

Assistance in Optimizing Financial Statements as a Business Decision Making Tool for MSMEs in Bojongsoang Village

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Abstract—Mentoring was carried out in Bojongsoang Village, Bandung Regency, precisely in the MSMEs community of Someah Kampung Digital Bojongsoang. The MSMEs community has been able to compile financial recording and reporting using smartphones practically. However, there are still problems related to the consistency of its implementation due to the lack of knowledge about the benefits of the financial information presented in financial statements to make business decisions. The proper assistance will help MSMEs to develop, from micro, small to medium scale, it can even become the forerunner to the emergence of large-scale industries if they are consistently managed professionally and adequately. This activity was carried out using a method hybrid, namely online through the WhatsApp (WA) application group and offline in face-to-face training in 1 meeting while still paying attention to health protocols on Saturday, March 27 2021. Based on discussions held with the MSMEs Community Someah Bojongsoang and Bojongsoang Village Officials, this partnership can be continued with programs that reach the wider community. This assistance is expected to bring out the consistency of MSMEs in recording, reporting and analyzing financial statements most simply, but still professional.

Keywords—*financial statements, business decisions, MSMEs*

I. INTRODUCTION

Bojongsoang Village is located in Bojongsoang Subdistrict, Bandung Regency, directly adjacent to the southern part of Bandung City. This village has an area of 0,97 km² or 9,00% of the total subdistrict. According to data BPS Bandung regency in 2019 [1] this village has a total population of Bojongsoang village recorded numbered 20,500 people, with many families as many as 6,316 families. The village consists of 195 Neighbourhoods, 29 community units and 6 hamlets.

Bojongsoang village is a densely populated area, where only about 5 hectares of rice field land, while the rest is non-

rice field land. There are 61 household-scale processing industries and 1 group of shops. In 2017, Bojongsoang village was designated as a digital village initiated by PT Telekomunikasi Indonesia Tbk. The meaning of digital village means that Bojongsoang village is pro-active in using technology to support existing business processes.

The establishment of Bojongsoang village as a digital village is an indicator of the high willingness to learn from the community to learn about information technology, including MSMEs actors. However, they still need to be assisted in maintaining their commitment to using and utilizing accounting applications in recording and financial reporting. This commitment will be maintained along with an understanding of optimizing financial reporting as a business decision-making tool.

Based on the analysis of the situation of the target audience of PKM partners and the programs that have been implemented on MSMEs in the Bojongsoang digital village, the partner problem that occurs is related to the inability of PKM partners to utilize the information contained in the financial statements because of the limited understanding of the terms in the recording of financial statements. And another problem faced by PKM partners is accountability [2]. This accountability problem occurs because MSMEs do not yet have good management and financial administration system. One of the causes of poor MSMEs accountability is the absence of separation of ownership between the owner and the MSMEs entity.

In 2020, a team consisting of 6 lecturers and five students from the Unisba Accounting study program carried out a community service program in this village by providing Android-based accounting applications in making MSMEs business financial reports. Based on the data collection conducted, the majority of MSMEs in Bojongsoang village,

especially MSMEs that are netted in the Someah community, are engaged in the food processing industry, which is marketed in various souvenir shops along the Buah Batu canal, with a target market share of road users who will leave the city through the Buah Batu toll gate. In addition to the food processing industry, there are handicraft and clothing industries.

This year, despite the change in the formation of the Service Team, we are continuing what was initiated in 2020. Automation of financial recording and reporting has indeed resulted in practicality and convenience. Still, it has not yet formed a complete understanding as a provision for the use of financial reports for business optimization. Thus, mentoring activities are considered appropriate to help MSMEs optimize financial reports as a business decision-making tool. It is hoped that MSMEs will be more "resilient", especially when dealing with a pandemic situation that has not yet seen its end like today.

Iskandar presented several previous studies related to the quality of accounting information systems, and researchers found management commitment and user competence affect the quality of information systems [3]. Based on the results of this research, the problem of user competence in the MSMEs community of Someah Bojongsoang has been overcome with previous training, but the management's commitment to continue to use and utilize accounting applications must still be maintained. Several other research results related to community service through training and mentoring activities for MSMEs have also been carried out, such as: Utama and Pratama [4] conducted simple accounting training in Tamansari Village and the results showed that MSMEs actors in the village were able to understand quite well about the simple accounting cycle.

Wibawa, et al. [5] conducted training and assistance in preparing financial reports for MSMEs actors domiciled in the city of Surabaya. The results proved that this activity had a positive impact on business actors. After participating in the training and mentoring program, they no longer had difficulty managing their financial reports and can focus on developing their business further. Next, Harventy, Zubaidah and Kholmi [6] have assisted in preparing Financial Reports for the BrosemSmall and Medium Business Group Semeru. Business actors in MSMEs can compile financial reports according to EMKM standards.

Likewise, Rayyani, Abdi, Winarsi and Warda [7] have conducted training on optimizing financial reports for MSMEs "typical Massar souvenirs". The results show that partners are interested in financial reporting after the training. Margunani, Melati and Sehabuddin [8] also conducted simple financial recordings for Small and Medium Enterprises (SMEs) in Nyatnyono Ungaran village, Semarang. The result was that MSME actors were better at keeping simple financial records.

