



ANALYSIS OF FINANCIAL DIGITALIZATION ON BUMDES AS A KNOWLEDGE-BASED VIEW PERSPECTIVE: (CASE OF BUMDES BUMIREJO, DAMPIT, MALANG REGENCY)

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Abstract: Research on knowledge management is centered on the question of how companies from small to large scale manage their assets, so that they can produce a comparative advantage. The times have forced economic actors to adapt in order to answer any existing challenges. The use of appropriate technology is a central issue in responding to the challenges that arise. Large companies have sufficient human resources to integrate technology with existing governance. However, this is not necessarily the case with small economic units such as Village Owned Enterprises (BUMDes). This study aims to explain how BUMDes manages the new knowledge gained, thereby contributing to increased performance (knowledge-based strategy). The method used is a qualitative research method with an exploratory approach. The process of data collection and analysis is divided into two stages. First, in-depth interviews with several predetermined samples. The results of the interviews were then analyzed to obtain preliminary results or the level of knowledge currently owned by BUMDes. The second stage is training and workshops for partners to introduce new types of knowledge, namely digital-based financial management. Furthermore, data collection was carried out through focus group discussions (FGD). The results of this study are the performance of BUMDes Bumirejo is increasing and contributing to the village economy, especially in the transparency of digital-based financial management. The main key. To achieve the desired hope is to improve the village economy. Trust, commitment and sustainability of BUMDes development.

Keyword: Knowledge Management, Finance BUMDes, Knowledge-Based Strategy, Focus Group Discussion

INTRODUCTION

Globalization has produced a competitive economic atmosphere on a global scale (Ichalina, F & Hadayani, N, 2020). Companies are required to maintain the wheels of their business by winning the competition from other companies. However, it is not only big companies that are economic actors. Micro-scale industry players in urban and rural areas are also an integral part of the economic pie (Ansori, 2005). When the COVID-19 pandemic occurred in Indonesia in 2020, the government imposed restrictions on social activities. This

has had a huge impact on companies, especially in the field of food production (Manik, H. F, 2020). Not only large companies, social restrictions also have an impact on micro, small and medium enterprises (MSMEs). Street vendors and small shop owners cannot sell at the time they normally sell. Even if they sell, the demand will decrease until no one buys their product.

Not only in the city, economic actors in the village are also affected, such as in Bumirejo Village, Dampit District, Malang Regency. The village has a Village-Owned Enterprise (BUMDes) which is the foundation for some village communities to depend on for their lives. Slowly but surely, BUMDes Bumirejo is recovering from the pandemic. There are several mainstay commodities in the form of snacks which are marketed in markets around the village. However, the level of sales of Bumirejo BUMDes products has stagnated. To determine the performance of a business unit, in this case BUMDes, an analytical tool is needed that can measure the performance of BUMDes. The tool commonly used to determine performance is the financial report (Suwarsi, S, 2020). However, the financial management of BUMDes Bumirejo still uses conventional methods and has not used appropriate technology. This shows that the business unit does not have sufficient knowledge in the financial sector.

Each economic unit always has internal knowledge, whether it is knowledge about products, services, customers, stakeholder relations, the business environment, and collective memory. All of these elements form the basis for the related economic units to be able to formulate what actions can be taken. Big businesses are pursuing their business strategies using knowledge-based strategies and knowledge management. If only big businesses can formulate an effort from this strategy, can small economic units also apply it?

To answer this question, it is necessary to conduct a study that investigates the relationship between the addition of science and technology (IPTEK) inputs with the technological capabilities of human resources owned by BUMDes. This research is expected to create novelty in explaining the knowledge management of an economic unit, in this case BUMdes Bumirejo. The explanation above is the basis for this research to raise the formulation of the problem "How is the Knowledge Management of Bumdes Bumirejo in the Perspective of Knowledge Based View?"

Previous research that has become a reference for researchers in conducting this research includes research conducted by Collison, C., Parcell, G. (2002) with the title "Learning to Fly, Practical Knowledge Management from Leading and Learning Organizations. Capstone: London". This research is one of the main references in the study of Knowledge Management. In his view, there are three basic components in the knowledge management of an organization, namely: Humans, Processes, and Technology. In its development, this framework is considered no longer able to explain various aspects such as work culture, knowledge gained from customers, as well as the interaction process of each stakeholder as a whole.

The second study was conducted by Anshori, Yusak. (2005) with the title "Analysis of Competitive Advantage Through Application of Knowledge Management and Knowledge-Based Strategy at Surabaya Plaza Hotel". This study aims to describe efforts to create competitive advantage from Surabaya Plaza Hotel (SPH). The results of the study stated that SPH succeeded in generating competitive advantage from the process of formulating a knowledge-based strategy, namely customer knowledge, stakeholder relationships, knowledge in products and services, and knowledge in people. However, this study cannot explain how an organization incorporates new knowledge with existing knowledge.

The third research conducted by Suwarsi, Sri. (2020) with the title "Knowledge Management Implementation Model in Creating Innovations in the Creative Industry in the City of Bandung". This research is a theoretical study in the knowledge management theory treasures. This study aims to design a knowledge management concept that is applicable for

MSMEs in the city of Bandung. This research also provides various indicators to measure the success of MSMEs. The weakness of this research is the emptiness of the empirical base which can show that the designed theory can be used as a measure of success.

The fourth study was conducted by Manik, Hardo Firmana G. G. (2020) with the title "Village Owned Enterprises (BUMDes) as Knowledge-Based Companies: An Initial Study. Rural research". This study attempts to explain the level of BUMDes knowledge management through the so-called knowledge maturity metric. There is the same problem as in Suwarsi's study, where there is no empirical basis support so the validity of the matrix is questioned.

Various studies on knowledge governance in MSMEs or BUMDes have been carried out. However, there is still an unexplained space (research gap) in the theme of this research. As the models developed by Manik (2020) and Suwarsi (2020) which are not supported by a solid empirical basis, thus delaying the validity of the "measurement instrument" developed. In addition, the anchor theory proposed by Collison and Parcell (2004) is no longer able to explain new aspects that develop in companies such as work culture (Suwarsi, S, 2020). Village-owned enterprises (BUMDes) are managed by the community in an effort to strengthen the village economy and have been formed based on the potential needs of the village, to reduce poverty it is necessary to improve community welfare so that the direction can develop and survive and strengthen managerial capacity in BUMDes management, financial management and accountability. . BUMDes will be one of the stimuli in formulating strategic steps so that BUMDes will continue to advance and develop. Therefore, here the researchers conducted a study entitled Improving the Role of Financial Digitization in Village Owned Enterprises (Bumdes) as a Knowledge Based View Perspective.

LITERATURE REVIEW

Knowledge

Knowledge is justified true belief. That is, when someone creates knowledge, he understands the surrounding conditions in a new way (Krogh, v., Ichijo, G., & Nokana, I, 2000). This indicates that knowledgeable people are people who can create meaning in the world. On the other hand, knowledge as a capacity to act (which can be done unconsciously). Various existing definitions of knowledge indicate that knowledge is dynamic, personal, and different from mere data or information (Svieby, K. E, 1994).

This knowledge base was later adopted by the management world. Researchers propose knowledge-based theory as an analytical tool in examining the strategy formulation process in a company. In social-humanities studies, this theory is a derivative of the constructivist paradigm. Individuals are assumed to be the main agents who make up the structure. In this context, the company is a world structure created (constructed) by a group of individuals (Rosenberg, M. J, 2001). Humans are creatures who often spread their influence on tangible and intangible goods. Things look like buildings, machines, cars as products. While the invisible goods such as corporations, ideas, corporate culture, etc.

