



Financial Digitization using SILARUM Integrated in the Batik Talangsari Cluster, Semarang City

¹Wulan Suci Rachmadani, ²Margunani, ³Dwi Puji Astuti, ⁴Hana Netti Purasani, ⁵Susmy Lianingsih

^{1, 2, 3, 4, 5, 6, 7} Universitas Negeri Semarang

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ABSTRACT

Most MSME actors cannot provide accounting information related to their business conditions. It is motivated by several things, such as the view of MSME actors that accounting practice is difficult. In addition, other obstacles are the educational background that does not understand accounting or bookkeeping and the lack of sufficient funds to hire accountants or buy accounting software. Therefore, there is a need for an accessible and integrated accounting bookkeeping innovation, one of which is in the Batik Cluster of Semarang City. The SMEs in the Semarang City Batik Cluster is part of the Regional Development Planning Agency (PEL) of Semarang City in 2021. The cluster members are 30 SMEs with an average workforce of 64 people. The batik cluster received training from various universities and trainers in collaboration with Bappeda Semarang, such as textile product training and paper stamped batik training. Not only that but accounting training is also provided in an application called SILARUM. This training is expected to be a solution for SMEs actors in making financial reports quickly, even though MSME actors do not have basic accounting. SILARUM is an integrated accounting application system capable of producing financial reports, namely statements of financial position, income statements, reports of changes, and reports of cash flows. The SILARUM system has a broader scope because it provides a cash flow report output.

Mayoritas pelaku UMKM tidak mampu memberikan informasi akuntansi terkait kondisi usahanya. Hal ini dilatarbelakangi oleh beberapa hal seperti pandangan pelaku UMKM bahwa praktik akuntansi merupakan hal yang sulit. Disamping itu, kendala lain adalah latar belakang pendidikan yang tidak paham akuntansi atau tata buku, tidak adanya dana yang cukup untuk mempekerjakan akuntan atau membeli software akuntansi. Oleh karena itulah perlu adanya inovasi pembukuan akuntansi yang mudah dan terintegrasi salah satunya di Klaster Batik Kota Semarang. UMKM Klaster Batik Kota Semarang tersebut tergabung dalam PEL (Pengembangan Ekonomi Lokal) Bappeda Kota Semarang tahun 2021. Anggota klaster terdiri dari 30 UMKM dan memiliki rata-rata tenaga kerja sebanyak 64 orang. Klaster batik mendapatkan pelatihan dari berbagai perguruan tinggi maupun para trainer yang bekerjasama dengan Bappeda Semarang, seperti pelatihan produk tekstil dan pelatihan batik cap kertas. Tidak hanya itu, pelatihan akuntansi juga diberikan dalam aplikasi bernama SILARUM. Pelatihan ini diharapkan menjadi sebuah solusi bagi pelaku UMKM dalam membuat laporan keuangan secara mudah, walaupun pelaku UMKM tidak memiliki basic akuntansi. SILARUM merupakan sistem aplikasi akuntansi terintegrasi yang mampu menghasilkan laporan keuangan, yaitu laporan posisi keuangan, laporan laba rugi, laporan perubahan dan laporan arus kas. Sistem SILARUM memiliki scope yang lebih luas, karena dilengkapi dengan output laporan arus kas.

Address: Gedung L, Kampus Sekaran, Gunungpati, Semarang,
 Indonesia, 50229

Correspondent Address:

Gedung L2 Lantai 2 FE UNNES

Email: wulansuci1986@mail.unnes.ac.id

INTRODUCTION

MSMEs are business activities that have a relatively small scope. Although MSMEs have a small business network, MSME businesses can dominate the competition in the domestic industry and the global market. MSMEs are considered more resilient when facing a crisis than large businesses (Wahyono & Hutahayan, 2019). MSMEs are reactive, flexible, and risky organizations, but MSMEs are more innovative than large companies (Ruiz-Palomo et al., 2019).

In general, MSMEs often experience delays in their development. It is due to various conventional problems that are not entirely resolved (closed loop problems), such as human resource capacity problems, ownership, financing, marketing, and various other problems related to business management, making it difficult for MSMEs to compete with large companies (Abor and Quartey, 2010). Therefore, strategic efforts are needed to improve the performance and sustainability of MSMEs. One way that can be done is to enrich the knowledge of MSME actors on financial knowledge so that their management and accountability can be better accounted for as a large company (Aribawa, 2016).

