

## Managerial Accompaniment And Financial Management For Business Sustainability In Dinoyo Ceramic Village

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### Abstract

Dinoyo Village is a ceramic craft center in Malang City. The cultural potential of the Dinoyo community, especially ceramic craftsmen, which has survived to this day is one of the basics in the effort to preserve the culture itself. The objectives of the service activities of the Serving Doctoral Program include: (1) integrating the performance of Higher Education (University of Brawijaya), with Dinoyo Ceramic Village to improve the sustainability of Dinoyo Ceramic Village, (2) creating business sustainability, through business management training and financial management, (3) assistance in website development, (4) increasing the competitiveness of Dinoyo Ceramic Village products, through product branding and educational tourism branding, (5) utilizing potential water sources as supporting educational tourism, (6) strengthening the regional innovation system of Dinoyo Ceramic Village through rights services. copyright, (7) increasing the role of Brawijaya University in the development of the campus area by involving students. Through managerial assistance in this service program, it is hoped that Dinoyo Ceramic Village will be able to become a sustainable MSME business. Sustainability in question is not only the sustainability of productivity but also sustainability as a literacy and preservation center in Malang City which has legal protection for the products or works produced. In turn, the Ceramic Village can become a cultural and literacy icon in Malang City.

**Keywords:** managerial, business, community service, dinoyo ceramic village, MSMEs

### INTRODUCTION

Dinoyo Village is a ceramic craft center in Malang City. The cultural potential of the Dinoyo community, especially ceramic craftsmen who have survived to this day, is one of the foundations of efforts to preserve culture itself [1] [2]. The development of the existence of ceramics in Dinoyo from time to time has passed through various positive and negative conditions [3]. To meet the demand for ceramics, the craftsmen have even learned about the combustion system since 1990 until now in various places in Indonesia. Until now, the expertise of the craftsmen cannot be underestimated anymore, they are proven to be able to maintain the existence of Dinoyo's ceramics even though the demand is decreasing.

Ceramic crafts which used to be a primary need such as eating and drinking utensils and other household utensils, now ceramic crafts are more widely used as decorations [4] [5]. As done by the ceramic craftsmen in Dinoyo, to keep up with the times and the tastes of the people,

craftsmen began to develop designs, colors and patterns to make them more attractive to the public. So, apart from making ceramics according to function, craftsmen also produce ceramics based on people's preferences.

Along with the development of the existing era and advances in science and technology (Science and Technology), knowledge of business management and good financial management is needed so that the business is carried out is sustainable. Of course, the sustainability of this business does not only rely on managerial assistance but also requires integrated linkage between related institutions. In addition, the sustainability of a business can also be seen from the legal aspect. Protection for a product is very necessary at this time [6]. This is because the protection of a product can be used to obtain economic benefits from the work or product made [7]. Thus, the protection of the products produced will prevent adverse actions such as product duplication [8]. However, the problem with Dinoyo Ceramic Village at this time is the lack of managerial knowledge and no legal protection regarding the products (ceramic crafts) that are made.

Malang as a city of tourism and education should be able to support the existence of

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Dinoyo ceramics to become an icon of Malang City. Through this service activity for the doctoral program, Universitas Brawijaya through a team of lecturers with doctoral degrees tries to provide managerial assistance through business management and financial management training for ceramic craftsmen and copyright makers for the product designs of Kampung Keramik Dinoyo.

The purpose of this community service activity is to integrate the performance of Higher Education (Universitas Brawijaya) with the Dinoyo Ceramic Village, create business sustainability, and improve the innovation system for the sustainable development of Dinoyo Ceramic Village. Sustainability in question is not only the sustainability of productivity but also the sustainability of the Dinoyo Ceramic Village as a literacy and preservation center in Malang City which has legal protection for the products or works produced. In turn, the Ceramic Village can become a cultural and literacy icon in Malang City.

#### **MATERIAL AND METHOD**

This community service activity uses two methods in its implementation. Namely assistance to partners and training. Assistance is carried out in the process of optimizing the use of online media as a means of promotion and branding of ceramic products and educational tours. Meanwhile, the training carried out was MSME managerial and financial system training to support business performance in Dinoyo Ceramic Village. Monitoring and evaluation is carried out in tandem with program implementation to ensure that the objectives and outputs of community service activities can be achieved.

#### **RESULT AND DISCUSSION**

##### **Dinoyo Ceramic Village**

The cultural potential of the Dinoyo community, especially ceramic craftsmen, which has survived to this day is one of the foundations for preserving the culture itself. The development of the existence of ceramics in Dinoyo from time to time has passed through various positive and negative conditions. To keep up with the growing demand for ceramics, the craftsmen even learned about the combustion system using a spiral blander with air pressure and LPG fuel in 1990 by conducting a comparative study at the Center for Ceramics and the Center for Ceramic Crafts in Kiara

Condong, Bandung. Until now, the expertise of the craftsmen cannot be underestimated anymore, they are proven to be able to maintain the existence of Dinoyo's ceramics even though the demand is decreasing.