Knowledge is an asset owned by a company. Visible and invisible goods are manifestations of knowledge assets owned by the company. The quality of a company can be seen from how corporate governance is and how such governance is produced. To understand this, a concept is needed that can explain it. The level of knowledge of a company can be analyzed using the fundamental elements of knowledge management (Rosenberg, M. J, 2001). Meanwhile, the mechanism of the occurrence of a knowledge governance product can be explained by the proprietary knowledge-based theory (Svieby, K.-E, 2001).

Knowledge Based View

Knowledge-based view of the company or the term that is often used, namely Knowledge Based View (KBV) is a new extension of the company's resource-based view or

Resource-Based View (RBV) of the company and provides strong theoretical support for intellectual capital. The KBV is derived from the RBV and shows that knowledge in its various forms is an important resource for the company (Grant, 1997). The knowledge-based theory of the enterprise outlines the following distinctive characteristics: a. Knowledge holds the most strategic meaning in the company. b. Production activities and processes in companies involve the application of knowledge. c. The individuals within the organization who are responsible for creating, holding, and sharing knowledge.

Knowledge-Based Theory identifies that knowledge, which is characterized by scarcity and difficult to transfer and replicate, is an important resource for achieving competitive advantage in the face of competition. The company's capacity and effectiveness in generating, sharing, and conveying knowledge and information determines the value generated by the company as the basis for a company's sustainable competitive advantage in the long term (Edvinsson and Malone, 1997; Bontis, 2002; Choo and Bontis, 2002). Knowledge based view theory is used to map and explain the importance of human resources as intangible assets in organizations, especially as intellectual capital.

Three Fundamentals of Knowledge Management

There is no single consensus on the definition of knowledge management (KM). However, in simple terms, KM can be defined as a series of value creation processes using knowledge assets. Barclay and Murray (2002) define KM as a business activity that has two important aspects, namely (1) using knowledge as a component to formulate strategies, policies, and various corporate practices as a whole; and (2) Coordinate intellectual assets to achieve company goals. The same thing was stated by Gupta and McDaniel (Gupta & J, 2002), who stated that "KM is a strategic process that aims to create a differentiator from competitors so that a comparative advantage is created."

The strategic process presented by Gupta and McDaniel is identified by Rosenberg (2001) in three ways. Rosenberg divides KM into three levels: document management; Information creation, sharing, and management; and enterprise intelligence. The first level is the simplest KM application, because KM is only used to facilitate the distribution of information. The second level is content creation in the process of information creation, communication and collaboration, real-time information management, and expert knowledge distribution. The third level reflects "the truly know-how of the organization" (Gupta, A., & J, M, 2002). The implementation of the organization's primary activities depends on the knowledge-based expertise inherent in the entire system in the company. Examples of activities at this level are building expert networks, interacting with operational databases, performance assistance, utilizing organizational "know-how" (Krogh, v., Ichijo, G., & Nokana, I, 2000). An existing KM model in the company. There are three main elements that are important to understand: people, processes, and technology (Collison, C., & Parcell, G, 2004). These three elements are not only necessary, but also complement each other. Knowledge Management itself is the intersection of the three elements, as shown in Figure 1 below.

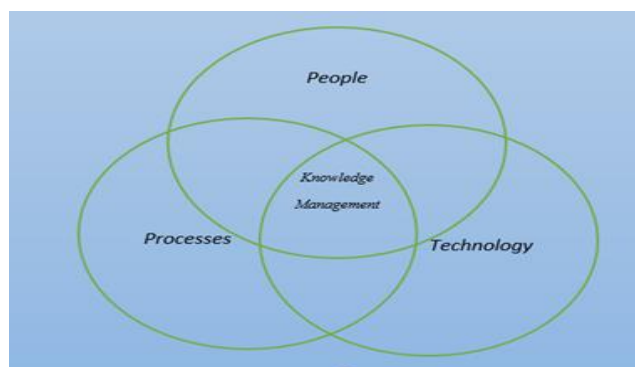


Figure 1. Three Basic Elements of Knowledge Management
Source : Collison, C., & Parcell, G (2004)

Collison and Parcell's proprietary model contains three essential elements of knowledge governance. However, this model cannot explain how the interaction between the three. In addition, the components used by Collison and Parcell are too technical and specific so that they do not capture the whole process (Collison, C., & Parcell, G, 2004). In response, Sveiby modified the three components without changing their basic shape. The advantage of the Sveiby model is the interaction scheme between the three components. The following is an illustration of Sveiby's model (Sveiby, K.-E, 2001).

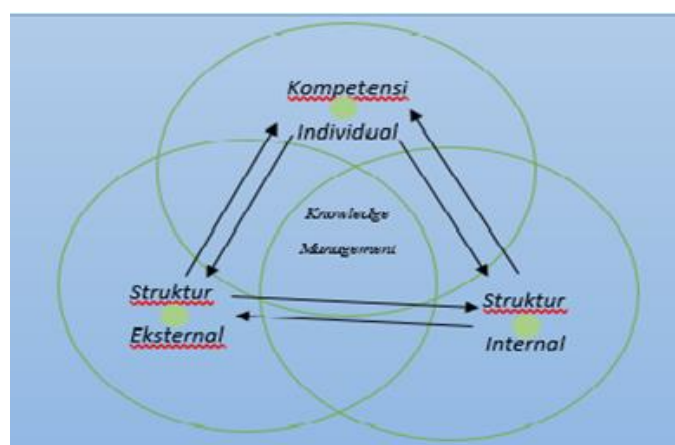


Figure 2. Company in Karl-Erik Sveiby Models
Source: Sveiby, K.-E (2001)

External structure is the company's relationship with customers, suppliers of goods, and company reputation (Sveiby, K. E, 1994). The value of the company's external structure is influenced by the quality of the company solving its customer problems. This relationship may change over time. However, the product knowledge possessed by the company is the main input of the external structure of the company. Individual competencies are composed by the competencies of each person in the company. The wheels of the company are carried out by humans as true agents, such as professional / technical staff, experts, research and development (R &D), menial workers, sales and marketing, as well as job posts another. All parties who have competence in the company are in direct contact with customers and participate in developing business ideas (Sveiby, K. E, 1994).

People who work in the internal sphere naturally construct the internal structure. The result of the work of individual competence, manifesting on the resulting tangible and intangible goods. These can be patents, products, business concepts, computer systems, and administrative systems. These three components produce interactions that then produce a level of knowledge management.

The Concept of Village-Owned Enterprises

According to Maryunani in Wicaksono, et al (2017: 1640) Village-Owned Enterprises (BUMDes) are village business institutions managed by the community and village government in an effort to strengthen the village economy and build bondage social communities that are formed based on the needs and potential of the village. Law Number 6 Year 2014 concerning Villages states that Village-Owned Enterprises are "Business entities whose entire or most of their capital is owned by the village through participation in a directly derived from the segregated wealth of the village in order to manage assets, services, and other businesses for the greatest welfare of the village community." BUMDes as one of the economic institutions operating in rural areas, must have differences with other economic institutions.

According to the Center for the Study of Development System Dynamics (2007: 4-5) there are 7 (seven) main characteristics that distinguish BUMDes from commercial economic institutions in general, namely:

- a) This business entity is owned by the village and managed jointly
- b) Business capital is sourced from villages (51%) and from communities (49%) through capital participation (shares or shares).
- c) Its operationalization uses a business philosophy rooted in local culture (local wisdom).
- d) The field of business carried out is based on the potential and results of market information.
- e) The profits obtained are aimed at improving the welfare of members (capital participation) and the community through village policies (village policies); f. Facilitated by the government, provincial government, district government and village government.
- f) Operational implementation is controlled jointly (village government, Village Consultative Body (BPD) and members).