Most MSME entrepreneurs cannot provide accounting information related to their business conditions (Baas & Schrooten, 2006). With adequate accounting, MSME entrepreneurs can meet the requirements in credit applications, such as making financial reports (Warsono, 2009). However, the implementation of bookkeeping is complex for MSMEs because of limited knowledge about accounting, the complexity of the accounting process, and the assumption that financial statements are not crucial for MSMEs. Other limitations MSMEs face are educational backgrounds that do not understand accounting or bookkeeping, lack of discipline in carrying out accounting books, and the absence of sufficient funds to hire accountants or buy accounting software to facilitate the implementation of accounting books (Rudiantoro & Siregar, 2012). MSMEs' financial strategy is more operational and does not lead to long-term planning (Bellamy et al., 2019).

Semarang City is one of the Metropolitan Cities in Indonesia, with a population of more than 1.5 million. As the capital city of Central Java Province, which is included in the typology of fast-growing regions, Semarang City has its main economic activities, namely trade, services, and industry. Semarang City is included in the classification of a Metropolis City whose city development has led to industrial development. Based on the Regional Medium-Term Development Plan (RPJMD) of Semarang City for 2016-2021, there are strategic issues

for city development related to improving the economy and regional competitiveness (Putri, 2018).

One of the industrial clusters actively developed by the Semarang City Government is the batik industry cluster. As a national heritage, batik has become a distinctive feature related to the characteristics of the area where the batik was developed, as seen in Pekalongan batik and Solo and Lasem batik (Nugroho, 2015). Semarang batik activity first appeared in Kampung Batik Semarang, Mlatibaru Village, East Semarang District. Kampung Batik Semarang was burned down in 1942, which caused batik activity to decline. Efforts to re-increase Semarang batik activities began in the 1980s and began to develop with the formation of the batik industry cluster organization in 2006. Apart from being supported by local government policies, of course, the development of the Semarang batik cluster cannot be separated from the embeddedness of the region's resources (Putri, 2018).

The MSME Batik cluster was part of the Regional Development Planning Agency (PEL) of Semarang City in 2021 and a cluster that developed from 2017-2020. Cluster members are 30 MSME and have an average workforce of 64 people. The batik cluster received training from various universities and trainers in collaboration with Bappeda Semarang, such as training on textile products and training on paper stamped batik. The training encourages the progress of the batik cluster SMEs in Semarang City. The SILARUM application training is expected to be a solution for MSME actors in making financial reports quickly, although MSME actors do not have basic accounting in this case. SILARUM is an integrated accounting system application that can produce financial reports, namely Statements of Financial Position, Income Statements, Changes Reports, and Cash Flow Statements. The SILARUM system has a broader scope because it has a cash flow statement output.

METHOD

Several approach methods are used to solve priority issues in understanding MSME actors' recording of the accounting application system for MSME financial statements.

1. Identify the extent of knowledge of MSME actors in recording the accounting application system for MSME financial statements.
2. Identification is carried out by direct interviews with MSME actors in recording the MSME integrated financial statement accounting application. In addition, identification is also equipped with filling out questionnaires and interviews with the community of MSME actors around the place of business.
3. Socializing the importance of recording the

accounting application system for MSME financial statements. The socialization was conducted as an introduction event in recording the MSME integrated financial statement accounting application system for MSME actors. The socialization materials include understanding of financial statements,

- a) the benefits of recording the accounting application system in detail,
- b) how to see the financial performance through financial reports, and
- c) practice in inputting the accounting application system for integrated financial statements of SMEs.
- d) Training on recording MSME financial report accounting application systems

According to Wahyudin and Khafid (2013), financial statements are the output of the process of financial accounting activities after the company has carried out its activities for a certain period, for example, one year, one semester, one quarter, or maybe even one month. Financial information expected to answer the need for questions like the abovementioned ones is essentially referred to as the company's financial statements. Various types of financial statements according to Financial Accounting Standards (SAK) EMKM. The financial statements that the company must prepare consist of an income statement, statement of changes in equity (capital), balance sheet, and SILARUM, which also displays cash flow statement output.

