

# Case-Based Method (CBM) Implementation in Financial Management 1 to Reach the Outcome Learning

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## ABSTRACT

This paper aims to examine the effect of the Case-Based Method (CBM) in reaching the outcome learning in the Financial Management 1 course in the international class, Accounting Department, Economic Faculty, Andalas University. One of the topics in financial management 1 is analyzing financial statements. The learning outcome of this subject is students capable to calculate and interpret the financial ratio from financial statements. The result shows that the Case-Based Method can reach the objective of this subject. Students are able to make a satisfactory report and CBM can increase the student's soft skills.

*Keywords: Case-based method, Learning Outcomes, Learning Development*

## 1. INTRODUCTION

A financial statement is the main section in the accounting department. Students should be able to create financial statements and also communicate the number in the financial statement. To create a financial statement, students should follow the step to come with a reliable and trusted number.

Financial Management subject is a compulsory subject in the accounting department. This subject consists of Financial Management 1 and Financial Management II classes. Financial Management I class is given for the third semester, and Financial Management II is for the fourth semester. One of the topics in Financial Management 1 is financial statement analysis. In this subject, students learn how to calculate the financial ratios and interpret the result. The financial ratio can be divided into liquidity, leverage, efficiency, and market to value ratios. One of the outcomes of learning this subject is that students can calculate the ratio and express the result.

To achieve the outcome learning, the Case-Based Method (CBM) is given to students. Kim (2006) found that CBM is better than the conventional method. In this class, we ask the student to find a company's financial statement listed in the Indonesia Stock Exchange market and assign them to calculate the ratio and narrate the result with understandable language in a group. We argue that doing this method would increase the student's communication skill. The student needs to communicate and discuss the result with the group member also write the report.

According to Goleman (2006), the success of someone is 80% determined by their emotional intellectual or soft skill such as behavior or character, and 20% determined by hard skills. Soft skills can be developed by doing CBM. Students can communicate with them through oral and writing. In this paper, we want to distinguish the student's writing skills. As we know, making reports is a common activity in the working environment, so the student should practice developing that capability.

We conduct this method in the international class. In an international class, all of the material, instruction, and student assignments are in the

English language. The English language is not the main language in Indonesia; however, students need to understand and be able to express their thought in the English language. The accounting department has multiple selections to ensure that the student can keep up the class, but the international class might challenge the student to follow the program. The lecturer needs to develop the learning method and assess the CBM result by evaluating the student's performance. The content, grammatical accuracy, word formation mistakes from students' answers.

The financial statement is financial information used by an external (e.g government, and investor) and internal party (e.g management). The financial statement shows the financial position of the company in one period of time. The information in the financial statement should follow the accounting standard, so the information is reliable. So that student are expected to be able to analyze these financial statements using ratios appropriately

## **2. LITERATURE REVIEW**

### **2.1 Case-based method**

There are two types of learning methods, Teaching Center Learning (TCL) and Student Center Learning (TCL). TCL characteristics described as students being passive learners, TCL Focused on known knowledge, using Single Media, Lecturer work as an evaluator, there are separated process in studying and examination, studying climate individual and competitive, focus on hard-Skill

However, SCL is method-focused to Stimulate learners/students to develop knowledge and skills. Students are active, lifelong learning, using multimedia, lecturer work as motivator, facilitator, and evaluator, learning method is integrated continuous study and need examination process. Studying climate develop to collaborative supportive and cooperative focus on Hard Skill dan Soft Skill.

According to Means (1994) in SCL, students are more responsible and active in their learning process. Students can analyze and organize the problem and transfer the knowledge from the lecturer to the student. During SCL, students not only passive participants but also being active in exploring the problem Harmon (1996).

There are several types of SCL, such as self-directed learning, collaborative learning, small group discussion, project-based learning, cooperative learning, discovery learning, case-

based method learning, and simulation. According to Kim (2006), in CBM students are needed to analyze the case problem and decide in uncertain conditions and certain issues related to real life. CBM can make students have holistic thinking and could relate the condition. Besides, CBM can train students to think holistically, in multi-disciplines concepts. CBM used in scientific disciplines includes in medicine, law, business, education, and engineering. From various disciplines. In this case, education and medicine are reported to use the most learning by case. From the previous study, we Can imply that CBM is suited to conduct in various disciplines knowledge. We conduct CBM in financial management 1 to reach the outcome learning of the subject.