Based on Government Regulation Number 43 Year 2014 concerning Regulations

The implementer of the Law on Villages is affirmed that the management organization of BUMDes is separate from the village government organization. Operational executors are prohibited from concurrently holding positions that carry out the functions of implementing village governments or community institutions. The existence and performance of BUMDes can make a significant contribution to improving the welfare of villagers and the original income of the village. In addition, the existence of BUMDes so as not to develop a capitalist business system in rural areas that can interfere with the values of people's lives. BUMDes as an economic institution, its business capital is built on community initiative and adheres to the principle of independence, this means that the fulfillment of BUMDes capital must be sourced from the community.

Based on the Regulation of the Minister of Villages, Development of Disadvantaged Regions, and Transmigration of the Republic of Indonesia Number 4 Year 2015 concerning the Establishment, Management and Management, and Changes in Village-Owned Enterprises, BUMDes was established with the aim of among others as follows : Improving the village's economy; Optimizing village assets to be beneficial for the welfare of the village; Improving community efforts in managing the economic potential of the village; Develop business cooperation plans between villages and / or with third parties; Creating opportunities and market networks that support the general service needs of citizens; Creating jobs; Improving community welfare through improving public services, growth and equitable distribution of the village economy; Increase the income of the villagers and the original income of the village.

Furthermore, there are six principles in the management of BUMDes, which include the following : Cooperatively, all components involved in BUMDes must be able to carry

out good cooperation for the development and sustainability of their business; Participatory, all components involved in BUMDes must be willing to voluntarily or be asked to provide support and contributions that can encourage the progress of BUMDes' business; Emancipation, all components involved in BUMDes should be treated equally regardless of class, ethnicity and religion; Transparent, activities that affect the interests of the general public must be known by all levels of society easily and openly; Accountable, all business activities must be technically and administratively accountable; Sustainable, business activities must be developed and preserved by the community in the BUMDes forum.

Financial Management of BUMDes

Village-Owned Enterprises which were later abbreviated as BUMDes according to Government Regulation Number 11 Year 2021 declare BUMDes as a legal entity established by the village and or together with the village to manage businesses, utilize assets, develop investments, provide services and other business units for the welfare of villages (Government of the Republic of Indonesia, 2021). Meanwhile, BUMDes Bersama was formed through inter-village deliberation activities organized by the Inter-Village Cooperation Agency and Inter-Village Business Services as a form of cooperation from two or more villages. The BUMDes organization or BUMDes Bersama is a separate entity from the village government. The organizational tools of BUMDes consist of Village Deliberations, Advisors, Operational Executives, and Supervisors. The establishment of BUMDes was agreed upon in advance through village deliberations by considering the economic and socio-cultural conditions of the community. Financial management in BUMDes also adopts the stages of financial management at the village level as stated in Domestic Regulation Number 20 Year 2018 concerning Village Financial Management, namely planning, implementation, administration, reporting, and accountability.

Financial management is any form of administrative activity carried out in the form of several stages which include: planning, storing, using, recording and supervising which then end with accountability (reporting) for the cycle of entry and exit of funds / money in an agency at a certain period of time (9). One of the financial management activities is carried out by managing / managing cash, which is related to cash inflows and cash outflows for the company's operational activities. Cash management can be interpreted as the activity of the company which includes: planning, implementing and controlling cash activities which generally consist of cash inflow and cash out management. Cash management is a daily activity that determines the smooth running of the company's operations. Financial managers need to manage the company's cash management properly so that they can provide cash according to needs in a timely manner.

RESEARCH METHODS

Types of Research

This research was designed as a qualitative study that explains new *insights* in the governance of BUMDes. Qualitative research is research that relies on data in the form of text and images and unique stages of analysis [4]. Meanwhile, this study uses a case study approach because it seeks to analyze processes, activities, and events. The level of knowledge management of an enterprise can be explained from the interaction process that occurs between the three components. The required data comes from samples representing the three components. Therefore, this study conducted two stages of purposive interviews, namely selective interviews and focus group discussions (FGDs). This is done to see what changes have occurred before and after the introduction of new knowledge in BUMDes.

Data collection techniques in this study were carried out using several techniques, including using observation, interviews and documentation. Observations or observations are

carried out systematically on the conditions that occur in BUMDes Bumirejo. The second uses a selective interview technique to BUMDes employees, BUMDes employees who are designated as a sample representing individual competency components. Then, interviews are also conducted with customers who consume products from BUMDes as samples that represent external structures. For the rest, parties who fill the leadership positions of BUMDes will be designated as samples representing the components of the internal structure. Here is a list of informants that have been established.

Table 1. List of Informants

No.	Informant	Component
1	BUMDes employees (2 people)	Individual Competence
2	BumDes Leader (1 person)	Internal Structure
3	Customer (5 persons)	External Structure

Source : Researcher data (2022)

The sampling method is carried out using a *non probability sampling* method. According to Wahyuni S (2020: 137) *the non probability sampling* method is a method of selecting samples not randomly, where in this study the sample is determined according to the will of the researcher and in accordance with the will of the researcher and in accordance with the research needs.

Data Analysis Techniques

The data obtained from this study were analyzed and used to determine the characteristics of BUMDes knowledge management within the Rosenberg framework. Furthermore, BUMDes were given training on the use of technology-based financial applications. After the training, informants were gathered again to conduct a *Focus Group Discussion (FGD)*. This method of collection was chosen because of the nature of new knowledge that is still in the developmental stage. The data obtained from the results of the FGD were then reanalyzed to see if there was a shift between the levels of knowledge management after the introduction of new skills.

System Development

The system design method is a method or method that aims to analyze the development and design of a system so that the system can meet the needs (Asy'ari, 2021). The method used to design the system to be made, namely, SDLC (Software Development Life Cycle) is the development / engineering of information systems (system development) and or software (software engineering) can means putting together a completely new system/ software or one that happens more often i.e. refining a pre-existing one . SDLC is used by the software industry to design, develop and test and aims to produce high-quality software that meets user / customer expectations in a predetermined time and estimated cost.



Figure 3. Software Development Life Cycle

Source : Researcher Data (2022)

FINDINGS AND DISCUSSION

Implementation of Activities The implementation of this research was carried out in the following stages: Interviews and observations of the initial conditions of BUMDes Bumirejo The following are the results of interviews conducted by researchers:

Table 2. Results of Interviews with Heads and Employees of BUMDes Bumirejo

Research question	Interview Questions	Informant's Answer
How is the condition of Bumirejo BUMDes so far? Are there any obstacles and obstacles faced while managing this BUMDes?	Related to technical and non-technical constraints and the lack of human resources owned by BUMDes Bumirejo, what are the forms of obstacles in the form of these obstacles?	The non-technical constraints we have faced so far are related to the structure of the BUMDes management, where along with the change of village heads, the management structure of the Bumirejo BUMDes has also changed. Then in Bumirejo Village, we have difficulty recruiting the younger generation to become the administrators of this Bumirejo BUMDes, because they prefer to have a career in the city. So that the human resources who take care of the Bumirejo BUMDes are on average the older generation who are less adaptive or technologically literate and the knowledge about business management is quite minimal in this Bumirejo BUMDes.
	What are the reports produced by Bumirejo BUMDes so far? And are the reports produced so far sufficient for the purposes of accountability and supervision?	The reports produced by BUMDes Bumirejo so far have only been in the form of a cash flow report and are still manual. In our opinion, given the limited knowledge we have, we think this report is sufficient. We hope that later we will be given training related to the basics of accounting and financial management
	What are the reports produced by Bumirejo BUMDes so far? And have the reports produced so far been sufficient for the purposes of accountability and supervision?	The reports produced by BUMDes Bumirejo so far have only been in the form of a cash flow report and are still manual. In our opinion, given the limited knowledge we have, we think this report is sufficient. We hope that later we will be given training related to the basics of accounting and financial management
	In addition to the constraints related to BUMDes management described above, are there any operational problems for each business unit?	Yes, what are the constraints on the trading business unit? The obstacles we have faced so far are that it is difficult for us to market our coffee and other products

Source: Researcher Data (2022)

Observation

Based on the results of initial observations and interviews conducted by researchers, the problem faced by BUMDes Bumirejo is the lack of knowledge about financial management and human resources owned by the average older generation where based on the results of selective interviews with BUMDes management, in addition to their lack of knowledge and understanding of financial management, they They also do not consider financial management to be crucial in a business. So that the research team provides a solution by providing coaching. The next step that the researchers took after seeing the initial conditions of the Bumirejo BUMDes was to conduct a workshop or seminar.

