

Financial Governance Management for Farmers, Ranchers, and Weavers of Camplong II Village, Kupang Regency

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Abstract

Camplong II Village is one of the villages in Kupang Regency, NTT with uniqueness in producing weaving both from the dyeing process, and weaving to selling weave products in the market, but business development in this village is quite slow. After identifying the problem, three biggest issues can be obtained, namely the problem of people's mindset towards the potential of weaving for community welfare, inefficient and innovative production processes, and lack of knowledge of entrepreneurship and business management. The community of ranchers and weavers is the basis for the proposal of this service, with the hope that it can be the initial stage of improving the mindset, community motivation, and business management in agriculture, animal husbandry, and tie weaving. The goal to be achieved in this community partnership program is to make farmers, ranchers, and weavers of Camplong II Village aware of the importance of good financial management and animal health management so that they can meet current and future needs. Activities in this service start from designing training activities, selecting instructors, Technical Guidance financial management, and animal health, and then conducting evaluation and feedback. The methods used are direct education and public assistance. The result of this service is an increase in the knowledge and skills of farmers, ranchers, and weavers in groups. Then counseling and assistance in financial governance management and animal health management by the Community Service team that made farmers, ranchers, and weavers experience improvement.

Keywords: camplong II, farmers, financial management, ranchers, weavers

INTRODUCTION

East Nusa Tenggara is one of the provinces in Indonesia that is famous for its variety of weaving. Weave in NTT is a form of regional cultural expression that describes the social status both ethical and aesthetic of the weaver (Sumartini, 2020). Apart from being an expression of social identity, ikat weaving also has an economic function as a medium of exchange or a means of fines in restoring the balance of social status that is disturbed due to a violation of customs (Sumartini, 2020). The woven products in NTT have been marketed at the international level because of the uniqueness of colors and patterns of motifs and materials. Since NTT consists of many regions, the weaving products in NTT also vary according to the culture in each region.

Camplong II Village is one of the villages that have weaving activities in NTT and is a partner village in this community service program. Located in Fatuleu District, about 45 Km from Kupang City, and can be reached in just 45 minutes from downtown Kupang (BPS, 2018). The main livelihood in this area is weaving for women and raising livestock which is generally done by men. In addition to the routine as housewives, women in this village also do ikat weaving to be used in traditional activities and for sale. Weaving activities in this village carried out by women have received considerable attention. Women who have weaving skills usually form or are involved in weaving groups. Until now, the number of weaving groups in Camplong II village is around a dozen weaving groups that are intense and active in producing and selling weaving, but other groups are also passive. Even though partners have been able to produce and sell woven products, partners still experience problems in improving business through ikat weaving.

Broadly speaking, three problems hinder business development in Camplong II village, which include motivation problems, inefficient and innovative production problems, and problems of lack of entrepreneurial knowledge and business management both in terms of financial management, and marketing. Marketing for woven fabrics is still limited to local markets, offices, and districts. In addition to being influenced by mindset problems as mentioned in the points above, the marketing problem faced is the lack of socialization/promotion of weaving results to other regions. Limited knowledge becomes an obstacle for business owners (Jumelet et al., 2022), (Wahyudi, 2020). Especially with the COVID-19 pandemic causing paralysis of the tourism sector, not to mention the outbreak of disease in pigs, namely the African swine fever outbreak caused by the African Swine Fever virus. The death of pigs is another problem that has an impact not only on the economy of the village community but also has an impact on the implementation of customs that require pigs for traditional celebrations (Nahar et al., 2015), (Priyanto, 2016).

There needs to be good management in handling this problem as well as financial management. Financial management is fund management related to the effective allocation of funds in various forms of business as well as fund collection efforts to finance expenditure businesses (St Kliment Ohridski et al., 2017), (Fauzan & Yogi, 2021). The development of the global economy and digital economy in the era of revolution 4.0 requires humans to be able to adapt to every change (Quin et al., 2023) including farmers, ranchers, weavers, and others to be able to manage finances carefully. Good financial management will result in the right decisions in the use or allocation of funds owned by farmers, ranchers, and weavers. An understanding of good financial management will increase the effectiveness and visibility of individual finances (Arifin, 2018), (Chairil & Niangsih, 2020). To achieve balance and welfare, farmers, ranchers, and weavers in Camplong II village must understand financial management.

The lack of knowledge about good financial management in remote areas encourages various academics from community partnership program teams to provide education to rural communities. Therefore, one that needs to be studied is financial management which is closely related to funding and income. The success or failure of farmers, ranchers, and weavers can be said to be largely determined by their quality in financial management (Mulyani et al., 2014), (Suhessy & Latief, 2015).

Based on the description above, the right solution includes assistance in the form of training to improve knowledge and skills of financial management management for farmers, ranchers and weavers. The goal to be achieved in this community partnership program is to make farmers, ranchers, and weavers of Camplong II Village aware of the importance of good financial management and animal maintenance so that they can meet current and future need

METHOD

In this activity, we use direct education methods (methods that involve delivering information and knowledge directly to individuals or groups) (Sugiyono, 2018) and public assistance (efforts to provide direct assistance and support to communities in need) (Ellitan, 2020) by involving MSME actors who are just starting a business that is considered by the needs of PKM participants or hereinafter referred to as partners (Riwu & Kurniawati, 2023).

