerment of human resources must be based on conditions in society. MSMEs are imagined as individuals and marginalized groups of society. Even though, in essence, they are citizens who have the same opportunities as other communities. For this reason, empowerment efforts are needed, which are linked to independence, participation, networking, and justice in community development discourse.

Community empowerment means developing conditions and situations so that people have the power and opportunity to develop their lives. The community should pay more attention to their lives to gain self-confidence, self-esteem and knowledge to develop new skills.

As an agent of change, the government can implement community empowerment policies in three directions: enabling, empowering, and protecting. Enabling means creating an atmosphere or climate that allows the community's potential to develop. Empowering aims to strengthen

the potential or power possessed by the people by implementing concrete steps.

#### **BIBLIOGRAPHY**

- Fauzi, H. (2020). Pelatihan manajemen keuangan bagi pelaku MSMES sebagai upaya penguatan MSMES Jabar Juara naik kelas. *BERNAS: Jurnal Pengabdian Kepada Masyarakat*, 1(3), 247-255.
- Ratnaningtyas, H., & Swantari, A. (2021). Pelatihan Manajemen Keuangan Pada Pelaku Wirausaha di Objek Wisata Danau Cipondoh, Kota Tangerang. *Jurnal Pemberdayaan Pariwisata*, 3(1), 39-44.
- Albara, A., & Pradesyah, R. (2021). Pengelolaan Keuangan Masjid Berbasis Manajemen Keuangan Syariah Pada Pimpinan Cabang Muhammadiyah Batang Kuis. *Ihsan: Jurnal Pengabdian Masyarakat*, 3(1), 43-53.
- Sadiyah, K., Nurita, E., & Lesmana, R. (2019). Pelatihan Manajemen Keuangan Bagi Nelayan Kepulauan Seribu Pasca Penjualan Hasil



- Tangkapan Ikan. *Jurnal Abdimas*, 1(1), 1-7.
- Vahlia, I., & Lelawati, N. (2019). Pelatihan e-commerce dan manajemen keuangan sebagai langkah meningkatkan pendapatan pada keripik pisang arjuna. *Jurnal Hilirisasi IPTEKS*, 2(4. b), 509-518.
- Junaidi, J. (2017). Pelatihan manajemen keuangan sebagai upaya peningkatan daya saing MSMES dalam menghadapi MEA di Kecamatan Tomoni Kabupaten Luwu Timur. *RESONA: Jurnal Ilmiah Pengabdian Masyarakat*, 1(1).
- Riyani, Y., Mardiah, K., & Rezano, T. (2019). Mewujudkan Kemandirian Dan Kewirausahaan Melalui Pelatihan Manajemen Keuangan MSMES. *DIKEMAS (Jurnal Pengabdian Kepada Masyarakat)*, 3(2).
- Fitria, Y., Linda, M. R., Mesta, H. A., & Tasman, A. (2020). PELATIHAN MANAJEMEN KEUANGAN USAHA SEBAGAI UPAYA PENINGKATAN INCOME GENERATING BAGI MASYARAKAT NELAYAN. *Journal of Community Service*, 2(2), 076-085.
- Nugraha, F., Mulyani, S., & Gunawan, B. (2022). Pelatihan Manajemen Keuangan Dan Akuntansi Digital Bagi Usaha Mikro Di Kabupaten Pati. *SNHRP*, 1394-1400.