Workshop atau seminar

The workshop in this activity is two-way communication in the form of training, lectures and interactive discussions. Researchers provide understanding to partners or employees of BUMDes Bumirejo related to the basics of accounting records, financial management of BUMDes, how to prepare a budget plan for RAB) and the use of financial management applications designed by the STIE Mahardhika research team.

Introduction and Implementation of a web-based financial management application designed by researchers.

At this stage the researcher introduces a web-based application designed for financial processing that is simple, easy to understand and transparent. Where with the use of this application financial information from BUMDes can be accessed anywhere and anytime, so that supervision of financial management can run optimally.

This web-based application has several functional activities according to the needs of BUMDes. Function activities that describe the detailed user requirements for the system being built are carried out by drawing use case diagrams. In this system there are 2 main actors, namely, BUMDes Leaders and BUMDes Employees who before entering the system were bothUsers.

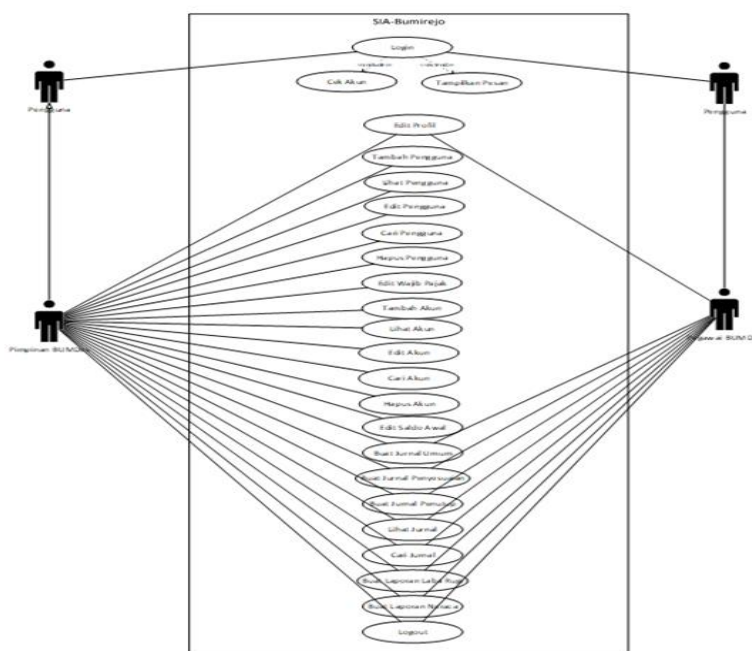


Figure 4. Use Case SIA Bumirejo

Source : Data processed by researchers (2022)

The results of the design of a web-based Accounting Information System – Bumirejo that will be used to create journals to financial statements will be explained in the following display or interface:

Login

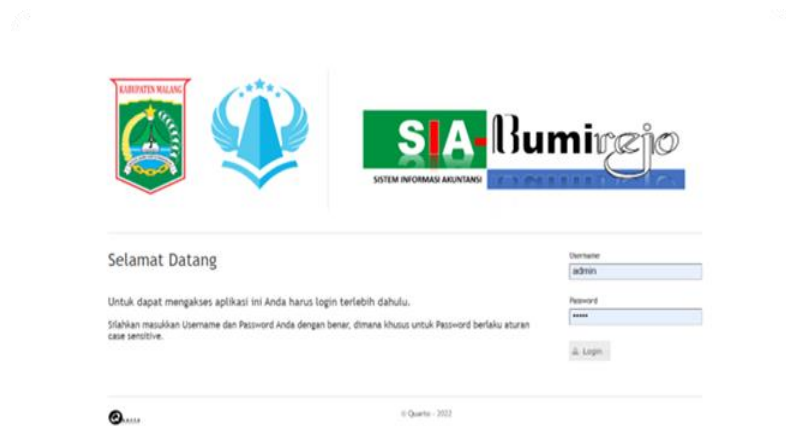


Figure 5. SIA Bumirejo Login
Source : Sia Bumirejo Application (2022)

The login page is the page that will be displayed when the user opens this application for the first time. The login page is used as an authentication process or checking process. The authentication process is carried out by entering input in the form of a username and password from the user who will manage reports at BUMDes Bumirejo.

Profile Settings

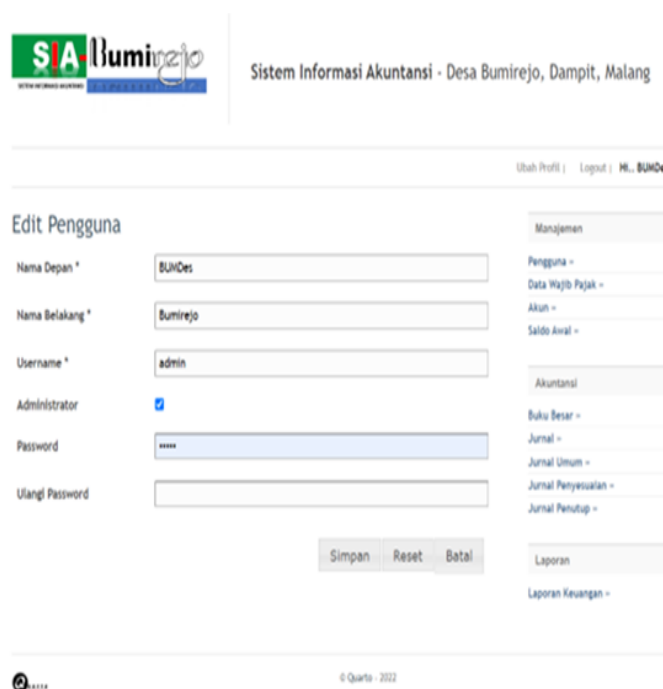


Figure 6. Profile Settings
Source : Sia Bumirejo Application (2022)

The Change Profile page is the page used to edit user data. On this page the user can change the First Name, Last Name, Username, and Password.

User Page

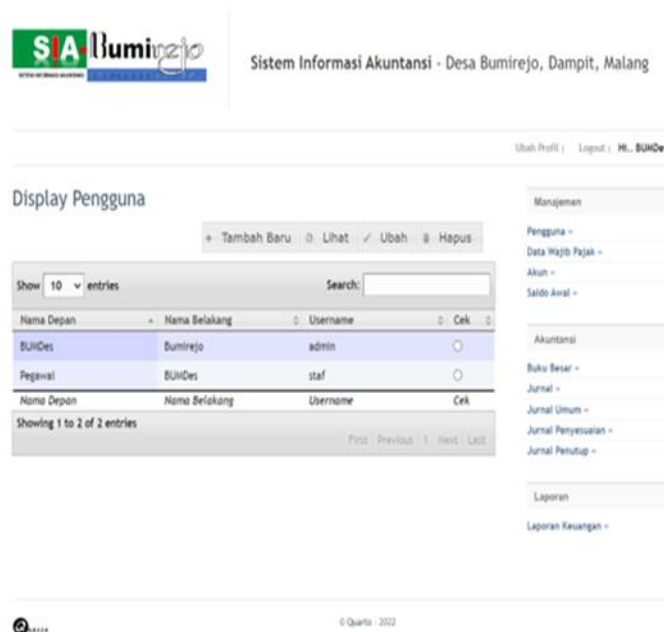


Figure 7. SIA Bumirejo User
Source : Sia Bumirejo Application (2022)

The User Page is a page that can only be accessed by the Leader of BUMDes who is then referred to in this system as an Administrator. On this page administrators can add users, view users, edit user data and access, and delete users.