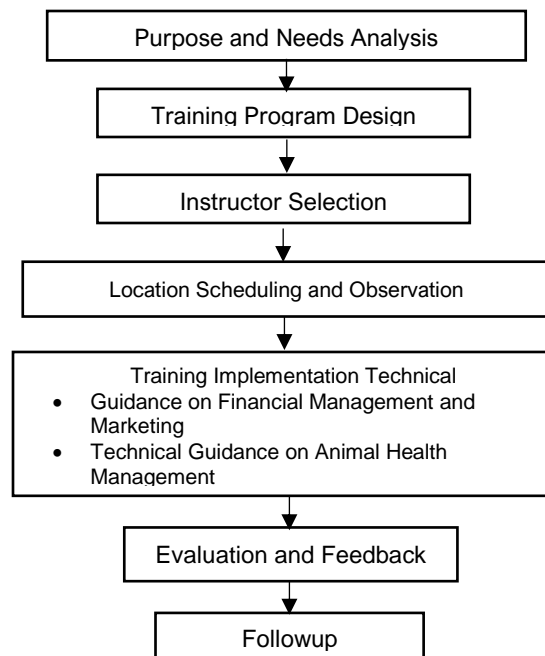


Figure 1. Stages of Activity Implementation

RESULT AND DISCUSSION

This Community Service (PKM) activity was carried out in Hamlet 4, Camplong II Village, Fatuleu District, Kupang Regency with 22 representatives from various sectors (farmers, ranchers, and weavers) in the village. The main purpose of implementing this community service is to conduct financial governance management for farmers, ranchers, and weavers to increase productivity.

The first activity carried out was the service of the location of the activity and the approach to the local community, especially to the 3 groups. This initial activity was carried out to obtain information related to problems that exist in the local community, especially to the 3 groups (farmers, ranchers, and weavers). This field survey was conducted by direct observation of the pattern/system of livestock, farming, and weaving as well as how they do marketing and financial management.

The result of this activity is known that all farmers, ranchers, and weavers in terms of livestock care both cows and pigs are carried out traditionally, as well as in the case of agriculture and also weavers. Some farmers are not familiar with the concept of biosecurity although in some breeders there has been found the use of simple cages that are routinely cleaned. Furthermore, it is also known that almost all farmers do not know what disinfectants are, their types, applications, and benefits for livestock breeders. The level of disease transmission in livestock often occurs during the transition period and the rainy season starts from the end of the year (November) to the beginning of the year (April-May) (Harold Geoffrey Kallau et al., 2022), The outbreak of this infectious disease is the outbreak of African Swine Fever (ASF) or known as African swine fever (Sánchez-Cordón et al., 2018), (Sendow, 2020), (Yoo et al., 2020).

Increasing knowledge and financial management and animal health management is carried out in groups through training and guidance to groups of farmers, breeders, and weavers who focus on material and direct coaching to dynamic the group.

Farmers, ranchers, and weavers can already plan programs: plans with groups must be carried out within a certain time. It begins with preparing a work plan for improvement in the group, increasing production, and increasing cooperation and increasing income. In providing counseling on animal health management in groups, the PKM team also provided material on financial governance and training on making household financial statements.

Knowledge of farmer, rancher, and weaver groups on how to evaluate and follow up on the plans and programs carried out. Evaluation departs from mentoring activities in each process in the business carried out, the results of mentoring can be analyzed progress, setbacks, and achievements of what is carried out.



Figure 2. Training Activities on Animal Health Management and Financial Management

Farmers, ranchers, and weavers who are trained and skilled in financial management and animal health management. They can make financial management regarding the analysis of costs, revenues, and business income through simple financial statements as follows:

- Establish a product plan or scale. This is related to the volume of business and the type of business done. The greater the business volume, the greater the capital requirements and business costs.
- Calculate business costs. All expenditures of funds calculated for business purposes (equipment costs, veterinary medical expenses, etc.)

- Calculate business revenues. The cost of revenue which is reduced by the cost of goods produced is referred to as gross profit.

Farmers, ranchers, and weavers also gain an understanding of the risk management associated with their business. Factors such as weather changes, price fluctuations, and livestock health can affect their income. Strengthening their ability to deal with risk can help reduce their negative financial impact.

CONCLUSION

Increasing the knowledge and skills of farmers, ranchers, and weavers in groups. Then counseling and assistance in financial governance management and animal health management by the PKM team that made farmers, ranchers, and weavers experience improvement. Making family financial planning and statements began to become the main concern to be able to control the finances of the business they have. By applying the principles of good financial management, farmers, ranchers, and weavers can manage their financial resources effectively and efficiently. This includes budget planning, recording financial transactions, controlling expenses, and analyzing financial performance.

In addition, financial governance management also helps business actors in Camplong II Village to identify profitable investment opportunities and manage financial risks well. By understanding market fluctuations and anticipating economic changes, they can optimize the results of their efforts. All efforts in financial governance management aim to strengthen the village economy, increase income, and reduce economic inequality. With the understanding and skills in managing finances, it is hoped that the people of Camplong II Village can achieve a better and more sustainable standard of living.

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