



**MANAGEMENT ACCOUNTING AND PARTNERSHIP-BASED COMMUNITY
ECONOMIC EMPOWERMENT MODELS IN THE SOCIETY 5.0 ERA**

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ABSTRACT

In facing the Era of Society 5.0, society is required to innovate through the local industrial sector and prepare itself to compete globally. The partnership pattern as a Community Economic Empowerment Strategy through MSMEs must be addressed wisely by large business actors and MSMEs by carrying out collaboration that is mutually reinforcing and beneficial for the progress and welfare of MSME actors which will have a positive impact on the community's economy. Empowerment will be very effective through four main factors, namely Human Resources, Government Role, Business Capital, and Partnerships. The aim of this research is to identify partnership-based empowerment in research objects, identify the implementation of Management Accounting in research objects, and create a model of community economic empowerment (MSMEs) to face the era of society 5.0. The research method used is descriptive qualitative. The results of the research show that the community economic empowerment provided by the Government (Dinkopdag), a private company (Astra International Tbk), and a facilitator (Wijaya Putra University) to KBA Semanggi Surabaya is in accordance with the partnership pattern to answer challenges in the era of society 5.0 but has not yet fully reached Management Accounting concept in empowerment programs for MSMEs. Researchers found a partnership-based community economic empowerment model that can synergize stakeholders with the community from all components of community organizations.

Keywords: Management Accounting, Community Economic Empowerment, Partnership

A. INTRODUCTION

With the development of the digitalization era and supporting Indonesia to be ready to face the Era of Society 5.0, society is required to innovate through the local industrial sector and prepare itself to compete globally. Society 5.0 is a concept where human life is made easier by technology, and technology is part of humans themselves. The main component of Society 5.0 is humans who can create new value through technological developments. It is hoped that this development can minimize social disparities and economic problems.

The Indonesian economy is dominated by the performance of MSMEs which are considered capable of bringing success to the country in certain areas. Natural potential as well as human resources determine the existence of MSMEs which are very relevant to be implemented by developing countries like Indonesia. An important portion of the role of MSMEs is the contribution of MSMEs which contribute to GDP with a nominal value of 61.97% of Indonesia's total GDP, amounting to Rp. 8,500 trillion to be precise in 2020 (Jannah, et al. 2023). Micro, Small and Medium Enterprises (MSMEs) in Indonesia, which are contributors to national economic growth, still experience many obstacles in their development, such as ineffective partnership patterns, and their development does not meet expectations. The implementation of the partnership model between MSME entrepreneurs and medium and large scale businesses has been improved by involving companies through the Corporate Social Responsibility (CSR) program.

CSR implementation is implemented in a triadic relationship involving government, companies and civil society, as well as intersections of the three. The government cannot be alone in developing MSMEs. The involvement of various stakeholders, including large companies, in developing MSMEs is very important. The presence and concern of large

companies through CSR programs has proven to be of great help in developing SMEs in many countries in the world. CSR also reduces anxiety about financial failure (Gangi, et al., 2018). In Colombia, implementing CSR also provides various benefits at various levels, including micro and small businesses. Through CSR, micro and small businesses are not ashamed to change, carry out symmetrical communication with CSR actors, increase business associations, and open up business opportunities (Pastrana & Sriramesh, 2014). Sugiyanto, Widowati, & Wijayanti, (2018) in their research describe the management pattern of CSR programs in increasing the competitiveness of MSMEs, leading to a form of partnership with the concept of community development. This pattern creates an increase in HR, marketing, production and technology capabilities as well as MSME finance.

Sugiyanto, Widowati, & Wijayanti, (2018) in their research describe the management pattern of CSR programs in increasing the competitiveness of MSMEs, leading to a form of partnership with the concept of community development. This pattern creates an increase in HR, marketing, production and technology capabilities as well as MSME finance. On the other hand, Haryono (2016) also conducted research with a focus on developing MSMEs through the involvement of CSR programs in the economic transition era. MSME development involves multi-stakeholders in implementing CSR programs which aim to improve the economy and empower the community. This research uses a case study approach on SMEs in Tanggulangin, Sidoarjo Regency. However, the results of this research show that the development of MSMEs through the CSR program in the economic transition era in Tanggulangin, Sidoarjo Regency is not running optimally. The government, BUMN (PT Telkom Drive V East Java), and SMEs have no synergy in carrying out programs to improve the community's economy through CSR programs. The description above illustrates that in the Era of Society 5.0, the main characteristics are competition and the ability to master technology. Whoever is able to compete, without exception for MSME products, is the one who will win the competition. Therefore, the policy and strategy for developing MSMEs in the future is how to increase the competitiveness of MSMEs

Based on this view, the aim of this research is to evaluate forms of partnership-based empowerment in research objects, identify the implementation of Management Accounting in research objects, and create a model of community economic empowerment (MSMEs) to face the era of society 5.0.