### **2.2 Implementing in financial management 1 subject**

Financial management 1 is given by conducting a zoom meeting in every meeting, during zoom meeting, students are asked about the material they have been studied in oral communication. However, because of time limitation, only several students can explain or communicate directly with the lecturer.

To improve their communication skill, students have to analyze financial statements using this ratio below, current ratio, quick ratio, account receivable turnover, average collection period, inventory turnover, Average age of inventory, Operating Cycle, Total asset turnover, Gross profitability, Net profitability, Return on Assets, Return on investment, Earnings per share, Investment turnover, Debt to equity ratio, Debt ratio, Fixed to worth ratio, Interest coverage, Annual inventory turnover, inventory holding period, Inventory to assets ratio, Every ratio have different equation and result, besides each company have a different outcome. The student has to discuss and communicate the result with their friend in their group and explain the result in the report.

Students select the different companies in different industries because every industry has different characteristics and diversifying the industry will increase the student knowledge about company characteristics. The different result also increases the student's critical thinking about the situation that appears in the company. Students need to find the reason from various resources for example, books, articles, and news.

**2.3 Outcomes learning**

We believe that students who graduate from the accounting department know to account; however, due to the fast movement of technology, many applications or systems can create the financial statement. Students need to understand and be able to communicate the meaning of the number.

In a working environment, job vacancies require employees able to cooperate with others. The company did not require only hard skills but also soft skills. According to the Indonesia Ministry of Education (2008), hard skill is understanding the knowledge, technology, and technical skill related to their education field. For example, accountants should know how to create and analyze financial statements.

Besides, Elfindri (2010) identifies that Soft skills are related to communication skills, emotional skills, language, ethics and morals, and politeness. Moreover, Widhiarso (2009:1) argues that Soft skills are a set of capabilities that affect our behavior in interacting with other people. Soft skills contain effective communication, creative thinking and critical, team building, and other skills related to personality capacity. Sharma (2009 soft skill combines the cognitive element related to nonacademic skills. Seven skills that need to be implemented in undergraduate students are communication skills, thinking skills, problem-solving skills, team workforce, life-long learning and information management, entrepreneur skill, ethics, morals and professionalism, and leadership skills. This paper focuses on the soft skill method by conducting CBM to reach the outcomes learning of financial management 1 subject.

**3. RESEARCH METHOD**

The Financial management class consists of 15 students and is divided into 7 groups. The students are in the third semester of international class, 2021, Accounting Department, Economic Faculty. The research method in this paper is we provide the student with CBM. Student analyst financial ratio of the company and make a report. The lecturer examined the report from the student. We analyze the report with two criteria

- a. Content. Students can calculate the ratio with the right equation. Students can interpret and explain the result correctly and provide related facts. The use of the word makes the report is easy to understand, reach the learning outcome.

- b. Grammatical accuracy refers to the correct usage of sentence structure in writing: the suitable word and consistent use of grammar. The use of punctuation is in the right place.

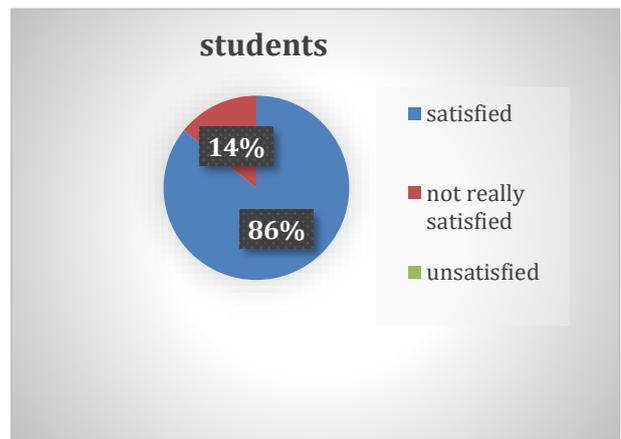
The grading distribution in financial management 1 subject are described below :

**Table 1. Student's Valuation Systems**

No	Component	Weight
<b>1. Summative Valuation</b>		
a.	Mid Term Exam	25%
b.	Final Exam	25%
c.	Group Assignments	15%
d.	Discussion Participation	10%
<b>2. Formative Valuation</b>		
a.	Interpersonal skills dimension	10%
b.	Interpersonal soft skills attribute	10%
c.	Attitude	5%
Total		100%