Taxpayer Data

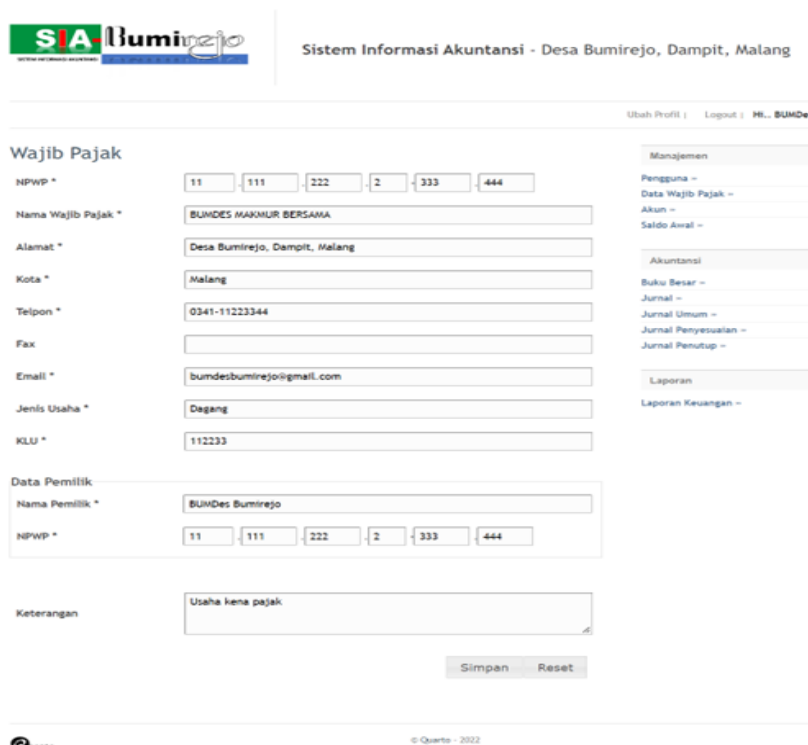


Figure 8. Taxpayer Data
Source : SIA Bumirejo Application (2022)

The Taxpayer Data Page is a page that can only be accessed by the Administrator and is used to edit Taxpayer data in the form of NPWP, Taxpayer Name, Address, City, Telephone, Fax, Email, Business Type, KLU, and Owner Data in the form of Owner Name and NPWP.

Account Page

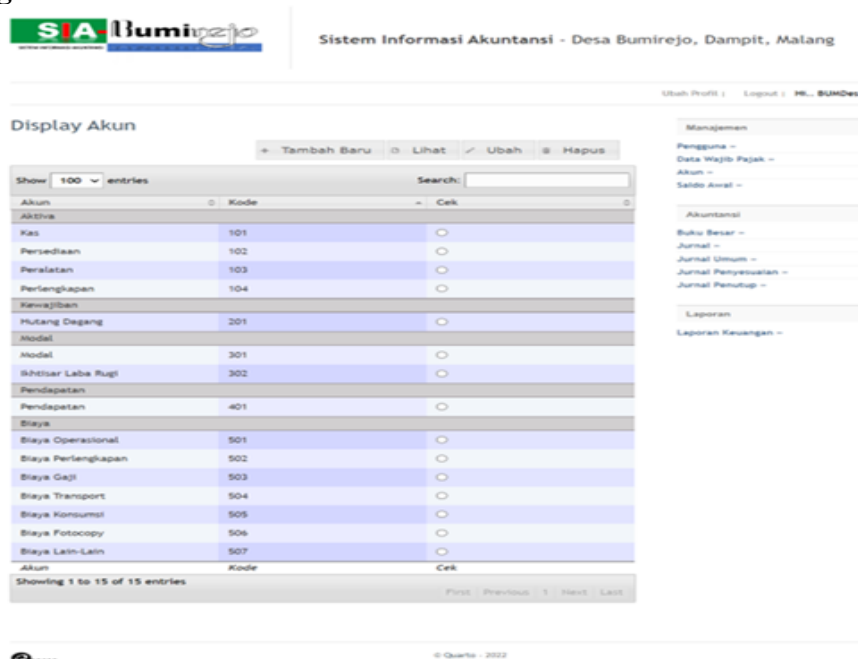


Figure 9. Account Page

Source : Sia Bumirejo Application (2022)

The Account Page is a page that only administrators can access to add accounts, view existing accounts, edit accounts, and delete accounts. On this page, accounts are divided into 5 groups, namely Assets, Liabilities, Capital, Income, and Costs. To add an account on this page the user can click the Add New button. And it will display the Add Account page.

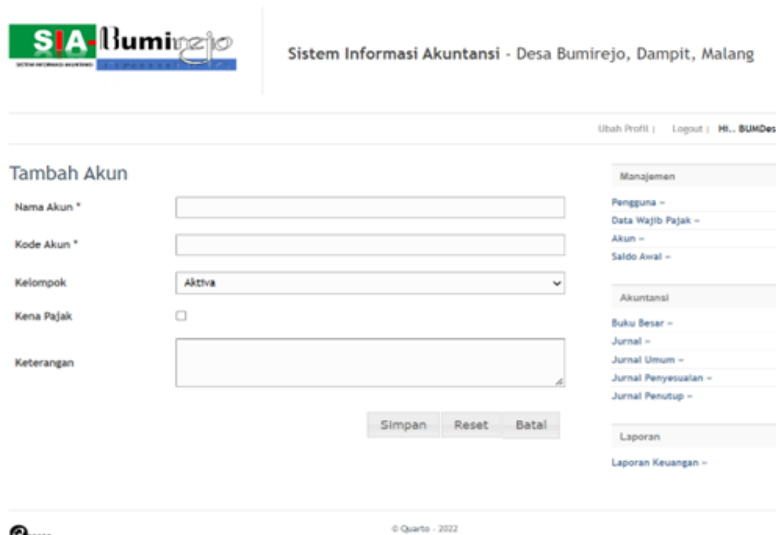


Figure 10. Account Page

Source : SIA Bumirejo Application (2022)

On the Add Account page, the user will be asked to enter the Account Name and Account Code to be created. Then choose a group of accounts and check including Taxable

or not. Users can also add a description for the account. The user can then click Save to save the account.

Initial Balance

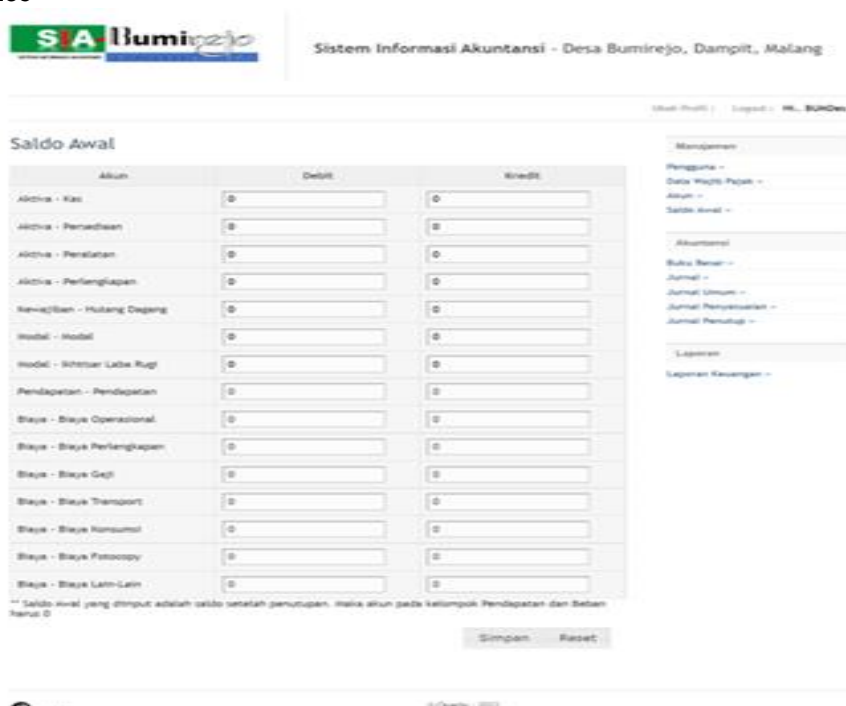


Figure 11. Initial Balance Input

Source : SIA Bumirejo Application (2022)

The Initial Balance Page is a page that can only be accessed by the Administrator to make it easier for users to migrate to the system without having to enter data on all previous journal transactions. In this Initial Balance feature, the data inputted is my balance after closing, so the account in the Income and Fees group must be 0 (on the system it remains displayed that the account will be but cannot be edited).

