

EXCEL APPLICATION TRAINING TO IMPROVE MSME FINANCIAL GOVERNANCE IN BANDUNG DISTRICT

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ABSTRACT

In the current digital era, where in industry 4.0, information and communication technology has provided various tools to help business actors build their business governance more efficiently and effectively. One of them is by using the Excel application, formulas that have minimal errors in calculations are provided and in one format that can be used forever. Of course this will help business actors to save time for bookkeeping and eliminate errors in calculating business financial records. One of the characteristics of small industries is that there are still many obstacles that they face, both from information technology and business management. In the information technology aspect, the main challenge that hinders business actors is the limited ability to use information technology and computers, including the use of bookkeeping applications, digital marketing applications, e-commerce applications, and other platforms such as Point of Sale (POS). The management of its business is that there has not been much support for promotion, marketing development strategies, and limited distribution and bookkeeping of the results of its business. The same is true for MOLOS FASHION SMEs in Katapang District, Gandasari Village, Warunglobak. Where the MOLOS FASHION business is still a small-scale industry that also has problems in terms of management, especially in terms of recording the results of its business. To overcome one of these problems, Community Service activities were carried out which provided counseling about the importance of bookkeeping and training on making excel bookkeeping in a simple way using the Cash Book for all SME operational activities and evaluating the calculation of the cost of production. The output that can be realized from this Community Service activity is that SME actors are able to carry out bookkeeping for their business on a regular basis by using the Cash Book and calculating the cost of production correctly and online publication of the implementation of the service.

Keywords: simple bookkeeping, cash book, cost of production, SMEs

1. INTRODUCTION

Some of the contributions of Micro, Small and Medium Enterprises (MSMEs) are (1) increasing gross domestic product, (2) being able to absorb domestic workers, (3) being able to increase people's income and (4) being able to help fight poverty and unemployment. However, even though these MSMEs have an important role and make a sizeable contribution, these MSME businesses also still have weaknesses when operating, so the government needs to provide support and support so that the MSME business can run smoothly.

In fact, there are still MSMEs that have not been able to manage their business properly, so it is not uncommon for MSMEs to fail in their business. This failure is due to the low knowledge of MSME owners on business management. This is also what happened to MOLOS FASHION UKM in Katapang District, Gandasari Village. Where MOLOS FASHION SMEs are still a small-scale industry that also has problems in terms of management, namely financial management.

Financial management is a problem in MSMEs because MSME owners ignore the importance of financial management. Because the MSME business whose finances are managed and informed in a transparent and accurate manner will have a positive impact on the MSME business itself (Edirars, 2010). This positive impact of financial management is a key factor in the success of MSMEs and can be used to maintain the sustainability of their business.

MSME actors view that the accounting process is not too important to implement. So based on this condition, it is necessary to conduct training on bookkeeping using a cash book and evaluate the calculation of the cost of production at MOLOS FASHION SMEs located in the Katapang District, Gandasari Village.

Purpose

Based on the description of the problem above, it is necessary to have bookkeeping training for MSME management using the Microsoft Excel application. With this Microsoft Excel bookkeeping training counseling activity, it is hoped that business actors can have a bookkeeping towards healthier and better business governance.

Benefits

Through this PKM activity, it is hoped that business actors can have more detailed data on what is the cost of expenditure and income on a daily basis. In addition, the use of excel bookkeeping will reduce the occurrence of calculation errors and save time in making bookkeeping templates.

2. METHOD

Implementation of Community Service is carried out located in Gg. Molen AA rt. 05/ rw. 1. No. 9 ds. Gandasari, district. Bandung. At the SME location, 2 sets of laptops and projectors are provided, where 1 (one) laptop is used for instructors and the other is used by the owner of the Molos Fashion MSME to practice directly implementing business bookkeeping using the Exel application.

