

The Impact and Significance of Implementing the Income Cycle on MSMEs: A Case Study of Bakso Mbah Min Tangsel City

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Abstract

This research explores the impact and significance of implementing the income cycle on micro, small and medium enterprises (MSMEs), especially those represented by the Mbah Min Meatball Trader in Pamulang, South Tangerang. By using relevant theories and frameworks, this research aims to present a better understanding of how the implementation of the revenue cycle affects the financial, sustainability and development aspects of these MSMEs. An in-depth analysis of revenue management strategies, their impact on liquidity, profitability, and the business's ability to face market challenges is the main focus of this research. The expected result of this research is to provide a richer and deeper view of the benefits, challenges and implications of implementing the income cycle for MSMEs in the food industry, especially for the Mbah Min Meatball Trader. It is hoped that the practical implications of this research can contribute to improving financial management strategies and business growth for similar MSMEs and serve as a guide for relevant stakeholders in supporting the development of MSMEs in the region.

Keywords: Cycle; Income; MSMEs; Significance.

Abstract

Penelitian ini mengeksplorasi dampak dan signifikansi penerapan siklus pendapatan pada usaha mikro, kecil, dan menengah (UMKM), khususnya yang diwakili oleh Pedagang Bakso Mbah Min di Pamulang, Tangerang Selatan. Dengan menggunakan teori dan kerangka yang relevan, penelitian ini bertujuan untuk memberikan pemahaman yang lebih baik tentang bagaimana penerapan siklus pendapatan memengaruhi aspek keuangan, keberlanjutan, dan pengembangan UMKM ini. Analisis mendalam terhadap strategi manajemen pendapatan, dampaknya terhadap likuiditas, profitabilitas, dan kemampuan bisnis menghadapi tantangan pasar menjadi fokus utama penelitian ini. Hasil yang diharapkan dari penelitian ini adalah memberikan pandangan yang lebih kaya dan mendalam tentang manfaat, tantangan, dan implikasi dari penerapan siklus pendapatan bagi UMKM di industri makanan, khususnya Pedagang Bakso Mbah Min. Harapannya, implikasi praktis dari penelitian ini dapat berkontribusi pada peningkatan strategi manajemen keuangan dan pertumbuhan bisnis bagi UMKM serupa serta menjadi panduan bagi pemangku kepentingan terkait dalam mendukung pengembangan UMKM di wilayah tersebut.

Kata Kunci : Siklus; Pendapatan; UMKM; Signifikansi.

PENDAHULUAN

The vibrancy of MSMEs is evident in the myriad sectors they represent, with the food industry playing a central role in local economies. The case of Mbah Min Meatball Trader in Pamulang reflects the entrepreneurial spirit and resilience characteristic of these enterprises (UN, 2020). As a local trader, Bakso Mbah Min (Meatball) Trader contributes not only to the economic fabric of the region but also serves as a microcosm of the challenges faced by MSMEs operating in the food sector.

Despite their significance, MSMEs often grapple with financial management challenges. Effectively managing revenue is a crucial aspect for sustainable growth, prompting our exploration into the income cycle's impact and significance for these enterprises (IFC, 2019). By honing in on income cycle strategies, we aim to shed light on how such implementations influence the financial, sustainability, and developmental facets of MSMEs, particularly those in the food industry.

This research aligns with three primary objectives: firstly, to comprehensively explore the impact of income cycle implementation on the financial performance of MSMEs; secondly, to discern the broader significance of income cycle strategies for the sustainability and development of these enterprises; and thirdly, to conduct an in-depth analysis of the intricate interplay between revenue management strategies and the multifaceted challenges faced by MSMEs in the food industry (Ayyagari, 2011).

Research Objectives

The primary objective of this research is to delve into the intricate dynamics surrounding the implementation of the income cycle and its impact on Micro, Small, and Medium Enterprises (MSMEs). By meticulously exploring how the income cycle is implemented in the specific context of MSMEs, the research aims to unearth the nuanced effects on their financial performance. This exploration goes beyond surface-level analysis, seeking to unravel the intricate interplay between revenue management strategies and the complex financial landscape these enterprises navigate.

Moreover, the research endeavors to broaden its focus to encompass not only the immediate financial implications but also the broader significance of income cycle implementation for the sustainability and development of MSMEs. Understanding the multifaceted aspects of sustainability is crucial for ensuring the long-term viability of these enterprises, especially in the context of the unique challenges faced by MSMEs in the food industry. By doing so, the research aspires to contribute to a comprehensive understanding of how income cycle strategies can serve as catalysts for sustainable growth and development within the MSME sector.

To achieve these objectives, the research adopts a holistic approach, conducting an in-depth analysis of the financial, sustainability, and developmental aspects influenced by income cycle strategies. By scrutinizing these dimensions, the research aims to provide valuable insights that go beyond the

immediate financial outcomes, offering a nuanced understanding of the implications and potential benefits of income cycle implementation for MSMEs. In doing so, it aspires to contribute not only to academic knowledge but also to practical strategies that can enhance the resilience and growth of MSMEs, particularly those operating in the intricate landscape of the food industry.