B. LITERATURE REVIEW

Stakeholder Theory

Edward Freedman, whose opinion is famous for the Stakeholders Theory, stated that apart from stockholders, there are many other stakeholders who all have the right to be considered in managing a company/business. Stakeholder theory was further developed into the theory of "Corporate Citizenship". Corporate Citizenship theory denies that business only has a responsibility to do good. However, business must be responsible for helping solve social problems that still little is being done. This theory stipulates that corporations or companies are tasked with promoting the same social goals, as other individual members of society. The Stakeholders theory above is in line with the opinion expressed by Kenneth Goodpaster and John Matthews, which states that companies are analogous to individuals, who have a will, conscience, goals and strategies. The definition of individual here is not literal, but as a group of people who support moral values on behalf of the company. This is done according to Hidayah et al., (2023) as a preventive measure to avoid economic problems that have a direct impact on human survival. Therefore, companies are not only legally and morally responsible for their actions, but also have a social responsibility, namely to be good citizens.

Society 5.0

Society 5.0 is a concept that emerged in Japan and has become an important topic in global discussions about social and economic transformation in the digital era. This concept carries a vision of how society can utilize digital technology to achieve significant progress in various aspects of life. Society 5.0 is a continuation of the concept of "Society 4.0," known as Industrial Revolution 4.0. Industrial Revolution 4.0 refers to the use of digital technology and automation in industry and manufacturing. However, Society 5.0 takes it a step further by integrating digital technology into people's daily lives as a whole.

In the Society 5.0 era, technological evolution and digitalization have brought significant changes in various aspects of people's lives (Rahmawati et al., 2021). Sumadi et al., (2022) emphasized that the characteristic of this era is the integration between the physical and digital worlds, where technologies such as big data analysis, machine learning, artificial intelligence, Internet of Things (IoT), robotics, and cloud computing has become an inseparable part of everyday life. In practice, this integration between technology and everyday life creates an ecosystem that is different from previous eras. This reflects a shift towards a more technologically connected society, where technological devices are an integral part of everyday life.

Management Accounting

Management Accounting is one of the providers of financial and operational information needed by managers to achieve organizational strategic goals (Bell, J., Anshari S., Klammer T., 2004). Accounting information is useful for decision making because it can improve company management. (Djamilah, 2016).

The application of management accounting helps businesses to meet the needs of related actors. The function of implementing management accounting can make it easier for stakeholders to carry out their duties and also serve as a place for information between owners and stakeholders in the development of the business being run. The role of management accounting is not only to provide a brief overview of what must be done before or while it is being implemented, but the role of management accounting is to really encourage and help Micro, Small and Medium Enterprises actors to prevent and minimize future risks over time. In order for the implementation of accounting to run effectively and efficiently, awareness is needed from MSME actors by looking at several functions, namely planning, organizing, directing, controlling and decision making.

The IMA Foundation for Applied Research (FAR) Committee (Institute of Management Accountants, 2008) in developing the definition focused on three important components in management accounting. In order of priority, they are: 1) An important component of management accounting is the formulation and implementation of strategies to help an organization succeed. This component broadly states the role of the management accountant. In a more detailed sense, the component states that any management accountant, at any point on the information value chain, may contribute to the success of the organization through the implementation of strategy; 2) To achieve the above objectives, management accountants work in a management team. This component reflects research and practice showing that management accountants work as part of management teams at all levels of the information value chain, which includes participation in strategic management decision making and 3) the role of management accountants on management teams can be described by a short list of global and inclusive competencies . This component is necessary to explain how management accountants can be differentiated from other professionals in the organization because the implementation of strategy by the management team can be linked to the management

professionals in the organization. The choice of which competencies are included in the definition to differentiate management accountants is guided by the criteria defined above: The definition should be concise, global, timeless, inclusive and forward-looking. Several responses to the exposure draft expressed concern regarding the extent of management accountants' involvement in strategy formulation and implementation

The potential for outreach to overcome unemployment and poverty can be ensured in the development of MSMEs, which can be a savior in times of socio-economic crisis and that planning plays an important role in meeting company goals in the long and short term by applying strategic theory through the use and application of management accounting (Refiyanto & Muid, 2022).