Furthermore, Afrida, et al. [9] have conducted socialization of recording online sales financial statements on MSMEs in Banyuasin Regency. The results show that PKM partners are very enthusiastic and eager to participate in the activity.

Dyalisa and Prasetyo [10] stated that the implementation of the training provided by the team was able to increase the effectiveness and application of financial management and strategic marketing planning at Cuancki Kang Raffie so that they could be competitive. And Zakiyyah [11] has conducted training and financial recording assistance at Rindu.id UMKM in Jember Regency, and the result is that the UMKM business actors can compile income statement and statement of owner equity.

II. METHODS

Implementing PKM activities during the pandemic is a hybrid, namely online through the WhatsApp (WA) application group and offline in the form of face-to-face training for one meeting while still paying attention to health protocols. PKM activity following stages presented in the table below 1:

TABLE I. ACTIVITIES PKM FEBRUARY TILL MAY 2021

Phase	Event	Explanation	Output
I	Data collection related to the potential and problems	<ul style="list-style-type: none"> It is conducting discussions with MSMEs coordinators related to real problems regarding financial recording and utilization. Make WA group Develop and collect the questionnaire pretest 	<ul style="list-style-type: none"> Determination of the number of the participants Pretest Data
II	Preparation of a simple module on the utilization of financial statements in business decision making for MSMEs	<ul style="list-style-type: none"> Explaining the importance of the recording process in supporting the financial management of business units Explaining how to read and analyze the financial statements that have been prepared Explain the types of business decisions that can be taken by utilizing financial statements Determine the cost of production and the right selling price and can provide maximum profit Measure the financial health of the business as the basis for decisions to increase capital or debt 	Module to optimize the utilization of financial statements in business decision making for MSMEs
III	Training and assistance in optimizing the use of financial reports for business decisions.	<ul style="list-style-type: none"> Conduct offline training, namely on Saturday, March 27, 2021 at 08.30-12.00 WIB at the Bojongsoang Village office Conducting online mentoring for two weeks before and after the training Dissemination of post-test questionnaires 	<ul style="list-style-type: none"> Increased capacity of partners in utilizing financial statements. Post-test data
IV	Preparation of PKM progress report	Prepare PKM progress reports as media accountability of activities and use offenses.	PKM Progress and End Report

III. RESULTS AND DISCUSSION

Based on the solutions and problems of partners, as well as the activities that have been carried out, some of the results that have been achieved are:

TABLE II. RESULTS ACHIEVED

No	Type of Output				Output Status
	Category	Sub-category	Mandatory	Additional	
1	Photos and video's activity	Activity documentation	√		Done
2	Teaching materials	Teaching materials in pdf files	√		Done
3	Publications in print/electronic mass media	Press release	√		Done
3	Increased empowerment of partner communities	Assistance in optimizing financial statements as a means of business decision making in MSMEs in Bojongsoang village	√		Done



Fig. 1. All participants and the PKM team.



Fig. 2. The participants enthusiastically participated in the Mentoring activities.

Main activities in assisting the Community SMEs Someah village Bojongsoang has been carried out on Saturday, March 27 2021 at 08.30-12.00 WIB, at the Bojongsoang Village Office, Jl. Raya Bojongsoang No. 9, Bojongsoang, Bandung Regency, West Java. The service team was present as a facilitator, assisted by students as the event organizing committee. Participants are planned to attend as many as 20 people, limited according to room capacity and health protocols at a safe level so that there are no crowds. At the realization of the attendance of 18 participants, two people resigned due to declining health conditions and required self-isolation, following the announcement of a red zone around his residence.

The following documentation below shows that the participants are MSMEs as PKM partners with passion and enthusiasm to participate in this activity. As a result, they already have a reasonably good understanding of the simple accounting cycle, easy to read financial statements and can practice calculating the underlying price by the theory. The results of this PKM are in line with PKM results from previous servants that have been published such as: Wibawa, et al [5], Harventy, Zubaidah and Kholmi [6], Rayyani, Abdi, Winarsi and Warda [7], and Zakiyyah [11].

The following is some documentation of offline activities:



Fig. 3. The participants actively ask questions in the Mentoring activities

IV. CONCLUSIONS

Based on discussions held with the MSMEs Community Someah Bojongsoang and the Bojongsoang Village Apparatus, this partnership can be continued with programs that reach the wider community, especially the MSMEs actors main pillars of the community's economy in this village.

The covid-19 pandemic that lasted more than one year did not dampen the spirit of businesses to continue to be empowered to move the wheels of the economy. Online marketing adaptation is done quickly, and mastery of digital technology is also necessary, so optimizing financial statements that the service team has implemented is expected to make MSMEs more resilient to unexpected changes. Assistance implemented in a short time is expected to bring about the consistency of MSMEs in recording, reporting and analyzing financial statements most simply, but still professional.

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