Ceramic crafts that used to be a primary need such as eating and drinking utensils and other household utensils, now ceramic crafts are more widely used as decorations. As done by the ceramic craftsmen in Dinoyo, to keep up with the times and the tastes of the people, craftsmen began to develop designs, colors and patterns to make them more attractive to the public. So apart from making ceramics according to function, craftsmen also produce ceramics based on people's preferences. The types of ceramics that are most sought after by buyers are:

1. Ceramic flower vase (25%)
2. Ceramic Souvenirs (35%)
3. Ceramic Jars (10%)
4. Ceramic Lamp Set (10%)
5. Ceramic Aroma Therapy/Candle Burner (20%)

The products sold are creative ideas developed by ceramic craftsmen and traders. Innovation is carried out continuously in accordance with market developments and demands.

On the other hand, the declining demand and competition with imported cheap ceramics has become a serious problem for the sustainability of Dinoyo Ceramics. Malang as a city of tourism and education should be able to become one of the supporters of the existence of Dinoyo ceramics as an icon of Malang City. Through this service activity for the doctoral program, Universitas Brawijaya through a team of lecturers with doctoral degrees tries to provide assistance to ceramic craftsmen to increase productivity and sales through several mentoring activities.

Dinoyo Ceramic Village as a center for ceramics in Malang City has cultural potential that can be developed. In addition to increasing productivity and sales through optimization of promotional media, this activity also seeks to open access to Dinoyo Ceramics to make several innovations. One of them is the initiation of a collaboration to fulfill UB's special souvenirs with Non-Academic Business Entities which started in 2019. This effort is expected to be a pioneer in the use of ceramic crafts as institutional souvenirs and can be followed by other institutions, both universities, government

institutions and state-owned enterprises in Malang City.

### **Optimizing the use of online media as a means of product promotion and branding**

As one of the sectors driving the economy, Dinoyo Ceramic Village contributes to the welfare of its people. The stretching of educational tourism also indirectly demands that tourist destination managers consistently improve the quality of their tourism, both in terms of products, destinations and marketing.

This product branding and educational tourism branding activity began with outreach about the importance of branding in maintaining the sustainability of business actors in Dinoyo Ceramic Village. Furthermore, the activity was continued with a focus group discussion involving a team of doctors serving, partners (Dinoyo Ceramic Village), and presenters.

After conducting some assistance and coordination with craftsmen and youth organizations, the community service team which in the previous year had succeeded in creating a website containing information about ceramics, but also containing citizen activities, such as cultural, educational and religious activities, was followed up to make it more effective so that can be used as a media for product branding and educational tourism. In addition, this website also contains tour tentants offered by Dinoyo Ceramic Village and travel guides in Dinoyo Ceramic Village.

The website is also a branding media that can be used as a promotional and educational media for Dinoyo ceramic products. The existence of e-commerce can be used as a means to increase product sales in the midst of this pandemic. During this pandemic, in the last few months the sales of ceramic MSMEs have decreased by 60%. Every month, Dinoyo Ceramic MSMEs are able to produce 10,000 products/month, but currently they are only able to produce around 3500 products/month. Of course, this condition is very threatening the sustainability of the Dinoyo Ceramic MSMEs. The hope is that with a website that is used as a support for the branding media, it can increase sales consistently and can develop its marketing. In addition, furthermore, this branding is expected to be able to maintain the business sustainability of ceramic handicraft business actors in Dinoyo Ceramic Village.

So far, the existence of social media under the name Dinoyo Ceramic Village is owned by individuals. There is no official account from the

village that can interpret the culture of the people and the ceramic craft itself. With the official website of the Dinoyo Ceramic Village, it is hoped that it will provide centralized information on the website and in the future it will be continued with the creation of other official village social media, so that product branding and educational tourism branding can be maximized properly.

### **Product Branding**

Product branding is an effort to give identity to the product so that it can influence customers to choose our product over other competitors. Introducing a product is a fairly difficult process that must be carried out during starting a business. For big, well-known companies, product branding is a very easy thing to do. On the other hand, for small businesses, product branding is very difficult to do. Especially if the resulting product has quite a lot of big competitors, the branding process is increasingly difficult to do.