Community Economic Empowerment (UMKM) Based on Partnerships

Law No. 8 of 2008 concerning MSMEs states that the aim of Empowering MSMEs is to grow and develop businesses in order to build a national economy based on just economic democracy. The government is very concerned about micro businesses in empowering them which is thought to have an influence on the independence of the business itself. To simplify and accelerate the empowerment of micro businesses, it is necessary to involve larger business actors to become adoptive parents through the Partnership route. The government, regional government, business world and society facilitate, support and stimulate partnership activities, both partnerships between micro, small and medium enterprises and MSME partnerships with large businesses including the process of transferring skills in the fields of production and processing, marketing, capital, human resources and technology.

The conceptual definition of partnership is the existence of cooperation between small businesses and medium businesses or large businesses accompanied by continuous guidance and development by medium or large businesses and large businesses by paying attention to the principles of mutual need, strengthening and benefit (Mudasetia, 2018). Partnerships can be implemented using the Core Plasma pattern, Subcontracting, Franchising, General Trading, Distribution and agency, and profit sharing, operational cooperation, joint ventures and outsourcing.

The partnership pattern as a Community Economic Empowerment Strategy through MSMEs must be addressed wisely by large business actors and MSMEs by carrying out collaboration that is mutually reinforcing and beneficial for the progress and welfare of MSME actors which will have a positive impact on the community's economy. In this research, empowerment will be very effective through four main factors, namely Human Resources, Government Role, Business Capital, and Partnerships. Through these four factors, it is thought that micro-business empowerment will be realized so that it is thought that it will be able to make micro-businesses more independent. In the era of society 5.0, a new strategy is needed in developing small industries that is more effective and global market oriented, no longer politically and socially oriented with the sole aim of reducing inequality.

C. RESEARCH METHOD

This research use descriptive qualitative approach. The data collection process was carried out by observation and in-depth interviews with 4 research informants. The informants in this research were the Head of the Micro Business Empowerment Division of the Surabaya City Cooperatives, Small and Medium Enterprises and Trade Service (Nurul Fadhilah), Representative of PT Astra International Tbk. CSR Division (William Harianto), Chairman of KBA Semanggi Surabaya (Athanasius Suparmo), and representatives of UMKM KBA Semanggi Surabaya (Siti Latifah and Kartini). The data analysis carried out in this research was interactive through reduction, data display and verification processes. This research is

carried out systematically and structurally which has a use in producing conclusions as a final result. (Arifin, Pratama, & Utomo, 2023)

D. RESEARCH RESULTS AND DISCUSSION

MSME players need to review the performance of the business they run in order to find solutions to the various problems they are experiencing so they can continue to grow and be competitive with other businesses. In the Era of Society 5.0, MSME players are required not only to be able to manage their business conceptually but also to be able to synergize it with technological advances. This performance review can be carried out using Management Accounting. Because in the Management Accounting report, MSME players can find out detailed information about operations and budgets used to prepare business strategies. Apart from that, management accounting can also help MSMEs to manage resources, determine product development, and create new innovations.

Based on the results of interviews with MSME actors at KBA Semanggi Surabaya, they are not yet familiar with the concept of Management Accounting in the business operations they carry out due to limited understanding and the empowerment of MSMEs in that direction has not been touched upon. However, in terms of implementation, the researchers saw that they actually had a direction towards the concept of Management Accounting, although not completely, such as making order production cost budgets, sales strategy plans, and simple production profit estimates.

As stated by Siti Latifah, owner of Dapur Rafa, "I don't understand what Management Accounting is, ma'am, because I didn't go to college hehehe. Yes, if there is an order, I calculate how much budget I need from materials to packaging, then I estimate how much profit I will make, then there I find out how much the selling price of my product will be. But yes, sometimes the profit percentage between each product is not the same, I just basically take the profit." Likewise, what Mrs. Kartini, the owner of the Kartini shop, said, "I don't understand what Management Accounting is, ma'am, hehehe. Yes, before determining the price of the product, I calculate all the costs I incur for production, then I look at the market, what the normal price is, I adjust the costs accordingly. There I can see how much estimated profit I will get. *Sometimes, if there is transportation, for example at a bazaar, I increase the selling price slightly.*"

This can be an illustration that in community empowerment, especially for MSMEs, the concept of Management Accounting is very necessary. So that training on understanding Management Accounting concepts can be used as an opportunity for community empowerment programs, especially MSMEs. This empowerment program can be carried out by stakeholders, including the government, private companies and universities involved in community service programs.