General Journal

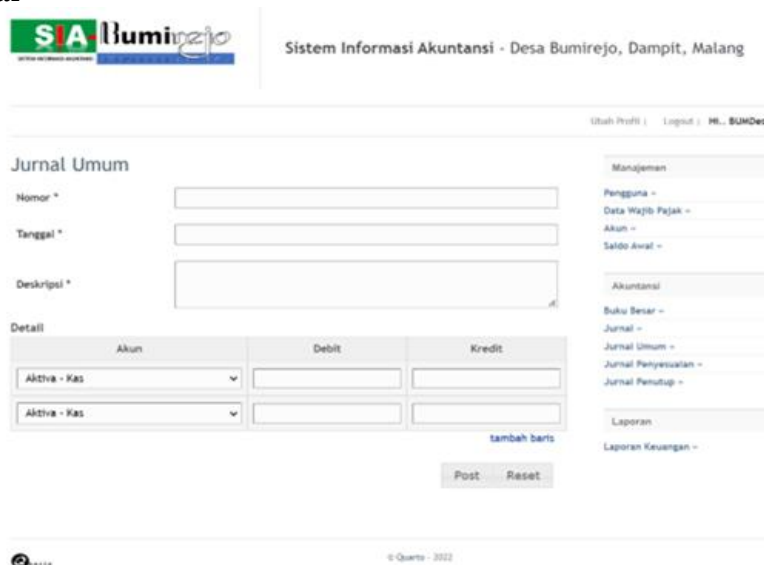


Figure 12. General Journal

Source : SIA Bumirejo Application (2022)

The General Journal page is a page that serves to record transactions in units of debit and credit. On this page the user must enter data in the form of Number, Date, and Description. Then select the account by clicking on the dropdown menu, and enter the transaction nominal with the amount of debit and credit must be the same.

Adjustment Journal

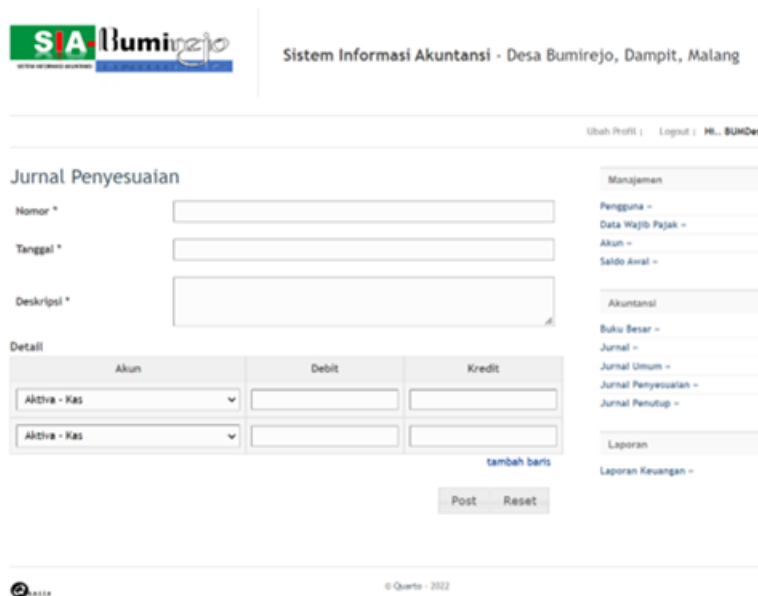


Figure 13. Adjustment Journal

Source : Sia Bumirejo Application (2022)

The Adjustment Journal page is a page for making adjustments to both revenues and costs, so as to get a match for the determination of net profit according to the current period. On this page the user must enter data in the form of Number, Date, and Description. Then select the account by clicking on the dropdown menu, and enter the transaction nominal with the amount of debit and credit must be the same.

Closing Journal

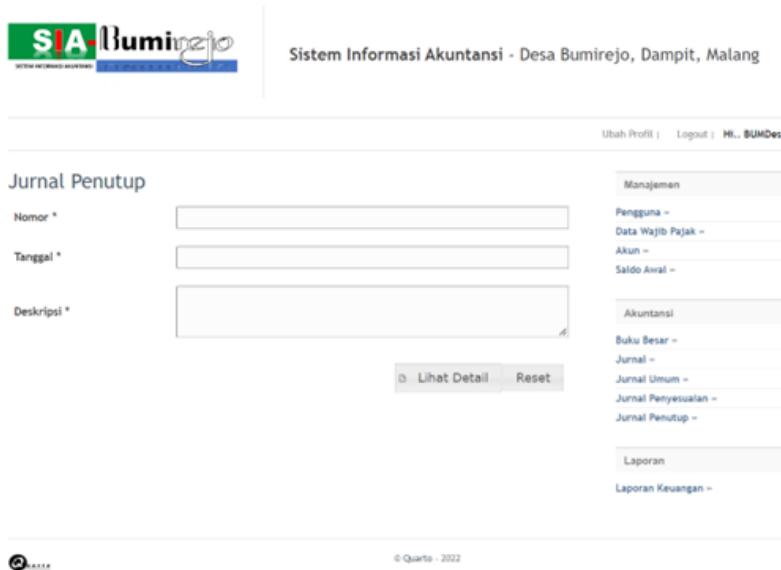


Figure 14. Closing Journal

Source : Sia Bumirejo Application (2022)

The Closing Journal page is a page for closing temporary/nominal account balances consisting of income and fees. In this Closing Journal, the Profit and Loss Overview account is used to accommodate the transfer of nominal account balances.

Journal

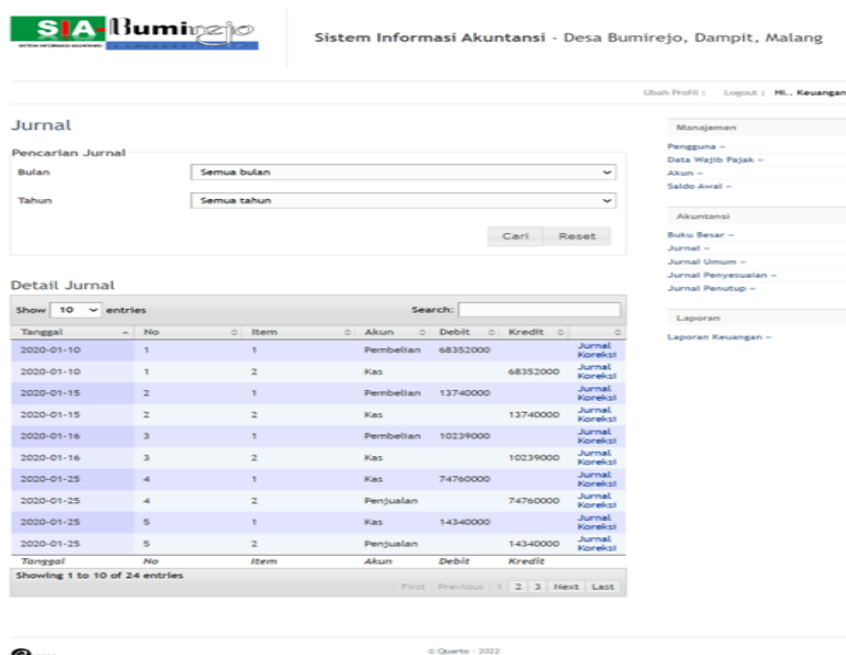


Figure 15. Journal
Source : Sia Bumirejo Application (2022)

The Journal page is a page for searching and correcting journals on all months and all years. On this page the user can correct if an input error occurs. If there is an input error, the user cannot delete it but a Correction Journal is created.