Planning

In order for this program to run optimally, proper planning is needed, including:

- a. Ensure the use of the same Microsoft Excel 2010 application between the two computers so that the position of the tool in the application is similar
- b. Prepare a manual in the form of power point and pdf
- c. Ask one of the SMEs to help assist the activities
- d. Visiting the location of MSMEs to discuss the training room to make it more conducive
- e. Prepare other infrastructure suggestions, such as; stationery, additional electrical outlets, tables and chairs.

The implementation of activities is divided into 3, namely:

- a. Methods for implementing the first day: 1) Prayer readings; 2) Carry out Pre Test activities; 3) Presenting Microsoft Excel, interspersed with discussion of questions and participants practicing Microsoft Excel on a computer (tutorial); 5) Rest; 6) Implement Post Test; 7) Provide consumption. The method of implementation of the second day carried out: 1) Prayer readings; 2) Carry out Pre Test activities; 3) Conducting discussions related to tests; 4) Presenting Microsoft Excel and participants practicing Microsoft Excel on a computer (tutorial); 5) Rest; 6) Implement Post Test; 7) Provide consumption.
- b. Infrastructure and equipment needed: simple room; LCD; Computers / Laptops; Handouts.
- c. Implementation technique: The implementation of this Community Service (PKM) activity is carried out using the tutorial method and giving tests (pre and post) to find out the understanding of business actors about Microsoft Excel in stages. The systematic implementation of activities is as follows:
 - 1) Participants first carry out a pre-test to find out how much their previous understanding of Microsoft Excel was.
 - 2) Participants are directed to presenters in a tutorial and understand the readings in the handout.
 - 3) Participants began to be directed to do the exercises in the handout, participants were given the opportunity to ask questions if there were difficulties in operating Microsoft Excel so they needed help. When finished, the task is saved in the specified folder.
 - 4) Participants carry out a post test to find out their understanding after participating in the training activity

3. RESULTS AND DISCUSSION

The marketing concept of the SME "MOLOS FASHION" was originally based on orders from stores prior to the COVID-19 pandemic. Where in one month can reach tens of millions. Since the COVID-19 pandemic, the marketing of "MOLOS FASHION" products has been through market places or orders via whatapps.

In the company's financial management there are three types of financial decision making that must be known by managers, namely funding decisions, investment decisions and dividend decisions Cahyono and Sulistyawati (2016).

Investation decision

Investment decisions are financial decisions about which assets the company should buy. These assets are in the form of real assets. Real assets can be in the form of real assets such as machinery, buildings, equipment, or in the form of intangible assets such as patents, copyrights, and brands.

Funding Decision

Funding decisions are financial decisions about where the funds to buy these assets come from. There are two kinds of funds or capital including foreign capital such as bank loans and bonds, as well as own capital such as retained

earnings and shares. Funding decisions can be divided into two, namely short-term funding decisions and long-term funding decisions. Short-term financing decisions include short-term debt such as notes payable and accounts payable. Meanwhile, long-term funding decisions will have an impact on the company's capital structure.

Dividend Policy

Dividend policy is a decision about how much current profit will be paid out as dividends or retained for reinvestment in the company. Thus, the existence of an optimal dividend is a dividend policy that creates a balance between current dividends and future growth so as to maximize the company's price.

The material in the daily transaction recording training by the MSME manager of Molos Fashion is a continuation of the financial management material. After participants know the importance of financial management and accounting cycles, the practice includes the cycle flow below.