In accordance with the theories and concepts used in the empowerment model, it can be explained that producing an empowerment model can involve the role of five related institutions, namely:

1. Financial institutions that play a role in financial intermediation, especially in providing loans/financing to micro, small and medium customers and as Agents of development. In this case, financial institutions or banks can provide business capital assistance to MSMEs. In this research, even though it is not a financial institution, PT. Astra International can provide financing through CSR programs in the form of the Kampung Berseri Astra (KBA) program
2. The government and Bank Indonesia play a role in regulating the real and fiscal sectors, issuing business permits, certifying land so that it can be used by MSMEs as collateral, creating a conducive climate and as a source of financing. The government, through the Surabaya City Cooperatives, Small and Medium Enterprises and Trade Agency,

provides guidance to SMEs by carrying out the function of providing easy licensing as well as strong support and regulations so that SMEs can be competitive and able to grow.

3. Credit guarantee company. What is meant by MSME mentoring is organizational, institutional and business strengthening activities by mentors for MSME actors so that they are able to increase the productivity and competitiveness of MSMEs so that they can grow into sustainable businesses on a larger scale (upgrading or scaling up). However, in this research, KBA Semanggi Surabaya had never applied for a credit loan from another institution.
4. Facilitators who play a role in assisting MSMEs, especially micro businesses, assisting MSMEs to obtain bank financing, assisting banks in monitoring credit and consulting on MSME development. What is meant by MSME mentoring is organizational, institutional and business strengthening activities by mentors for MSME actors so that they are able to increase the productivity and competitiveness of MSMEs so that they can grow into sustainable businesses on a larger scale (upgrading or scaling up). In this research, the person in the Facilitator position is Wijaya Putra University.
5. MSMEs which act as business actors, tax payers and employment opportunities. The main focus of empowering MSMEs is the business actors themselves. The focus of the four parties involved in empowerment is focused on MSMEs. The important role of MSMEs in empowering them is to increase financial capabilities, develop marketing, develop human resources, and the ability to organize and control business activities. In this research, we took representatives of MSMEs, namely Siti Latifah (Dapur Rafa) and Kartini (Kedai Kartini)

In providing assistance, monitoring and evaluation, PT Astra International Tbk uses a third party, namely a Non-Governmental Organization (NGO) which handles all KBA in Indonesia. Since 2023, PT Astra International has collaborated with the NGO Semut Nusantara in implementing monitoring and evaluation for all KBAs in Indonesia. The implementation of KBA Monev has answered the challenges in the Society 5.0 Era where all assistance, monitoring and evaluation uses digital technology. All KBAs are grouped based on their respective regions and a Whats App (WA) group is created. In the WA group, KBA management guidelines policies are shared and socialized via online face-to-face via Zoom. For assistance and monitoring, each KBA reports the results of discussions either via WA Group or Zoom in a report template (accompanied by photos and progress) that has been provided and uploaded to Google Drive that has also been provided.

We monitor KBA directly through a team of facilitators, so every month we are given a report on the ongoing progress of KBA. We also created a Whats App group as a forum for reports and discussions while the KBA program was running. *“On the other hand, we also report progress to the Central Astra KBA team and have a WA group as well,”* explained Mr. William. This was also conveyed by Suparmo, Chairman of KBA Semanggi Suroboyo, "Every few periods, usually twice a month, we are always invited to online meetings with the KBA Astra Team represented by Semut Nusantara, sometimes discussing Proklam, posyandu, tourist villages, etc. Every year there is also an online Gathering which discusses Astra's new policies regarding us at KBA throughout Indonesia. Later the souvenirs will also be sent via expedition, hehehehe". Regarding coaching for the development of the 4 pillars of the KBA program, the following is a table of the coaching focus program according to KBA management guidelines.