General Ledger

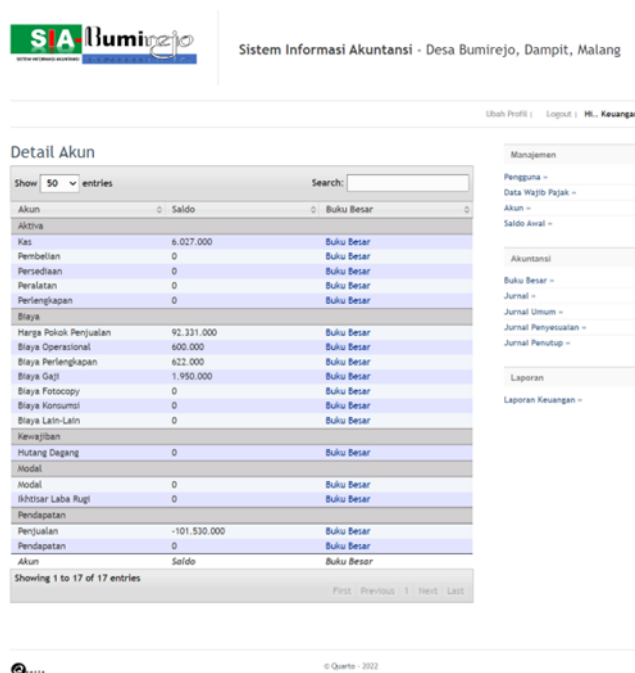


Figure 16. General Ledger
Source : SIA Bumirejo Application (2022)

The General Ledger is a page that contains details of the accounts used in the journal. On this page, users can see the balance condition of each account, and there is a link to see the general ledger details of each account.

Financial Statements

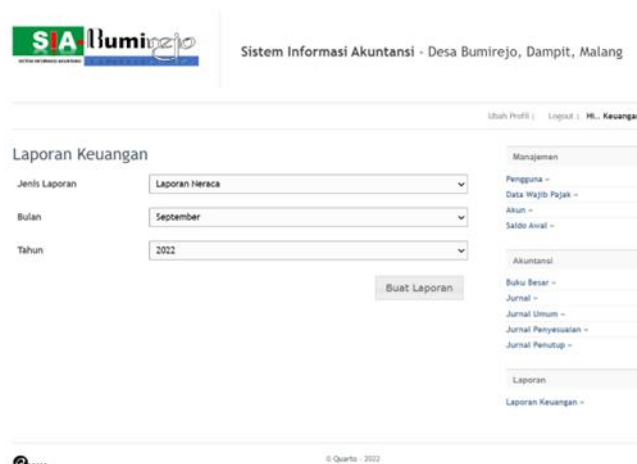


Figure 17. Financial Statements
Source : Sia Bumirejo Application (2022)

The Financial Statements page is a page for printing financial statements in accordance with the desired period. On this page, users can select the type of financial report by clicking the dropdown menu on the Report Type, then specifying the desired Month and Year of the report. Next, the user clicks Create Report and the type of report displayed in pdf form as in the following image.

BUMDES MAKMUR BERSAMA
Desa Bumirejo, Dampit, Malang
NPWP : 112223334555666

LAPORAN LABA RUGI
Periode Bulan Januari Tahun 2020

Pendapatan Usaha		
Penjualan	Rp 101.530.000	
Pendapatan	Rp 0	
Total Pendapatan Usaha		Rp 101.530.000
Biaya-Biaya Usaha		
Harga Pokok Penjualan	Rp 92.331.000	
Biaya Operasional	Rp 600.000	
Biaya Perlengkapan	Rp 622.000	
Biaya Gaji	Rp 1.950.000	
Biaya Fotocopy	Rp 0	
Biaya Konsumsi	Rp 0	
Biaya Lain-Lain	Rp 0	
Total Biaya Usaha		(Rp 95.503.000)
Laba		Rp 6.027.000

Malang, 19 September 2022

BUMDes Bumirejo
Direktur

Figure 18. Income Statement
Source : Sia Bumirejo Application (2022)

BUMDES MAKMUR BERSAMA
Desa Bumirejo, Dampit, Malang
NPNWP : 112223334555666

LAPORAN NERACA
Periode Bulan September Tahun 2022

AKTIVA	PASIVA																												
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Kas</td> <td style="text-align: right;">Rp 6.027.000</td> </tr> <tr> <td>Pembelian</td> <td style="text-align: right;">Rp 0</td> </tr> <tr> <td>Persewaan</td> <td style="text-align: right;">Rp 0</td> </tr> <tr> <td>Peralatan</td> <td style="text-align: right;">Rp 0</td> </tr> <tr> <td>Perengkapan</td> <td style="text-align: right;">Rp 0</td> </tr> <tr> <td>Total Aktiva</td> <td style="text-align: right;">Rp 6.027.000</td> </tr> </table>	Kas	Rp 6.027.000	Pembelian	Rp 0	Persewaan	Rp 0	Peralatan	Rp 0	Perengkapan	Rp 0	Total Aktiva	Rp 6.027.000	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">KEWAJIBAN</td> <td></td> </tr> <tr> <td>Hutang Dagang</td> <td style="text-align: right;">Rp 0</td> </tr> <tr> <td>Total Kewajiban</td> <td style="text-align: right;">Rp 0</td> </tr> <tr> <td>MODAL</td> <td></td> </tr> <tr> <td>Modal</td> <td style="text-align: right;">Rp 0</td> </tr> <tr> <td>Ikhtisar Laba Rugi</td> <td style="text-align: right;">Rp 0</td> </tr> <tr> <td>Total Modal</td> <td style="text-align: right;">Rp 0</td> </tr> <tr> <td>Total Pasiva</td> <td style="text-align: right;">Rp 0</td> </tr> </table>	KEWAJIBAN		Hutang Dagang	Rp 0	Total Kewajiban	Rp 0	MODAL		Modal	Rp 0	Ikhtisar Laba Rugi	Rp 0	Total Modal	Rp 0	Total Pasiva	Rp 0
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Modal	Rp 0																												
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Total Modal	Rp 0																												
Total Pasiva	Rp 0																												

Malang, 19 September 2022

BUMDes Bumirejo
Direktur

Figure 19. Balance Sheet Report
Source: Sia Bumirejo Application (2022)

Focus Discussion Group in the implementation of knowledge base view on financial management and rab design.