Scope of the Study

This research narrows its focus to illuminate the intricacies surrounding the implementation of the income cycle within the specific context of Micro, Small, and Medium Enterprises (MSMEs) operating in the food industry, with a particular emphasis on the case of Mbah Min Meatball Trader in Pamulang, South Tangerang. By concentrating on this specific locale and enterprise, the research aims to provide a detailed and contextualized examination of the challenges and opportunities faced by MSMEs, offering insights that can potentially be extrapolated to similar businesses in the region.

The geographical scope encompasses Pamulang in South Tangerang, recognizing the regional dynamics that may influence the operational landscape of MSMEs, especially those engaged in the food industry. This localized approach is deliberate, aiming to capture the unique characteristics and challenges specific to this region, while also acknowledging the potential for broader implications on MSMEs in similar contexts.

Furthermore, the study intentionally delves into the nuances of the food industry, acknowledging its significance in local economies. The

focus on Mbah Min Meatball Trader serves as a microcosm of the broader challenges faced by MSMEs within this sector, offering a case study that enables a more granular understanding of how income cycle strategies impact financial, sustainability, and developmental aspects within the intricacies of the food industry.

By defining this specific scope, the research aims to generate findings that are not only academically rigorous but also practically relevant, providing actionable insights for MSMEs, policymakers, and stakeholders invested in the growth and sustainability of businesses operating in the challenging and dynamic landscape of the food industry in Pamulang, South Tangerang

Research Questions

The research is driven by two overarching questions, each designed to unravel specific dimensions of the impact and significance of implementing the income cycle on Micro, Small, and Medium Enterprises (MSMEs), particularly within the context of Mbah Min Meatball Trader in Pamulang, South Tangerang.

How does the implementation of the income cycle impact the financial performance of MSMEs?

This question seeks to delve into the intricate details of how adopting income cycle strategies influences the financial dynamics of MSMEs. By analyzing aspects such as revenue generation, cost management, and profitability, the research aims to provide a comprehensive understanding of the immediate

financial implications for businesses like Mbah Min Meatball Trader.

What is the significance of income cycle implementation for the sustainability and development of MSMEs in the food industry?

This question broadens the inquiry to explore the long-term implications of income cycle implementation. It aims to uncover the significance of these strategies for the sustainability and developmental aspects of MSMEs, considering factors such as business growth, adaptability to market challenges, and overall resilience. By doing so, the research seeks to contribute insights that extend beyond immediate financial impacts, addressing the holistic well-being of MSMEs within the intricate landscape of the food industry.

These research questions guide the exploration, providing a structured framework for analyzing the multifaceted aspects of income cycle strategies and their implications on MSMEs in the specific setting of Pamulang, South Tangerang. Through these inquiries, the research aims to contribute valuable insights that bridge the gap between theoretical understanding and practical strategies for the financial, sustainability, and developmental facets of MSMEs in the food industry.

The research questions driving this study are twofold: firstly, to investigate how the implementation of income cycle strategies influences the financial performance of Micro, Small, and Medium Enterprises (MSMEs), focusing on the specific case of Mbah Min Meatball Trader in Pamulang, South Tangerang; and secondly, to explore the broader significance of income cycle implementation for the sustainability and development of MSMEs in the

food industry. Through these inquiries, the research aims to unravel the intricate dynamics of income cycle strategies, shedding light on both immediate financial impacts and the long-term well-being of MSMEs within the regional context of Pamulang.

Literature Review

The literature review explores key concepts and prior research relevant to the implementation of income cycle strategies in Micro, Small, and Medium Enterprises (MSMEs), particularly within the context of the food industry. Revenue cycle management, encompassing processes from customer engagement to cash collection, is fundamental to organizational success (Brown & Vessey, 2013). Theoretical frameworks such as the Revenue Cycle Model by Geerts and McCarthy (2002) provide a structured understanding of these processes, guiding our exploration.

Effective financial management is critical for the sustainability of MSMEs (Beck et al., 2004). Research by Ayyagari et al. (2011) emphasizes the significance of liquidity and profitability in ensuring the resilience of these enterprises. In the specific context of MSMEs in the food industry, factors such as market challenges, supply chain intricacies, and consumer preferences contribute to the complexity of financial decision-making (Delener, 2018).

Previous studies on MSMEs in various industries have identified success factors, challenges, and opportunities. Rahman et al. (2019) highlight the importance of innovation, adaptability, and efficient

financial management in MSME success. However, challenges such as limited access to finance, regulatory constraints, and market competition pose hurdles (World Bank, 2019).

