



Increasing MSME productivity and implementation of business financial applications in Hegar Manah Village

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Received: 26 July 2021

Accepted: 7 August 2021

DOI: <https://doi.org/10.32479/CCDJ.11341>

ABSTRACT

Increasing the productivity of MSMEs through the creation of innovative products and the application of village finance applications is a theme raised at Pelita Bangsa university community service. In this service, it is expected to be able to understand every problem that occurs in the community and make the best decisions to be able to solve these problems with creative ideas. Hegar Manah Village is located in West Java, Bekasi Regency, East Cikarang District. The livelihoods of the Hegar Manah village community are in the agricultural, trade, MSME, livestock and fisheries sectors. The most prominent potential in Hegar Manah village is in the MSME sector, in this MSME the Hegar Manah community is able to create products, namely in the food sector such as apem cakes, lunthead, wet cakes, pastries, and various other types of pastries of superior quality.

Keywords: MSME Productivity, Business Finance Application.

1. INTRODUCTION

In the development of the business world, the development of Small and Medium Enterprises or Micro Enterprises is a business that must always get the attention of various groups, given that MSMEs or Micro Enterprises are a form of economic democracy that is able to shorten the gap between capable and poor businesses. The development of MSMEs is a business characterized by populist which provides a great opportunity to recruit the surrounding resources, especially MSMEs engaged in the culinary field.

The MSME sector is often referred to as a people-based economic activity, where the goods produced by MSME actors are usually daily necessities needed by almost all social classes (Anggraini & Nasution, 2013). Micro, small, and medium enterprises are the backbone of the populist economic system that reduces poverty, their development can expand the economic base and can make a significant contribution to increasing regional and national economic resilience

(Setyanto et al., 2015). In the process of increasing these efforts, small, medium and micro businesses often encounter several obstacles, including lack of commercial capital, weak management capabilities, limited marketing areas (Suci, 2017), and weak competitiveness. Sources of Strength Advantages The newest competitive advantages are innovation and creativity. Competitive advantage must be prioritized based on innovation and creativity due to durability and a longer period of time (Darwanto, 2013). One of the efforts of SMEs to increase innovation is the use of information technology. The availability of information inside and outside the company is very important because it involves management and marketing.

With fast and accurate information, it will help to improve the quality of the decision-making process, thereby determining the success or failure of the strategies and plans prepared to capture opportunities, so that directly or indirectly affect the company's performance, thereby improving company performance. company profits (Yuniarto, 2011). Culinary business is currently one of the MSMEs that support APBD in each region, besides that the development of MSMEs or Micro-businesses will be

better able to withstand the turmoil of changes in the national economy and on an international scale. In this community service program, the MSME Industrial Center in Hegar Manah Village, East Cikarang, Bekasi Regency, we chose was the Dodol and Semprong Rancamalaka MSME business. Basically, the problems faced in the Dodol and Semprong Rancamalaka SMEs are the inability to meet consumer demand caused by the limited products produced and problems in marketing. At this time the products produced can only fulfill consumer orders at certain events, such as wedding celebrations, circumcision, Eid al-Fitr.



Figure 1. Dodol Original



Figure 2. Dodol Flavor Variants

Based on the results of interviews with MSME Partners, it was explained that the Dodol and Semprong Rancamalaka products for now that are made are only original dodol and semprong and currently have not thought about developing a taste. To pioneer in that direction, MSME owners really need the development of dodol and semprong products to make them more varied. From the management side, the Dodol and Semprong Rancamalaka Micro Enterprises, which are family businesses, have not used good management principles. For example, there is no bookkeeping regarding business finances, there is still no separation between business finance and personal finance. Therefore, the problems faced are as follows:

- a. Production is not every day, orders are based on seasonality (Eid and celebrations)
- b. Capital is still limited, so additional capital is needed for business development.
- c. It is necessary to improve the quality of production related to product taste variants, product shapes, and product colors.
- d. Need to improve/improve product packaging that is more attractive (marketable)
- e. There is no bookkeeping regarding business finances.
- f. There is still no separation between business finances and family/personal finances.
- g. Marketing facilities are still limited, where consumers come to the place of business to make purchases and produce based on orders.
- h. Lack of courage to do business by marketing products to supermarkets and souvenir center shops in Bekasi Regency.

1. Productivity Concept

The definition of productivity is very different from production. But production is one component of the productivity effort, in addition to the quality and output. Production is an activity related to the output and is generally expressed by the volume of production, while productivity is related to the efficiency of the

efficiency of the use of resources (inputs in producing the level of comparison between output and input). Increased productivity and efficiency are the main sources of growth for realizing sustainable development. On the other hand, high and sustainable growth is also an important element in maintaining a long-term sustainable increase in productivity. The principles in productivity management are effective in achieving goals and efficient in using resources. The elements contained in productivity:

a. Efficiency

Productivity as an output/input ratio is a measure of the efficiency of resource use (input). Efficiency is a measure of comparing the use of planned inputs with the use of inputs that are actually implemented. The definition of efficiency is input-oriented.

b. Effectiveness

Effectiveness is a measure that gives an idea of how far the target can be achieved both in quantity and time. The greater the percentage of targets achieved, the higher the level of effectiveness.

c. Quality

Quality is a measure that states how far the fulfillment of customer requirements, specifications, and expectations. Quality is one measure of productivity. Although quality is difficult to measure mathematically through output/input ratios, it is clear that input quality and process quality will improve output quality.