Table 1. Astra Berseri Village Development Content

No	Pillar	Activity
1	Education	PAUD Management & Leadership Education

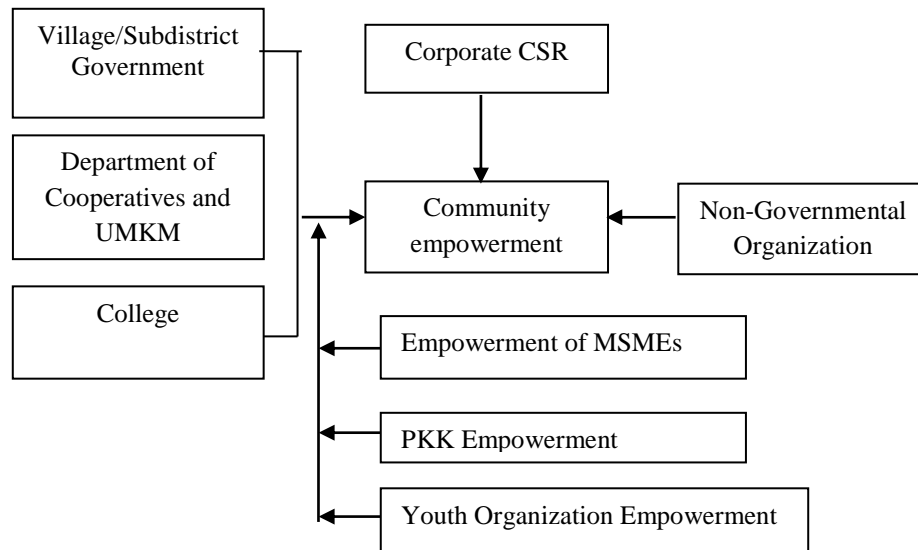
		Effective Communication in Parenting
2	Health	Increasing village and KBA capacity in preventing and handling stunting
		Nutrition Balanced nutrition for family health
		Communication in Health education to citizens
3	Environment	Preparing PROKLIM
		Waste Bank Management
4	Entrepreneurship	Potential mapping and validation of tourist village market segments/research
		Preparation of tour packages
		Tourist Village Storytelling
		Legality and Management of tourist villages
		Tourism Village Marketing
		Digital Marketing of products
		Legality of products and businesses

If seen from the Government's perspective, the pattern of empowering MSMEs has basically been implemented. The Department of Cooperatives and Micro Enterprises empowers MSMEs in providing coaching, entrepreneurship training, online marketing training and financial management training. This is done so that the quality of human resources of these MSME entrepreneurs increases in managing their business. As stated by Mrs. Nurul, Head of Micro Business Empowerment, *"We have empowered MSMEs, the number of which is more than 130,000 in Surabaya, through outreach, training ranging from entrepreneurship, online marketing, to financial management. Sometimes we also collaborate with other parties such as universities."*

The concept of empowerment emphasizes that people acquire sufficient skills, knowledge, and power to influence their lives and the lives of others they care about. The Surabaya City Cooperatives and Micro Enterprises Department does not rule out the possibility of collaborating or synergizing with companies or state-owned companies that will carry out CSR in terms of empowering MSMEs, as stated by Mrs. Nurul, *"We welcome with open arms, you know, if there are companies or state-owned companies that want to carry out CSR through MSMEs. It's just that you have to follow the procedure."*

The empowerment process does not always go as expected, there are many factors that hinder the success of empowerment, namely the first is that good human resources are needed to evaluate business actors who do not follow the rules of the Surabaya City Cooperatives and UMKM Service and for the smooth running of business for business actors. umkm itself. The second thing for MSME business actors is that it is difficult to promote their products on the market so that all MSME business actors have not implemented what they have learned from the training taught by the Surabaya City Cooperatives and MSMEs Department.

From the results of the research conducted, the researchers created a pattern or model of community economic empowerment (UMKM) strategy that combines the roles of stakeholders as shown in the image below.



In this model, private companies and state-owned companies collaborate with non-governmental organizations (NGOs) to carry out corporate CSR through community empowerment programs. The task of NGOs is to implement programs designed for community groups while monitoring their progress through digital media that can be accessed by the Company. Community Empowerment consists of groups according to umbrella organizations such as the MSME Business Group, PKK, and Karang Taruna. It is hoped that the grouping will make it easier to implement empowerment and exit access. The local MSME, PKK and Karang Taruna groups coordinate with the Village Government as a synergy center to conduct negotiations with Stakeholders, Universities as a means of transferring Science and Technology (IPTEK), and the Cooperatives and MSMEs Service for licensing and empowerment purposes. These stakeholders are directed by the Village Government to work together to help empower the community both in terms of business and organizational management, business and organizational quality, marketing, and licensing to be able to compete in the global world. The results of empowerment are communicated and published by community groups on social media as promotional media and evidence of the implementation of Corporate/BUMN CSR. These results are expected to show that the findings published on social media can have a positive and significant impact on purchasing decisions. (Pratama & Muhlisin, 2023)

E. CONCLUSIONS AND SUGGESTIONS

The results of the research show that the community economic empowerment provided by the Government (Dinkopdag), a private company (Astra International Tbk), and a facilitator (Wijaya Putra University) to KBA Semanggi Surabaya is in accordance with the partnership pattern to answer challenges in the era of society 5.0 but has not yet fully reached Management Accounting concept in empowerment programs for MSMEs. Researchers found a partnership-based community economic empowerment model that can synergize stakeholders with the community from all components of community organizations.

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