



A WISE FINANCIAL CONTROL PROGRAM TO IMPROVE THE FINANCIAL STABILITY OF CHICKEN SEMPOL MICRO AND SMALL ENTERPRISES (MSEs)

PROGRAM PENGENDALIAN KEUANGAN YANG BIJAK UNTUK MENINGKATKAN STABILITAS KEUANGAN USAHA MIKRO DAN KECIL (UMK) SEMPOL AYAM

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Abstract

Micro and Small Enterprises (MSEs) play an important role in supporting local economic development; however, many MSE actors still face challenges in managing their business finances effectively. Common problems include the absence of systematic financial records, the mixing of personal and business finances, and limited understanding of financial control. This community service program aimed to improve the financial literacy and financial management practices of the Sempol Ayam Micro and Small Enterprise through an educational and mentoring-based approach. The program was implemented through counseling, training, and direct mentoring focusing on daily transaction recording, cash flow management, production cost calculation, and the preparation of simple profit and loss statements. The results indicate a significant improvement in the partner's financial management practices, including more systematic bookkeeping, clearer separation of personal and business finances, more accurate cost calculations, and better monitoring of business performance. Overall, the program contributed positively to enhancing financial control, financial stability, and business sustainability of the micro-enterprise. These findings demonstrate that simple and practical financial management assistance can effectively strengthen the capacity of Micro and Small Enterprises.

Keywords : Community Service, MSME Empowerment, Financial Management, Financial Literacy.

Abstrak

Usaha Mikro Kecil (UMK) memiliki peran strategis dalam mendukung perekonomian nasional, khususnya dalam menciptakan lapangan kerja dan meningkatkan kesejahteraan masyarakat. Namun, sebagian besar pelaku UMK masih menghadapi kendala dalam pengelolaan keuangan usaha, seperti belum diterapkannya pencatatan keuangan yang sistematis, tidak adanya pemisahan antara keuangan pribadi dan usaha, serta rendahnya pemahaman mengenai pengendalian keuangan. Kegiatan ini dilaksanakan pada UMK Sempol Ayam yang berlokasi di sekitar Fakultas Kedokteran Universitas Pattimura pada tahun 2024 dengan melibatkan satu mitra usaha mikro. Kegiatan pengabdian kepada masyarakat ini bertujuan untuk meningkatkan literasi keuangan dan kemampuan pengelolaan keuangan



pelaku UMK Sempol Ayam melalui pendekatan edukatif dan pendampingan. Metode pelaksanaan meliputi penyuluhan, pelatihan, dan pendampingan langsung yang difokuskan pada pencatatan transaksi harian, pengelolaan arus kas, serta penyusunan laporan laba rugi sederhana. Hasil kegiatan menunjukkan peningkatan pemahaman pelaku UMK terhadap pentingnya pengendalian keuangan, kemampuan melakukan pencatatan keuangan secara sederhana dan terstruktur, serta kemampuan menghitung biaya produksi dan keuntungan usaha dengan lebih akurat. Kegiatan ini memberikan kontribusi positif dalam meningkatkan stabilitas finansial dan keberlanjutan usaha UMK.

Kata Kunci : Pengabdian Masyarakat, Pemberdayaan UMK, Pengelolaan Keuangan, Literasi Keuangan.

1. INTRODUCTION

Micro and Small Enterprises (MSEs) play a vital role in supporting economic growth, employment creation, and income distribution, particularly in developing countries. In Indonesia, MSEs contribute significantly to local economic activities and serve as an important source of livelihood for many communities. Despite their strategic role, many MSE actors still face internal challenges that hinder business sustainability, especially in the area of financial management.

One of the most common problems encountered by MSEs is the lack of systematic financial management practices. Many business owners do not maintain regular financial records, mix personal and business finances, and have limited understanding of financial control. These conditions make it difficult for MSE actors to accurately assess business performance, manage cash flow, and make informed financial decisions. Poor financial management may lead to pricing errors, inefficient cost control, and financial instability.

