
Inventory Management Assistance in "Rayyan Gallery" Business

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ABSTRACT

Trading companies are supplied by way of purchase of finished goods ready for sale back directly. While manufacturing companies get supplies by way of their own manufacture. So that manufacturing companies will incur production costs such as raw material costs, direct labor costs, and factory overhead costs. In the FIFO method, the value of goods that will go out for production activities is based on the price that was first entered. So that the final goods inventory using a price based on the new price or the price with the last order purchased. Therefore, the FIFO method is more visible for calculating the COGS. The cost used to purchase the first item is the Cost Of Good Sold (COGS). The selling price calculation is based on the price of the previous transaction stock of goods. The availability of sufficient and quality information will make it easier and faster for management to make decisions, it is necessary to distribute computerized information so that the information provided is more accurate, efficient and effective in realizing the goals of the company when compared to manual data processing. By creating an application program that uses Visual Basic 6.0 programming will help in systemized data processing.

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INTRODUCTION

Facing an era of increasingly fierce competition, a person is required to have a high entrepreneurial spirit so that he can run the business he is doing well. Thus we must be able to see market opportunities and desires in terms of needs and the selling value that we will offer to consumers. As the company grows, the need for planning is even greater. Time cannot be saved, time must be used wisely. The right mental attitude towards work is very important. Successful entrepreneurs enjoy their jobs and are totally dedicated to what they do.

Their positive mental attitude turns their job into one that is exciting, attractive and fulfilling. Entrepreneurs need to manage their time effectively, and the key to using that time lies in better management. Being entrepreneurial means having the ability to find and evaluate opportunities, gather the necessary resources and act to take advantage of those opportunities. Entrepreneurs should spend most of their time planning business activities. Departing from these things, an entrepreneur is required to be able to manage or control

his / her attitude correctly. In running a business (entrepreneurship), a business actor must have: 1. Skill (ability) A business actor must have the skill (ability) to do entrepreneurship because without the skill (ability) a business actor will not be able to do entrepreneurship. So skill (ability) is the main asset that must be owned in entrepreneurship. 2. Determination (willingness) If a business actor already has the skills (ability) but without the determination (strong will) to entrepreneurship, the entrepreneurial skills will be in vain because they cannot be channeled. So basically skill and determination must be possessed by an entrepreneur. 3. Capital Capital is a very supportive aspect of starting and running a business besides having skills and determination. 4. Targets and Objectives If a business actor wants to run a business, he must be able to determine the target and marketing objectives. Because if the targets and goals are not planned, the business that is carried out may not last long. 5. Place The place of entrepreneurship is an aspect that must be owned if you want to run entrepreneurship. Because the place is also very supportive in terms of entrepreneurship and can make a consideration by consumers regarding the entrepreneurship that is being carried out.

Today, running a garment sewing service entrepreneur is still promising. Even though there are now a lot of ready-made clothing products, consumers still need sewing services. Because there are several risks of buying finished clothes that are usually accepted by buyers. Apparel is usually made in standard sizes (S, M, L, and XL). Although the models and materials are quite varied and the price is cheaper than wearing a tailor, not all finished clothes are suitable for consumers. Especially for people who have a posture that is different from the standard of people in general, such as too small or too fat. Sewing services will still be hunted by people like this. Besides that, there are certain styles and materials of clothes that are more comfortable when worn from ordinary stitches, rather than in the form of factory-produced garments. For example, traditional clothes, lace fabrics, suits, kebaya, woven fabrics and others. Partners actually specialize in sewing kebaya clothes, but sometimes they accept other clothing stitches such as skirts, shirts, pants and other clothes. They still have limited tools, only sewing machines. For grinding and embroidering, you still have to pay it to another shop, so it requires a longer production time. This makes them less efficient at work. Besides, the opportunity to get a bigger profit is lost.

Companies engaged in trade and services need to record accounting to determine the financial condition of their business. Because the resulting financial statements will be able to show the company's actual financial condition, profit or loss. The trading company transaction process includes the calculation of the cost of good sold because there is an inventory of merchandise in it, so the company needs to specifically record every transaction related to the inventory. According to Harnanto (2002), inventories are all goods that are owned for the purpose of reselling or consumption in the company's normal operations.

Trading companies are supplied by way of purchase of finished goods ready for sale back directly. While manufacturing companies get supplies by way of their own manufacture. So that manufacturing companies will incur production costs such as raw material costs, direct labor costs, and factory overhead costs. For trading companies whose business is to buy and resell merchandise, inventory is generally classified into 2, namely: 1. Merchandise inventory, these items will not physically change until the goods are sold. 2. Other inventories, these items are used in the short term and usually will be expensed as general and administrative expenses, or usually also as a marketing expense.

The SME Business "Rayyan Gallery" is a business engaged in trading, which is addressed at Perumahan Kelapa Gading C9 Jl. Kelapa Gading Toga Kepuharjo Kab. Lumajang, although it has been running for about 1 year, it turns out that this business still has not implemented records that are in accordance with accounting standards. The process of recording inventory is indeed not easy, but it is very important to be used and implemented by all business actors to make it easier for us to control merchandise so that there is no fraud and can be detected as early as

possible. This inventory recording can also make it easier for business actors to know the entry and exit of goods so that there is no longer running out of merchandise when the buyer needs it. There are several methods of recording merchandise inventory in accounting, depending on the business actor who will use and apply it with due regard to the expected profit or profit later. After we know how important it is to record inventory for small and large companies, because it will have an impact on the profits we get in the process of selling goods in accordance with the accounting cycle.