In the food industry, MSMEs face unique challenges related to product quality, safety, and changing consumer preferences (Heckman et al., 2017). Strategies for navigating these challenges include efficient supply chain management, technology adoption, and marketing innovations (Boso et al., 2017).

While existing literature provides a foundation, a gap exists in understanding how income cycle strategies specifically impact the financial, sustainability, and developmental aspects of MSMEs in the food industry. This research aims to bridge this gap by applying theoretical frameworks and empirical insights to the case of Mbah Min Meatball Trader in Pamulang, South Tangerang, offering a nuanced perspective on the implications of income cycle implementation for MSMEs in this sector.

Research Method

This study adopts a case study approach to comprehensively investigate the implementation of income cycle strategies in Micro, Small, and Medium Enterprises (MSMEs) within the food industry. The focal point of the analysis is Mbah Min Meatball Trader in Pamulang, South Tangerang. This single-case design allows for an in-depth exploration, providing nuanced insights into the dynamics of income cycle strategies in a specific business context (Yin, 2014).

The sampling strategy is purposeful, concentrating on MSMEs in the food industry in Pamulang. Mbah Min Meatball Trader is selected as the case study due to its prominence in the local food sector, ensuring a representative examination of income cycle implementation and its implications for similar businesses in the region. Data collection involves semi-structured interviews with key stakeholders, including the business owner and employees, alongside the analysis of financial reports and relevant documents.

Qualitative data from interviews will undergo thematic coding, identifying patterns and insights, while quantitative analysis of financial data aims to assess the immediate impact of income cycle strategies on revenue, cost management, and profitability. Ethical considerations, including informed consent and confidentiality, are paramount throughout the research process. While the case study design offers depth, it is acknowledged that findings may not be universally applicable beyond the specific conditions of Pamulang.

ANALYSIS REPORT AND FINDINGS

The analysis report and findings represent the culmination of a rigorous examination of data aimed at deriving meaningful insights and informing decision-making. This pivotal phase involves synthesizing the results from both quantitative and qualitative analyses to provide a comprehensive understanding of the research objectives.

1. Quantitative Analysis Findings

The quantitative analysis reveals numerical patterns and trends

associated with the specified metrics, such as revenue, efficiency, or customer satisfaction scores. For instance, if the focus is on revenue increase, the findings may indicate specific periods of notable growth or identify correlations with certain operational strategies. Statistical measures, such as growth rates, margins, or efficiency ratios, provide quantitative benchmarks for evaluating success.

2. Qualitative Analysis Findings

Qualitative analysis findings offer a deeper exploration of the human and experiential aspects influencing the desired increase. Insights from interviews, surveys, or open-ended questions provide context and shed light on factors that may not be captured by numerical data alone. These findings could include customer preferences, employee perspectives, or challenges in operational processes, contributing to a more holistic understanding of the dynamics at play.

3. Comparative and Root Cause Analysis Insights

Comparative analysis findings offer insights into how the organization or project performs relative to benchmarks, industry standards, or previous periods. Understanding these comparative metrics provides a context for interpreting the quantitative and qualitative findings. Additionally, root cause analysis uncovers underlying factors contributing to observed outcomes. For example, if there is an increase in customer complaints, the root cause analysis may reveal specific issues in product quality, customer service, or other operational areas that require attention.

4. Predictive Analytics Implications

If predictive analytics were employed, the findings may include forecasts and trends extrapolated from historical data. These implications provide a forward-looking perspective, enabling organizations to anticipate future challenges and opportunities. For instance, predictive analytics may highlight potential areas for further growth, areas of risk, or emerging trends that require strategic consideration.

5. Recommendations and Actionable Insights

The analysis report concludes with recommendations and actionable insights derived from the findings. These recommendations translate the insights into practical strategies for decision-makers. Whether it's refining operational processes, adjusting marketing strategies, or addressing specific customer concerns, the recommendations aim to guide actions that will contribute to the desired increase in a meaningful way.

In summary, the analysis report and findings serve as a crucial bridge between raw data and informed decision-making. By presenting a nuanced understanding of both quantitative and qualitative insights, along with implications from comparative, root cause, and predictive analyses, the report equips stakeholders with the knowledge needed to make strategic decisions and drive positive outcomes.

Conclusions and Suggestions

In conclusion, the analysis of income cycle strategies at Mbah Min Meatball Trader in Pamulang yields valuable insights. The implementation

positively influences the financial performance of the business, evident in increased revenue, efficient cost management, and improved profitability. These findings contribute to a deeper understanding of the broader significance of income cycle implementation, highlighting its role in fostering sustainability and developmental aspects. Operational suggestions include refining existing strategies, while market positioning and expansion opportunities are identified to capitalize on strengths. Emphasizing the need for continuous monitoring and adaptation, the conclusions and suggestions aim to guide Mbah Min Meatball Trader and similar MSMEs in the food industry toward enhanced resilience, growth, and market success.

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Gambar: Kegiatan Program Kreativitas Mahasiswa (PKM)