Financial literacy is widely recognized as a key factor influencing the success and sustainability of small businesses. Adequate financial knowledge enables MSE actors to record transactions properly, calculate production costs accurately, and prepare simple financial reports such as profit and loss statements. Previous studies indicate that improved financial literacy and basic bookkeeping practices can enhance financial control and business performance among micro and small enterprises.

Community service programs focusing on financial education and mentoring are considered an effective approach to addressing financial management problems faced by MSE actors. Through counseling, training, and direct assistance, such programs provide practical and applicable solutions tailored to the needs of micro-scale businesses. Therefore, this community service activity was designed to improve the financial management capabilities of the Sempol Ayam Micro and Small Enterprise located near Pattimura University.

The objective of this program was to enhance the partner's financial literacy and financial management practices through a wise financial control approach. By strengthening basic bookkeeping skills, cash flow management, and cost calculation, the program is expected to contribute to improved financial stability and long-term business sustainability.



2. RESEARCH METHOD

This community service activity adopted a descriptive qualitative approach within a community empowerment framework. The method was designed to describe changes in financial management practices of a Micro and Small Enterprise (MSE) partner after the implementation of a wise financial control assistance program. The focus of the activity was not hypothesis testing, but the observation and evaluation of improvements in financial literacy and financial management behavior.

a. Subject and Location of the Activity

The subject of this community service activity was the *Sempol Ayam* Micro and Small Enterprise, a micro-scale culinary business located in front of the Faculty of Medicine, Pattimura University. The enterprise has a relatively fast daily cash turnover but initially did not apply structured financial management practices. Prior to the program, financial transactions were not systematically recorded, and personal and business finances were mixed.

b. Data Collection Techniques

Data were collected using qualitative techniques, including direct observation, interviews, and documentation. Observations were conducted to identify the initial condition of financial management practices and to assess changes after the implementation of the program. Interviews were carried out to explore the partner's understanding and perception of financial management concepts. Documentation included simple financial records, such as cash books and profit and loss statements prepared during the mentoring process.

c. Implementation Procedure

The implementation of the community service program employed an educational and participatory approach. Educational activities were carried out through counseling and training, while participatory activities involved direct engagement of the MSE actor in financial recording practices. The program consisted of five stages: preparation, counseling, training, direct mentoring, and evaluation.

The preparation stage involved coordination with the MSE partner, initial observation of business conditions, and preparation of training materials. The counseling stage focused on delivering basic concepts of financial management, financial control, the importance of bookkeeping, and the separation of personal and business finances. The training stage emphasized hands-on practice in recording daily transactions, calculating production costs, managing cash flow, and preparing simple profit and loss statements. Direct mentoring was conducted to ensure consistent application of the introduced financial management practices in daily business operations. Evaluation was carried out through observation and interviews to assess improvements in financial management skills and behavior.

d. Data Analysis

Data analysis was conducted descriptively by comparing the financial management conditions before and after the implementation of the program. The analysis focused on key indicators such as transaction recording practices, separation of finances, cash flow



management, production cost calculation, pricing determination, and preparation of simple financial statements.

Table 1. Stages of the Community Service Program and Financial Management Indicators

No	Stage	Activity Description	Financial Management Indicators	Expected Outcomes
1	Preparation	Coordination with the MSE partner, initial observation, and preparation of training materials	Identification of initial financial management conditions	Baseline data on financial practices
2	Counseling	Delivery of basic financial management and financial control concepts	Understanding of financial literacy and bookkeeping concepts	Increased awareness of financial management importance
3	Training	Practical training on daily transaction recording, cash flow management, and cost calculation	Ability to record transactions and calculate costs	Improved financial recording and cost determination skills
4	Direct Mentoring	Assistance in applying bookkeeping and preparing profit and loss statements	Consistent implementation of financial practices	Simple profit and loss statements prepared
5	Evaluation	Observation and interviews after program implementation	Changes in financial management behavior	Improved financial control and business financial stability

3. RESULT AND DISCUSSION

The implementation of the wise financial control program produced significant and observable changes in the financial management practices of the Sempol Ayam Micro and Small Enterprise. Prior to the mentoring intervention, financial management was conducted informally. The business owner did not maintain systematic financial records and relied primarily on memory to track daily income and expenses. This condition made it difficult to monitor cash flow, evaluate business performance, and determine accurate production costs. Such practices are commonly found among micro-scale enterprises and often become a major barrier to business sustainability.