The second stage carried out by the researchers was a *focus discussion group* to BUMDes Bumirejo, Dampit District, Malang Regency. This discussion was conducted by researchers to find out the extent of changes in *knowledge* and understanding the implementation of financial management after obtaining *knowledge* transfer from researchers. In this *focus discussion group*, the researcher also interviewed the leaders and employees of BUMDes Bumirejo, this was done to find out the obstacles experienced by BUMDes Bumirejo during the conduct of financial management so that the team can provide solutions to BUMDes Bumirejo, as for some of the questions asked by researchers are as follows:

Table 3. Results of the Focus Group Discussion with the Head of BUMDes Bumirejo

No	Question	Answer
1.	So far, how is the development of BUMDes Bumirejo? Is it in line with the expectations of the village government?	So far, the development of BUMDes Bumirejo is quite good, although there are still many shortcomings. In developing an MSME itself, of course, it cannot only be done by all parties, both the community and as human resources, business actors as business owners themselves, as well as the role of the government as the party that issues policies, cooperates and collaborates. One form of this collaboration and collaboration is to maximize BUMDes.
2.	From the results of the previous discussion, one of the obstacles faced by BUMDes Bumirejo is related to the preparation of the RAB, can after receiving direction from the research team these obstacles be overcome?	Regarding the preparation of the RAB, I see that there has been good progress after we received direction from the research team. What is possible now is to improve the capacity of the administrators regarding how to manage what has been planned and be able to account for the RAB that has been submitted to the village government. So that BUMDes can provide benefits to the community. In general, the financial statements

		consist of a balance sheet and income statement as well as a statement of changes in equity. The balance sheet shows / describes the total assets, liabilities, and equity of a company on a certain date. While the calculation of the company's income statement shows the results that have been achieved by the company and the expenses incurred by the company in a certain period
3.	Regarding the responsibility for the management of BUMDes, a report is certainly needed. What are the reports produced by BUMDes so far?	To be honest, this report on Bumirejo BUMDes is still very simple and still manual, so the problem from my point of view as a leader is that it is difficult to control and supervise. So I think we need a system that can make it easier for a leader to control and supervise what BUMDes colleagues are doing. financial statements also show what management has done (stewardship), or management's responsibility for the resources entrusted to it. Users who want to assess what has been done or the responsibility of management do so so that they can make economic decisions
4.	Regarding our system, the research team has designed to simplify the financial management of BUMDes Bumirejo, what is your opinion?	As a leader, I am very happy and fully support the idea of making the application. By using this application, we can make reports that comply with the standards of accountability in the reporting and accounting fields aimed at realizing transparency and accountability. Accountability is an obligation for BUMDes management to account for the control of resources owned by BUMDes and to account for the plans and realization of the implementation of policies that have been taken in managing BUMDes. The accountability of the BUMDes management is compiled in the form of a complete report, both financial reports and performance reports.
5.	What reports do you expect to be available in the application?	Cash flow statement, income statement and balance sheet In terms of implementation and administration, the budgeted funds must be managed effectively, efficiently and economically. Implementation must be based on the regulations and standard operating procedures that have been approved. With the implementation and administration that is carried out properly and in accordance procedures, then the objectives of BUMDes will be achieved properly

Source: Researcher Data (2022)

Table 4. Results of Focus Group Discussions with BUMDes Bumirejo Employees

No	Question	Answer
1.	What is your understanding of financial management and RAB preparation after receiving training from the Mahardhika research team?	After getting directions, we became more aware of how to manage and record BUMDes finances. However, we still need further direction so that we can record our business activities so that it can be a report that is in accordance with the provisions and can be accounted for. The parties involved must have a uniform understanding of BUMDes development as an effort to develop MSMEs in Langensari Village so that the village economy can improve. With this understanding, it is hoped that all parties can work with the aim of achieving common interests and not personal interests.
2.	So far, how are the reports produced by BUMDes?	So far, the reports we have produced are only reports on business expenses and income using Excel. The implementation of BUMDes as its own holding in this is quite similar to holding at the (BUMN), it's just that the difference is in this case BUMDes as a holding can only be a parent for business units in the village. One engagement what BUMDes can do as a holding for example is in terms of product marketing
3.	How many times have you reported this Bumirejo BUMDes financial report?	Each month Having previously held a meeting for build communication and trust of each party involved, the parties must then commit each other to implement this BUMDes. One of the form can be by signing the MoU or other written agreement. These include to prevent the cessation of BUMD development ice in the middle of the road before achieving the desired result expected.
4.	What do you hope for in the future?	We hope that we can be helped by providing a system for managing the finances of this Bumirejo BUMDes which is simple and easy to understand The parties must also set targets in the long term certain time of BUMDes development in the village This Langensari. Apart from being a form of encouragement and motivation, whether or not the target is achieved in the long term this particular time can also be an

		evaluation of implementation of BUMDes so that it can be better front.
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Source: Researcher Data (2022)

In addition to interviewing the leaders and employees of the Bumirejo BUMDes, the researchers also interviewed the community or custom as the external structure. The results of the interviews are as follows:

Table 5. Results of Focus Group Discussions with the Community or customers

No	Question	Answer
1.	Does the existence of this Bumirejo BUMDes provide benefits to the surrounding community?	Very useful, in my opinion, especially in the savings and loan unit. With the savings and loan unit, it can help people who need funds, usually people need loan funds for agricultural capital needs, the nominal is not too big and if we borrow from the bank the conditions are too complicated. So the existence of this savings and loan unit is very helpful for the community. The BUMDES manager stated that this business could absorb 87% of the workforce of the villagers. BUMDes also supports group activities such as PKK and Karang Taruna women by providing sponsorship funds for their activities. BUMDes Sjt also carries out social activities through the provision of compensation and home rehabilitation for the poor.
2.	Apart from the savings and loan unit, is the trading unit also beneficial to the community?	We think the trading unit is also beneficial for us, because the trading unit owned by BUMDes can accommodate our plantation products. Some participants also hoped that there would be a review of the proportion of the distribution of SHU, in which the Dusun that had direct contact with the community only received a small portion of the SHU share. The small allocation for the hamlet is one of the factors that causes the community not to benefit from the existence of BUMDES.

Source: Researcher Data (2022)

Implementation Evaluation.

Evaluation of this activity is carried out by monitoring and meeting again after the completion of the mentoring. Monitoring is carried out by discussing business activities after counseling and mentoring. For the problems experienced by BUMDes, several alternative solutions are given that can be adapted directly.

The material for the activities carried out in counseling and mentoring are as follows: Financial Governance Knowledge; Business Feasibility Analysis; Business Capital Management; IT-Based Financial Reporting

CONCLUSION

Based on the results of interviews conducted by researchers to BUMDes Bumirejo employees who act as components of individual competence and to the leadership of BUMDes Bumirejo who act as components of the internal structure, as well as interviews with the community or customers of BUMDes Bumirejo who act as components of the external structure, which from these interviews can it was concluded that the transfer of knowledge carried out by researchers through seminars or work shops and Focus Discussion Groups could change the financial management system of BUMDes Bumirejo.

And the use of the use of a web-based financial management application designed by researchers can make it easier for BUMDes employees in doing the bookkeeping of Bumirejo BUMDes and with this application it makes it easier for leaders to control and supervise the financial management of Bumirejo BUMDes. In addition, the development of BUMDes can be carried out by implementing the right community collaboration model system in an effective way because it involves the whole community. Especially for business actors, village governments and BUMDes members. Developing on BUMDes is certainly not easy, it takes time, collaboration and cooperation from all parties involved is the main key. To achieve the desired hope is to improve the village economy. Trust, commitment and sustainability of BUMDes development.

Theoretical advice

The limitation of this research is that it is only conducted in Malang Regency so that it cannot assess the overall performance of BUMDes. Further research can be expected to identify overall BUMDes risk management.

Practical Advice

The community is expected to understand the financial system that has been built within the BUMDes organization which in the future can be applied to activities related to the financial management of BUMDes. The government is expected to be able to participate in village development through the allocation of village funds regularly and without obstacles in the process as well as making programs and policies effectively in improving the performance of BUMDes for the progress of the nation and state.

For the next researcher, may develop on integrated system on BUMDES and village government and it is hoped that researcher can be more active and productive in conducting interviews with informants, therefore the authors can be more selective and active in overcoming these problems.

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