**4. RESULT AND DISCUSSION**

We analyze the report from students by focusing on content and grammatical accuracy. We analyze their report by looking at the content related to the ratio meaning and definition and their explanation about the result. We also focus on the easy-to-understand report. Besides, we also analyze the student's capability in using English for that has not really satisfied content. This group did not give sufficient additional information in analyzing the

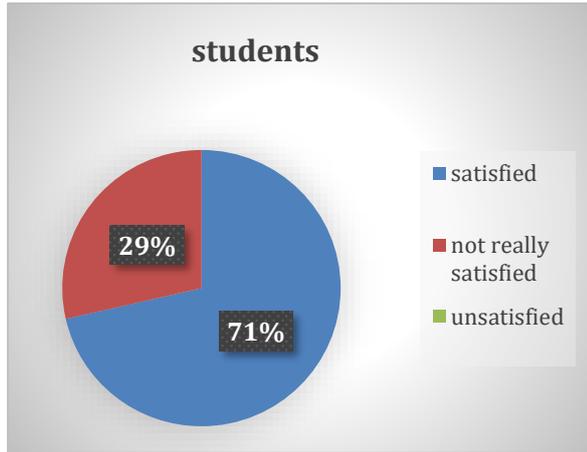


result. Moreover, from the result, we can imply that example suitability to use words and grammar.

**Figure 1.** Students' contents report assessment

When we analyzed the content, we found that 86% of the six groups have satisfied content reports. The groups can calculate and explain the meaning of the ratio correctly. They can provide additional information to increase our understanding of the report. The group also manages the report smoothly to understand the report easily. They provide the complete financial statement, state the equation, and calculate it for each ratio. However, there are 14% or one group the content of the CBM in the Financial

After we combined the assessment criteria, we found that 43% or three groups get A grade and 43% get A- grade, it is mean that the amount of group who get A and A- is the same. Moreover, 14% or one group accept B+ grade. From the result, we can imply that when using the CBM method in conducting financial statement analyzing topics in a financial management class, the student can increase their soft skill by calculating and communicating the result in the report. This soft skill in interpreting the ratio is one of the outcomes of learning this subject. by doing CBM, students can create satisfying results from the content and the grammatical accuracy.



Management Subject is satisfying.

Figure 2. Students' grammatical report assessment

From a grammatical perspective, we found that 71% or five groups have satisfied results. The student can create a sentence with persistent grammar, the use of words in the correct place, capital letters, no typo related to the equation, and explanation. However, we found two groups have not really satisfied grammatical results. The problem here is they did not use persistent grammar. We argue that this condition because the English language is not our main language, some minor grammar errors are common. In conclusion, we argue that the grammatical assessment in CBM is satisfied.

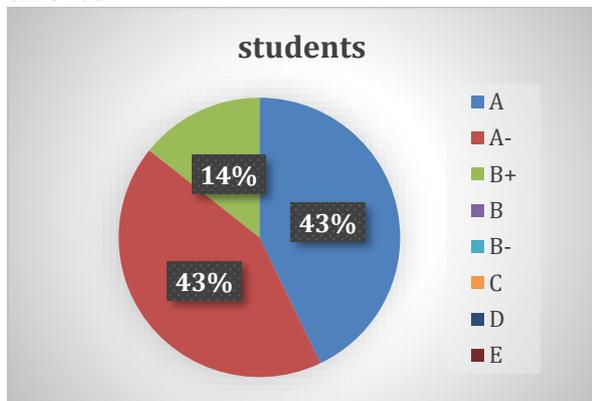


Figure 3. Students' grading distributions

## 5. CONCLUSION AND SUGGESTIONS

### 5.1 conclusion

CBM is one of the SCL methods when a student is more active in the learning process. Financial management subject is a compulsory subject in the accounting department. In this paper, we found that.

1. CBM can increase the student's understanding in calculating and interpreting ratios in the financial statement.
2. CBM can increase the student's soft skills in creating reports related to financial ratios. Assessment by the content of the report and grammatical accuracy
3. CBM can reach the objective of the learning outcome of this subject.

### 5.2 Suggestion

We suggest that this method can reach the outcome learning of this subject. Future research can be more detailed in reaching the learning outcome regarding the soft skills such as presentation skills and group discussion skills so that the learning method can be developed.

## AUTHORS' CONTRIBUTIONS

The author has contributed equally to this research. The first author has conducted the CBM method in financial management 1 subjects. The second, analyze the ability of students to reach the learning outcome of the subjects. The authors also prepared the assignment and graded the student's reports.

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