2. Productivity Measurement

The measurement of productivity is an important management tool at all levels of the economy. Measurement of productivity relates to changes in productivity so that efforts to increase productivity can be evaluated. Measurement can also be prospective and as input for strategic decision making. Productivity measurement is a quantitative assessment of changes in productivity. The purpose of this measurement is to assess whether productive efficiency is increasing or decreasing. This is useful as information for developing competitive strategies with other companies, because companies with low productivity are usually less able to compete with companies with high productivity. Therefore, every company has to achieve high productivity in various ways, for example through improving tools (technology) or increasing human resources. Productivity measures can be seen in two ways, namely operational productivity and financial productivity. Operational productivity is the ratio of units of output to units of input. Both the numerator and denominator are physical measurements (in units). Financial productivity is also the ratio of output to input, but the numerator or denominator is in currency units (rupiah). Productivity measures can cover all factors of production or focus on one factor or some of the factors of production that the company uses in production. Measures of productivity that focus on the relationship between one or part of the input factors and the output achieved are called partial productivity measures.

3. Profitability

Profitability or the ability to earn a profit is a measure in percentage used to assess the extent to which the company is able to generate profits at an acceptable level. Profitability figures are expressed in terms of profit before or after tax, return on investment, earnings per share, and sales. The value of

norm for the size of the company's health (Wikipedia, 2011). Profitability also has an important meaning in an effort to maintain its survival in the long term, because profitability shows whether the business entity has good prospects in the future. Thus, every business entity will always try to increase its profitability, because the higher the level of profitability of a business entity, the survival of the business entity will be more guaranteed. Profitability used as a criterion for evaluating the company's operating results has very important benefits and can be used as follows:

- a. Profitability can be used to describe the criteria that are needed in assessing the success of a company in terms of capability and motivation from management.
- b. Profitability is a tool for making projected company profits because it describes the correlation between profits and the amount of capital invested.

Profitability is a control tool for management, profitability can be used by internal parties to set targets, budgets, coordination, evaluate the results of the company's operations and base decision making.

2. IMPLEMENTATION METHOD

For this reason, in order to spur the success of the program, the implementation method is carried out by:

a. Conditioning Situation

At the beginning of the activity created a family atmosphere. This activity was carried out with the intention of providing an understanding that the problems of the Dodol and Semprong Rancamalaka MSME Industry Center SMEs are a common problem so that problem solving can be carried out together in accordance with their respective portions and levels of responsibility. will benefit and benefit.

b. Mutual Cooperation

Every UKM that is fully involved in participating in the implementation of the service program, they not only participate in physical activities but also in non-physical activities such as training, guidance and even if possible, also involved in the financial aspect. This approach is intended to transfer knowledge and technology about the production process of quality Dodol and Semprong that can take place effectively and efficiently.

In order to measure the success rate of the implementation of this service program, it can be measured from the following variables:

- a. How much increase the productivity and profitability of the business.
- b. How proficient the partner's skills are in making financial reports.
- c. How quickly partners can run a business and market products in the Cikarang and surrounding areas. The training is carried out according to the management field, namely the field of finance, the field of marketing and entrepreneurship as well as the field of production. Intended to assist partners in increasing productivity and is expected to increase business profitability.

3. RESULTS AND DISCUSSION

Implementation of management training includes financial management and simple bookkeeping. The purpose of this training is to add insight on how to manage and separate business finances from personal finances. The implementation of the next management training is Marketing management and entrepreneurship. The purpose of this training is to provide insight on how to market products from the point of view of product, packaging and distribution.

The last implementation of management training is production management. The purpose of this training is to provide insight on how to make production implementation effective by making process time efficiency, as well as innovating existing products. After there was guidance on the production aspect, Partners made changes in the packaging, which initially only used kilograms, now they are packaged in economical plastic packaging and are also branded, so that Dodol and Semprong become more attractive. In the financial aspect, the guidance carried out has helped partners in making their own simple bookkeeping, partners can find out business benefits, where so far partners are still combining personal finance and business finance.

In the Marketing aspect, the guidance carried out is to provide counseling on how to market the company's products. So far, partners only serve orders, but with the development of the team's business, the team recommends selling with a consignment system at several stores around Cikarang.



Picture 3. Semprong Cake



Figure 4. Dodol Cake

4. CONCLUSION

MSMEs that are partners in this service program are MSMEs that really need help in developing their business, because from the observations of researchers carried out it illustrates that SMEs are very productive partners and have customers not only in the Cikarang area but have entered the surrounding Bekasi City. To create customers and market prey, which previously only packaged in kilograms, economical product packaging, brands, flavor variants, shapes and colors were created so that the shapes and products were better attractive so as to increase consumer purchasing power.

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