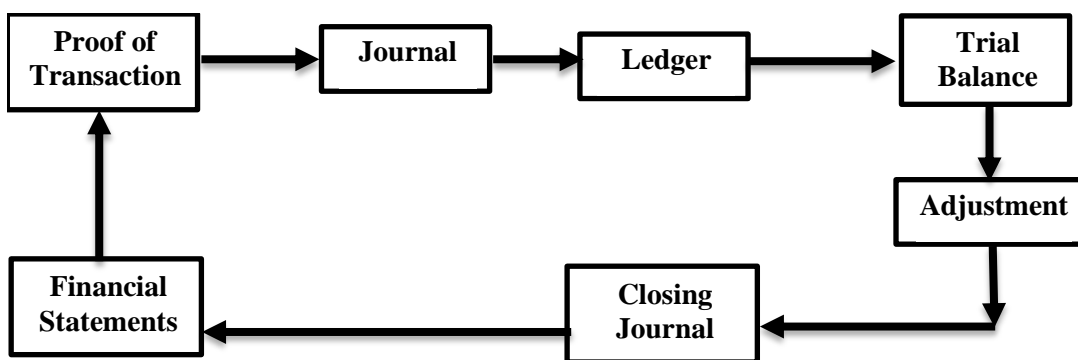


Figure 1. Accounting Cycle (Hairunisy, Subiyantoro and Society, 2017)

Balance

A real picture of the assets, liabilities, and capital of the business in the current accounting period. Function of the Financial Balance Report; (1) contains information for measuring the health of a company. A company can be said to be healthy if the amount of capital is greater than debt. Otherwise, the company is in an unhealthy state. It means that the company is financed more from debt, (2) contains information for measuring the company's liquidity. The liquidity ratio is useful for measuring the company's ability to carry out its obligations with current assets, (3) contains information to estimate the cash flow turnover in the future. This cash turnover ratio is useful for measuring the adequacy of the company's working capital needed to pay bills and short-term debt.

Cash flow statement

Contains payment information and business income for a certain period of time. In this report, cash flows are divided based on three sources, namely operational, investment and financing. Each of these categories is compiled from a cash flow journal that summarizes the cash flows of the business during the current period.

Basically, a cash flow statement is not a stand-alone report like a balance sheet and income statement. This report is prepared to make it easier for SME friends to see the condition of cash. Therefore, the actual cash flow statement can also be analyzed and sourced from other financial statements. Cash flow statements with operational sources can be read from the income statement. Meanwhile, cash flow statements from the investment and financing side can be found from the balance sheet.

Income statement

Reports of profit or loss generated over a certain period of time. 1. Sales Revenue. This sales income is the nominal value of the total sales of your SME products. Please note that there are other accounts that can reduce sales revenue, these accounts include sales discounts and sales returns. Some of the keys in the income statement; (1) Sales Revenue. This sales income is the nominal value of the total sales of your SME products. (2) Cost of Goods Sold (HPP). HPP is an important keyword that you must hold. HPP itself is often interpreted as all kinds of costs needed by someone to produce the product that is sold. Therefore, in this HPP there are quite a number of accounts, including shipping costs, purchasing supplies, purchasing transportation costs, and the like. (3) Operating Expenses. These operating expenses are all types of costs related to two types of expenses, namely marketing costs and overhead costs. Examples of marketing costs are advertising, banners and others. While examples of overhead include employee salary expenses, electricity expenses and the like. (4) Other Costs. Included in this category of other costs are expenses other than

operating expenses. Examples such as interest expense and taxes. The process of making profit and loss, the next keyword is to understand the purpose of making profit and loss itself. The objectives are as follows: (1) Knowing how much tax will be imposed on your business (2) Knowing and comparing profits in a certain period (3) Knowing how efficient your business is.

Ledger

A tool for recording all financial transactions, consisting of all accounting journals as the basis for financial reporting. Accurate recording of business transaction data that occurs during the accounting period. Each of these data will be more easily accounted for at the end of the period, namely at the time of making financial statements. With proper and accurate transaction data records, making financial reports will be easier. Some of the functions of the general ledger in accounting are as follows; (1) Posting all transactions that occur in the business properly based on company accounts. (2) Balancing debits and credits in company accounts. (3) Simplify the process of making adjusting journals with accurate transaction data records. (4) become a tool in classifying financial data and knowing the number or state of the account in the actual account. (5) To classify existing transactions and will be recorded in the journal. (6) Can be used as material and information in preparing financial reports.