METHODS

From the above problems, there are several solutions that are offered through the following stages : The first stage: conducting a survey to partners to see the conditions and situation of the partner's business. The second stage: conducting interviews with partners in order to explore various business problems and obtain various information related to the business. The third stage: introduction of the merchandise inventory method. The fourth stage: assistance in procuring equipment to expedite the packing process. The fifth stage: monitoring and evaluation.

The approach method offered to solve partner problems consists of the following steps : Survey: this activity will be carried out to see the situation and condition of the partner's business, Interview: the purpose of this interview is to gather information on partner problems and at the same time find solutions, Knowledge of inventory methods : this implementation will be carried out by the lecturer, namely the delivery of material about supplies to business owners and employees of the inventory department, Inventory method recording: this implementation will be accompanied by the lecturer to determine what method is most suitable and suitable for partner business so that the recording is well organized, Aid supplies: support equipment used to support the activity of sewing to produce the raw materials into finished materials, Monitoring and evaluation: monitoring and evaluation activities are carried out periodically until partners can produce inventory reports properly and the output of this program can be achieved, starting with the application of the accounting method used in accordance with what has not been submitted. Utilization of the use of equipped equipment is expected to support partner production activities to produce more sewing services so that the profit generated is also large and consumers are satisfied.

RESULTS AND DISCUSSION

Initial preparation before conducting interviews with business actors is carried out with the aim of seeing the initial conditions of the business that have been running. This activity also aims to prepare community service programs, and aims to collect business-related data and information. The survey activity was carried out on July 5, 2020, the survey findings revealed that the conditions of the place for storing inventory were not yet organized, and the inventory recording was still not going well, it was proven that some of the supplies were not included in the inventory recording of goods, when the goods were lost they could not be detected . The following are the results of the documentation of the survey activities carried out by the community service program implementers.

The second step in implementing a community service program is the interview activity. Interviews are needed to gather information related to the business, which is extracted in the form of business identity, capital and turnover, number of workers, and inventory. Interview activities were carried out on August 15, 2020, the results of the interviews indicated that there were still many problems in accounting records. The absence of administrative staff, does not understand the recording of merchandise inventory because only intermediate level graduates make it difficult to

calculate the stock of merchandise. Partners only record incoming and outgoing merchandise without any control or control from the business owner for each day when the diary is closed.

This service business has been going on for about 1 year, starting as a hobby from the business owner, then the business owner tried to promote a shirt, batik shirt and women's clothing through Story WA. Initially, only close relatives and neighbors started to buy this merchandise, but the business owner was brave enough to introduce the tailoring, including private employees, lecturers and teachers. Even though it doesn't have a brand, this business is well known for its neat stitches, and can follow trendy models.

The third step in implementing community service programs is a provisioning activity. This provision is intended for business owners and administrative employees. This provision is intended so that business owners and administrative employees understand the basics of accounting inventory recording. The program implementer conveyed in the form of a presentation, the materials presented included the concept of inventory, various inventory recording techniques, solutions for using the inventory method that were suitable for this business.

The fourth step is to provide directions to business owners and employees to record all merchandise inventory in the store so that the goods that have entered and left are also known to make it easier to control the goods, especially if you use a computerized system, it will be easier to control. The following is an overview of the methods you can use to determine inventory. There is a FIFO method the first item purchased is the first item to be sold. This method corresponds to the actual cost flow (*cash flow*). FIFO method is the method most commonly used in inventory valuation. In the FIFO method, the value of goods that will go out for production activities is based on the price that was first entered. So that the final goods inventory using a price based on the new price or the price with the last order purchased. Therefore, the FIFO method is more visible for calculating the COGS. The cost used to purchase the first item is the *Cost Of Good Sold* (COGS). The selling price calculation is based on the price of the previous transaction stock of goods. The availability of sufficient and quality information will make it easier and faster for management to make decisions, it is necessary to distribute computerized information so that the information provided is more accurate, efficient and effective in realizing the goals of the company when compared to manual data processing. By creating an application program that uses Visual Basic 6.0 programming will help in systemized data processing.

The merchandise that has been produced by partners is actually already known by several circles in the Lumajang area, but the shortcomings of these stitches are less exposed and there is no special brand to make it easier to introduce outside. On September 1, the partners and implementers of the activity agreed to create a brand with the brand name of the partners themselves, the organizer of the activity only made the brand design to attract the attention of consumers.



Figure 1. New brand "RG"

This equipment assistance is intended so that partners can more easily promote merchandise in the form of clothing and food products by providing equipment assistance in the form of clothing sculptures, packing tools for clothing brands.

CONCLUSION

The community service program is running well and smoothly, mentoring has been proposed to successfully make a reporting and recording of supplies. This activity received full support from the trading business group, because the results provided new ideas in terms of accounting records. Based on the activities that have been carried out, several suggestions can be made as follows: 1. The existence of similar activities should always be carried out periodically so that it can improve the skills and independence of MSMEs. 2. Lack of employees who understand accounting records. In addition to recording inventory, there are actually many other community service activities that need to be developed, such as training for employees to calculate cost of goods manufactured and sales.

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