In this socialization activity and focus group discussion, the Dinoyo Ceramic Village was considered to be lacking in branding the products of ceramic crafts made by business actors. Branding is a communication activity to maintain and strengthen a brand to give perspective to everyone who sees it. Branding itself is closely related to terms, signs, symbols, visual characteristics, images, characters, perceptions, credibility, and impressions in the minds of customers on the products offered. The presence of branding itself will help every business owner to be more different and stand out from the competitors. Product branding: the identity given to a product to influence a consumer's decision to buy it. The benefits of product branding for Dinoyo Ceramic Village are:

1. Attract consumers to buy your product
2. Increase customer loyalty to your product or business
3. Opens the opportunity to set a high selling price
4. Highlight the advantages of the product compared to competitors
5. Perform product differentiation

Product branding activities at Kampung Keramik Dinoyo can be done through several things, such as improving product quality, making attractive and unique packaging, making advertisements or promotions using social media such as websites, and participating in exhibitions

or festivals. This product branding is expected to be able to increase sales of ceramic handicraft business actors in Dinoyo Ceramic Village

### **Educational Tourism Branding**

City branding is part of the marketing strategy of a district/city to create a strong positioning regionally and globally. City branding can also be the identity of an area for its potential. However, considering that the purpose of city branding and tourism destination branding is one of the strategies in marketing regional tourism, of course the logo and tagline must be made based on the potential that exists in the field. Thus, it can be concluded that city branding is an effort to give a brand to an area so that it is easily recognizable and can form a city image to market the area both locally and internationally.

The branding of educational tourism in Dinoyo Ceramic Village can be done in several steps such as pioneering a co-working space, educational tour packages, ceramics museum, or holding events. In addition, Dinoyo Ceramic Village can also provide tour packages such as Dinoyo history education, ceramic shopping, interior design arrangement, coloring competitions or holding a festival.

### **Managerial Training and Financial Management to Support Business Sustainability**

Factors that are often found to be obstacles for business actors are managing business management and financial management properly and effectively. Especially for those who do not have the basic economics of accounting, they tend to dare to open a business first without paying attention to financial management so that it will have an impact that the business they founded will not last long. Many actors do not separate personal money and business money, so that in their operations there will be overlaps. This is an example of an incompetent actor in business management and business financial management.

Good business management and financial management will provide benefits for business actors. Orderly financial records will make it easier for actors to know the financial condition and development of their business each period. This makes it easier for actors to make important decisions in a business. For example in the purchase of new assets that are useful for business development. If finances are managed properly, the effectiveness of achieving business goals can be realized properly [9].

This business management and financial management training is very important at this time, especially during the covid-19 pandemic. It is undeniable that during the COVID-19 pandemic, the demand for Dinoyo's ceramic products decreased drastically. Restrictions on residents' activities during the pandemic have prevented production workshops from being as busy as before. But over time, Dinoyo ceramics craftsmen are still able to survive by innovation and making products according to orders.

The COVID-19 pandemic still provides room for Dinoyo ceramics craftsmen, who receive a lot of order cancellations from customers. The prohibition of the public to hold party events has resulted in a lot of canceled party favor orders. However, craftsmen continue to innovate so that they can still produce ceramics such as soap bottles and hand sanitizers. The "stay at home" campaign and the work from home phenomenon for workers have actually given rise to a new hobby among the community, namely gardening, so that currently product orders have shifted to flower pots and other hobby-related items, such as bird cages and so on.

The spirit of craftsmen who never stop working is an extraordinary potential for Dinoyo Ceramic Village. Potential development needs to be done continuously so that Dinoyo Ceramic Village can become an icon of Malang City. In this activity at Dinoyo, the implementing team helps ceramics craftsmen and traders as well as youth organizations to carry out business management and financial management so that the ceramic production business that is being carried out continues.

After identifying problems and coordinating, the steps taken to maintain business sustainability are to provide business management and financial management training. This is intended so that ceramic craftsmen can manage their business and finances well, so that businesses can continue to run despite the COVID-19 pandemic

Business management and management training is carried out online or online or through zoom meetings by bringing in speakers. The things that need to be done by the Dinoyo Ceramic Village business actors in carrying out business management are as follows:

1. Identify business opportunities
2. Management studies
3. Market Study
4. Study Capital
5. Competition Study

Many small businesses do business without special records and mix business income with family income. This will make it difficult for businesses to develop and be able to meet consumer demand standards. Good service will also be difficult to implement because of the mix of business and household activities. On the other hand, if the business develops, it will be difficult to obtain assistance through credit available by bank and non-bank institutions.

Meanwhile, in terms of financial management, training is carried out by providing materials and practices for making financial reports. Financial statements are tools used to communicate financial information from a company to interested parties so that it can be used as a reference in decision making. The purpose of financial statements based on Financial Accounting Standards (FAS) is to provide information regarding the financial position, performance and changes in financial position of a company that is useful for a large number of users in making economic decisions. Several types of financial statements are often used: 1) Balance sheet, 2) Income statement, 3) Cash flow statement

#### **CONCLUSION**

From the community service activities that have been carried out, several conclusions can be drawn as follows:

1. The integration of the performance of Higher Education (Universitas Brawijaya) with the Dinoyo Ceramic Village can be a support for MSMEs to increase productivity. In addition, this activity is expected to help improve the existence of Dinoyo Ceramic Village as a literacy center and cultural preservation in Malang City.
2. Assistance in product branding and online educational tourism branding can increase the insight and knowledge of Dinoyo Ceramic Village business actors about the importance of branding to promote the products produced.
3. Business management training and financial management can improve business quality so that ceramic handicraft businesses have good business sustainability.

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