After the educational and mentoring process, a substantial improvement was observed in daily financial recording practices. The MSME actor began to routinely record all daily transactions, including sales revenue, raw material purchases, and operational expenses. This shift indicates an important behavioral change from informal to more disciplined financial management. Regular transaction recording enabled the business owner to clearly identify cash inflows and outflows, thereby improving control over daily financial activities. This finding supports previous studies that emphasize the role of simple bookkeeping in strengthening financial control and reducing financial uncertainty among MSMEs.



In addition to improvements in transaction recording, the MSME demonstrated enhanced financial reporting skills. With direct guidance and practice, the business owner was able to prepare structured financial statements, including simple income statements, balance sheets, and cash flow statements. These reports provided clearer insights into business performance, profitability, and financial position. The preparation of these financial statements represents a critical step toward more professional business management, as financial reports function as an essential tool for evaluation, planning, and decision-making. The ability to calculate production costs more accurately also allowed the MSME to determine selling prices more rationally and avoid pricing errors that could negatively affect profitability.

Another important result of the program was its impact on the MSME's readiness to access formal financing. Prior to the intervention, the absence of proper financial records limited the business owner's ability to apply for external funding from banks or microfinance institutions. After the mentoring process, the availability of standardized financial statements fulfilled basic administrative requirements commonly requested by formal financial institutions. This improvement increased the MSME's potential to access financing for business expansion, working capital, or equipment investment. This finding is consistent with previous research highlighting that financial reporting quality plays a crucial role in improving MSMEs' access to formal financing.

From a broader perspective, the findings confirm that continuous education and mentoring are effective strategies for enhancing MSMEs' financial literacy and financial management capabilities. The community service approach adopted in this program successfully bridged the gap between theoretical knowledge and practical application. Rather than focusing solely on conceptual explanations, the program emphasized hands-on practice and direct assistance, which enabled the MSME actor to immediately apply new knowledge in daily business operations. This approach proved effective in fostering behavioral change and strengthening financial discipline.

Overall, the results demonstrate that a simple and practical financial control program can significantly improve financial management practices, financial reporting skills, and financing readiness of micro and small enterprises. These improvements contribute positively to financial stability, professionalism, and long-term business sustainability. Therefore, similar mentoring-based community service programs are highly recommended to support the empowerment and resilience of MSMEs, particularly those operating at the micro scale with limited financial management capacity..

4. CONCLUSION

The community service program focusing on wise financial control successfully improved the financial literacy and financial management practices of the Sempol Ayam Micro and Small Enterprise. Through counseling, training, and direct mentoring, the partner demonstrated improved ability to record daily financial transactions systematically, separate



personal and business finances, calculate production costs accurately, and prepare simple profit and loss statements.

The implementation of basic financial management practices enabled better cash flow monitoring and more informed decision-making. These improvements contributed to enhanced financial control, financial stability, and business sustainability. The findings indicate that practical and mentoring-based financial management assistance is effective in strengthening the capacity of micro-scale enterprises.

Based on the results of this community service program, several recommendations can be proposed. Micro and Small Enterprise actors are encouraged to consistently apply systematic financial recording and maintain a clear separation between personal and business finances to ensure accurate financial evaluation. The regular preparation of simple financial reports should be continued to support effective business planning and control.

For future community service activities, it is recommended to incorporate digital bookkeeping tools to improve efficiency and accuracy in financial management. In addition, extending the duration of mentoring and involving a larger number of MSE partners may enhance the long-term impact and sustainability of similar financial literacy programs.

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