- 4. Assistance and practical observation recording application system accounting for MSME financial statements. After being taught strategies for practicing accounting records, the service team will assist MSME actors in adequately recording the accounting application system.
- 5. Giving feedback

Giving feedback is done by providing practical recording application systems for more accessible things. Prior to trial, use a financial reporting application system. In this session, the difficulties faced by the training participants were identified, and solutions were given. In addition, suggestions and input from the training participants were also identified for follow-up service activities

RESULTS AND DISCUSSIONS

Forms of activity

Community service activities agreed upon by MSME actors, in this case, the service team took the object at Batik Talangsari Semarang, and the Service

Team from the Department of Economics Education was to improve skills in the recording process of the MSME integrated accounting application system.

Table 1.
Realization of Activities

| Stages | Activity | Goal | Result |
|--------|--|--|---|
| 1 | Explaining the theory of recording the accounting application system for financial statements based on Financial Accounting Standards (SAK) EMKM | Partners know the theory of recording systems for accounting applications for financial statements based on EMKM Financial Accounting Standards. | Activity partners know the theory of recording systems accounting applications for financial statements based on EMKM Financial Accounting Standards. |
| 2 | Provide training on recording system accounting applications for financial statements based on Financial Accounting Standards (SAK) EMKM. | Activity partners can understand the training in recording financial statement accounting applications based on SAK EMKM. | All activity partners can understand the practice of the accounting application recording system for financial statements based on SAK EMKM. |
| 3 | The practice of recording a financial statement accounting application system based on the Standard | Activity partners can practice in the field, and can use accounting application recording systems | Activity partners practice accounting application recording systems for financial statements based on the Standard. |



Figure. 1

Directions and Dissemination of the Importance of Accounting Records in Business to Batik MSME Actors

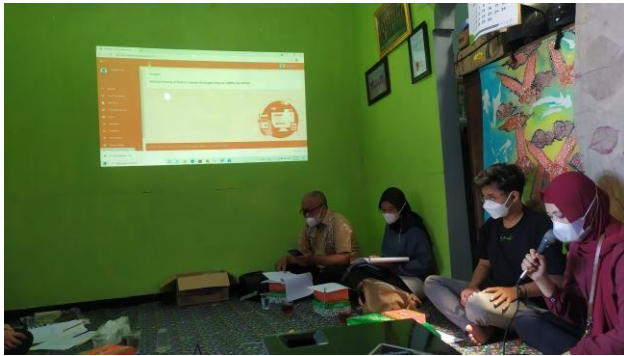


Figure 2

The Practice of Using the SILARUM Application by Batik MSME

Activity Target

Community service activities regarding training in making digital-based financial reports (SILARUM) were addressed to the Talangsari Batik Cluster, Semarang City, which consisted of 5 people (meetings were held in a limited manner due to maintaining progress due to Covid 19).

Output dan Outcome

The outputs obtained from this community service activity include:

1. The perpetrators of UMKM Batik Talangsari Semarang City can make good financial reports using digitalization.
2. The perpetrators of UMKM Batik Talangsari Semarang City can have comprehensive accounting knowledge assisted by an integrated financial reporting system (SILARUM).
3. The application of financial reports to MSMEs provides knowledge in terms of understanding and practice to support accountable MSME financial reports.
4. Improving the skills of SMEs in Batik Talangsari in Semarang City in making financial reports can be realized

The outcomes obtained in this community service activity include:

1. With the community service program in the form of training on digital financial reporting in the form of financial reporting system applications, MSMEs (SILARUM) can increase the understanding of SMEs in Batik Talangsari in Semarang City regarding accounting correctly and efficiently.
2. The training on the role of MSME actors in Batik Talangsari Semarang City on the integrated MSME financial reporting system (SILARUM) can improve MSME financial reporting to facilitate the process of capital credit for MSMEs and investors. They want to

invest in MSME actors in Batik Talangsari Semarang City

CONCLUSION

The conclusions from the implementation of community service regarding the application of integrated financial reports (SILARUM) are:

1. Can add to the skills and insights of SMEs in the Talangsari Batik Cluster, Semarang City, in making financial reports accurately and efficiently.
2. The response by MSME actors was excellent and open, even wanting a follow-up meeting in the form of mentoring MSME actors.

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