For the bookkeeping of the business results of "MOLOS FASHION" has been carried out by SME owners. SME owners have recorded their business transactions through the cash book, but this has not been done routinely.

- a. Fabric raw materials
 - 1) SME owners have taken into account the cost of fabric raw materials in calculating the cost of production.
 - 2) Constraints in obtaining various raw materials for cloth, the owner is still shopping at the cloth shop and has not bought in bulk. Because the owners of SMEs are uncertain so that the results are not optimal.
- b. Supporting materials in the form of flour, seasonings, sauces, spices and other seasonings
 - 1) The remaining pieces of cloth are used as clothing products for babies so that it adds to the profit for the owner.
 - 2) SME owners have taken this component into account in calculating the cost of production
- c. Electricity, water and gas costs
 - 1) For electricity costs, SME owners still depend on being one with their house
 - 2) SME owners have included this element in the calculation of the cost of production
- d. Shipping transportation costs

The cost of shipping transportation has been calculated in the calculation of the cost of production

- e. Not taking into account labor costs
 - 1) The owner of the SME is the person who carries out all operations related to the "MOLOS FASHION" product. Starting from the production process to marketing.
 - 2) The owner of the SME has not taken into account the energy he expends into the calculation of the cost of production
- f. Not taking into account operational costs
 - 1) Marketing of "MOLOS FASHION" products is carried out using social media such as Whatsapp and Tokopedia
 - 2) SME owners have not taken into account the cost of credit or internet quota in calculating their production costs
- g. Not taking into account the risks of the production process carried out

There is a risk faced by SME owners from the production process they do, namely threads that are wasted when the sewing machine has problems. As a result, this affects the production time and the yarn becomes tangled.

- h. Limited capital to add production tools

The production process of "MOLOS FASHION" is still carried out using simple production equipment. There is a desire from SME owners to be able to have more modern production equipment.

Based on the evaluation results that have been carried out by the service team to partners after the service, there are several positive things that exist in partners including the following:

- a. Partners gain knowledge related to terms and components in accounting practice. Based on the results of discussions and questions and answers with the manager of Molos Fashion directly, the manager was able to clearly state the terms that exist in the accounting cash books. This means that partners directly or indirectly understand simple accounting standards for MSMEs.
- b. Partners can practice independently the techniques of recording money out and money in. This is because the accounting training techniques taught are combined with simple financial recording practices. This technique is an effective technique, to provide direct understanding to partners.
- c. Based on interviews and observations before the material was presented, it showed that participants expressed the obstacles they had experienced, namely not being able to classify HPP and calculate HPP so that production costs could not be reduced because a lot of leftover materials were wasted.
- d. At the time of presentation, the material was conveyed regarding the importance of making financial reports as an effort to obtain high profits and in the context of price competition to attract consumer interest. In addition, it was also conveyed about the elements of accounting as a description of the ongoing financial activities at Molos Fashion.
- e. During the discussion, many questions arose related to the functions of each type of accounting report, which showed enthusiasm for the awareness to get the benefits of high profits compared to currently running, where the emphasis on cost efficiency was realized by the perpetrators that it could not be done because they did not have knowledge related to financial statements.

4. CONCLUSION

Based on the results of the conclusions above, there are several suggestions that Devotion gives to SME owners "MOLOS FASHION":

- a. Devotion provides an example of calculating the correct cost of production by incorporating elements of labor costs and operational costs needed to carry out the production process.
- b. Provide input to SME owners in real terms of contribution to electricity costs so that they can find out the real benefits. This is intended so that SME owners can evaluate the selling price that has been given so far.
- c. Provide input to SME owners on how to maintain machines in order to reduce production problems. From here arises the desire of the Service Team to be able to provide continued service in the form of sewing machine maintenance so that it is more optimal.
- d. Provide input to SME owners to be able to participate in various entrepreneurship programs originating from government and USM funds. Which is expected to provide additional capital for business development.

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