

Financial Mangement Through Socialization of Transaction Recording and Cash Flows in Gili Barat

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ABSTRACT

The COVID-19 pandemic has a significant impact on the economy, even reaching minus 0.74%. This has caused various economic institutions to experience a crisis, the UMKM sector is one of the economic sectors that is able to survive during the pandemic. It is proven by the large number of UMKM actors. However, behind the relatively large number, most UMKM actors still do not have the ability to manage financial matters. Therefore, the community service of Trunojoyo Madura University carries out a work program of financial management socialization regarding transaction recording and cash flow preparation. This activity was carried out in the Gili hamlets with three series of activities, the first was the manufacture of hidden peanut products, the second was information on the importance of financial management in business and transaction recording, and the third was socialization of cash flow preparation. With the implementation of this activity, it is hoped that it will be able to improve economic conditions in the village of Gili Barat after the Covid-19 pandemic.



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A. Introduction

The economic growth of a region becomes a very important thing and must be considered by the government system. Economic growth is one of the indicators used to measure the economic performance of a region (Dewi, 2017). In economic activity, economic growth means physical economic development.

Economic growth shows the extent to which economic activity will generate additional people's income in a certain period. In other words, the economy is said to be experiencing growth if the real income of the community in a certain year is greater than the real income of the community in the previous year. In a macroeconomic sense, economic growth is the addition of Gross Domestic Product (GDP), namely an increase in National Income (Soleh, 2014).

The existence of the Covid-19 pandemic has had a significant impact, not only in terms of health, but even social and economic conditions in Indonesia are also affected. This is one of the major consequences of government policies in an effort to stop the spread of the virus. The Indonesian government provides various policies including PSB policies, maintaining distance, washing hands, and the obligation to wear masks and hand sanitizers. Not only that, the policy of closing public places such as schools, campuses, offices was also carried out, all activities outside the home were transferred to activities within the network.



Graph 1. Indonesian economic growth

From the picture above, it can be seen that the Indonesian economy experienced a significant decline in 2020 until it reached minus -5.32% and then began to increase again in 2021 although it was still negative at 0.74%. The Covid-19 pandemic has paralyzed the Indonesian economy. In fact, various business sectors suffered losses, especially during the early days of the pandemic. But not in the micro, small and medium enterprised (MSME) business sector. The revival of the MSME sector can have an impact and accelerate Indonesia's economic recovery (Sutrisno, 2021). Although the number of MSME actors is quite large and contributes greatly to the national economy, most MSMEs experience difficulties in developing their business. In general, the problems faced by MSMEs include access to capital, marketing, business and financial management, legal and taxation aspects (Fauzi, 2020).

Likewise with the SMEs in the West Gili Village. Gili Barat Village is one of the villages in the Kamal sub-district, Bangkalan Regency. Many MSME actors manage their businesses without having basic knowledge and skills regarding business management and good financial management. Not infrequently a business is only run by relying on instinct and experience. Aspects of business management which include business planning, organizing, implementing, and controlling the business have become something that is rarely considered even though it is very important in building and developing a business. Likewise with business financial management; Many MSMEs do not record their business transactions. Profit calculation is often done simply without doing an adequate cost analysis. As stated by Ms. Khatijah, one of the SMEs in the village of West Gili,

"Usually I don't record every transaction, I don't know how to record the transaction, let alone calculate the cost of cash inflows and outflows."

Therefore, socialization and training on financial management will greatly facilitate MSME actors to improve and strengthen their business. Based on this background, the KKN-T of Trunojoyo University Madura Group 110 which was held in Gili Barat Village, Kamal District, Bangkalan Regency developed a work program to improve MSME financial management through socialization of financial records and preparation of Cash Flow.

B. Method

Community service through the UTM KKN-T program was carried out in Gili Barat Village, Kamal District, Bangkalan Regency with the theme "Socio-Economic Awakening". One of the work programs carried out in this service activity is the socialization of financial management for MSME actors, especially regarding recording transactions and preparing cash flow. This activity was carried out in one of the hamlets of Gili Barat Village, namely Dusun Gili, which was attended by local MSMEs and several residents of West Gili Village.

Several series of activities in this work program include:

1. Socialization of Hidden Bean Production

In general, MSME actors in the village of West Gili become sellers in the market with wholesale products from middlemen. Therefore, with the implementation of this socialization, MSME actors are expected to be able to take advantage of the potential of West Gili villages, one of which is peanuts. The product idea in this socialization is the hidden bean.

2. Socialization of the Importance of Financial Management in MSMEs through Transaction Recording.

One of the obstacles experienced by MSME actors is related to financial management, most MSME actors do not understand the importance of financial management for the sustainability of their business. They run their business only managing finances based on their experience and instincts without adequate analysis. Before knowing in more detail about financial management, MSME actors need to know and understand financial records.

3. Socialization of the Preparation of Cash Flow (Cash Flow).

After the MSME actors know and understand financial records, the next step will be to explain how to prepare business cash flows. Cash flow (cashflow) is one of the most important in the business for the sustainability of their

business. Cash flow is one of the guidelines in making business decisions for MSME actors in the West Gili village.

C. Result and Discussion

This community service activity to socialize financial management for MSME actors was carried out for 2 meetings. The activity at the first meeting was the socialization of making hidden peanuts. The socialization activity was carried out in the Gili hamlets with the presence of 12 women in the Gili hamlets.

In this meeting, it was explained about the potential that exists in the village of Gili Barat and the advantages of managing the potential of the village into products with higher economic value. Furthermore, it is explained how the process and how to process peanuts into hidden peanut products. At this stage, it is also explained how to produce products that have a fairly high market share. One way to do this is by providing a variety of flavors for hidden peanut products, including strawberry, chocolate, original, and vanilla flavors.



Picture 1. Manufacture of Hidden Bean Products

The next meeting was held in the same hamlet, namely Gili hamlet, attended by MSME actors, namely 12 Gili village women. Previously, participants did not know about financial management in business. They run their business based on instinct alone. After explaining the material for MSME actors, they begin to understand how important it is to manage business finances well, the important role of financial management in making business decisions, and how to record financial transactions in a simple way so that they are easy to understand.



Picture 5. Financial Management Socialization and Transaction Recording

After MSME actors begin to understand the important role of financial management in business and the procedures for recording transactions, then the procedures for preparing business cash flows are explained. In addition, a financial recording

system and easy cash flow preparation were also introduced through applications that are already available on the internet.



Picture 6. Socialization of the Preparation of Cash Flow (Cashflow)

D. Conclusion

The ability of financial management greatly determines the sustainability of a business. Financial management socialization activities regarding transaction recording and cashflow preparation are one of the efforts to improve the ability of MSMEs in West Gili Village in financial management. With the implementation of this socialization activity, it is hoped that it will be able to help MSME actors in making business decisions so that it will also improve economic conditions in the village of West Gili.

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