

## Working Capital Management of Fish Selling Groups in Tumumpa Market, Tuminting District, Manado City

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### ABSTRACT

*This article is a description of the implementation of community service which focuses on strategies for managing working capital and business development as part of financial management. The aim of the Community Partnership Program (PKM) is to increase the income of the Fish Sellers Group at Tuumpa Market, Tuminting District. The PKM team concluded that this Fish Selling Group needs understanding, training and assistance to develop their business, through making products from fish as basic ingredients and effective financial management. The Fish Sellers Group in Tuumpa Village, Tuminting District does not yet know financial management, namely working capital management, and has limitations in producing innovative products. Implementing proper working capital management will have a positive impact on partners to increase income. Meanwhile, partners' limitations are producing innovative products. In this PKM, the basic assumption that it is important for this PKM to be implemented is that the fish sellers at Tumumpa Market are members of the public and are the target audience who have never received this socialization and training. Another assumption is that they really need socialization and training*

*regarding financial management and business development through product diversification such as Fish Crackers, Fish Floss and Fish Sambal. This PKM was carried out to try to answer the problem of low knowledge of fish catches, lack of creativity on the part of the fish seller group in managing available fish resources, and lack of knowledge in managing finances. Outcome plans include: increasing knowledge and skills in utilizing technology to produce more economical products from fish raw materials, having the ability to manage finances. The target output is journals published through ISSN journals and online media publications.*

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## **Introduction**

Indonesia is a country that is very rich in natural resources. If this potential is developed and managed better, it will help the country to accelerate and grow the national economy. The majority of people who live in coastal areas live by utilizing the resources available around them, as do the people in the Tumumpa fish market area, many of whom depend on their livelihood by working as fishermen or selling fish at the market. Fish sellers at the market are synonymous with a simple life and difficulties in working capital. Likewise, the problems faced by those in Tumumpa Subdistrict are related to working capital management and low entrepreneurial spirit. So even though fish resources are abundant, the average level of welfare is still low or even lacking. Seeing this problem, the Community Partnership Program (PKM) team from Sam Ratulangi University intends to help the group of fish sellers at the Tumumpa Fish Market by providing assistance and outreach regarding working capital management and how to foster an entrepreneurial spirit in order to increase their level of income and welfare through improving capital management skills. work and additional knowledge and open insight to motivate yourself to have an entrepreneurial spirit.

Kasmir (2012:250) defines working capital as capital used to carry out company operational activities. Working capital for fish sellers at the Tulumpa Fish Market is very important for their business operations. Without proper working capital management, the fish seller will have difficulty and lack funds to finance his operations. Seeing this gap, training is needed which aims to gain knowledge,

Techniques and skills in managing working capital and with good working capital management, the level of business continuity will be better guaranteed.

## **Partner Problems**

Based on the observations made, it was found that the Fish Sellers group in Tumumpa Village, Tuminting District, did not yet know financial management, namely working capital management, and had limitations in producing innovative products so that they could increase income and welfare of life. In response to the conditions above, it is very appropriate that training in working capital management is provided in this service. Implementing appropriate working capital management will have a positive impact on fishing groups to increase income. Meanwhile, there are limitations in producing innovative products. The basic assumption of the importance of

implementing this PKM is that the fish sellers at Tumumpa Market are members of the public and are the target audience who have never received this socialization and training. Another assumption is that they really need socialization and training regarding finance and business development through product diversification such as Fish Crackers, Fish Floss and Fish Sambal. The scope of the limitations of implementing science and technology in PKM is: In the form of outreach to the community, in this case the fish sellers at the Tumumpa fish market and technical assistance which aims to provide expertise in the management of production of fish derivative products, financial management and marketing using information technology.

Kasmir, (2010; 210) explains that working capital is capital used to finance the daily operations of a company, especially in the short term. Working capital also refers to all the short-term assets of a company. In other words, working capital is an investment invested in current or short-term assets. For example, cash, bank, securities, receivables, inventories and other current assets. Working capital is usually used for several activities in one period. In line with Kasmir, Sujarweni., W (2017: 186) stated that working capital is also the company's investment in the form of cash, securities, receivables and inventory, minus current liabilities which are used to finance current assets. In the book *Cashmere Financial Report Analysis* (2019: 250), there are three types of working capital concepts, namely First, the quantitative concept which states that working capital includes all current assets. The concept is to cover capital needs to finance short-term company operations. This concept is often called gross working capital.

Second, the Qualitative Concept The qualitative concept is a concept that focuses on the quality of working capital. This concept looks at the difference between the amount of current assets and current liabilities. This concept is called net working capital (net working capital). And third, the Functional Concept. The Functional Concept emphasizes the function by which company funds generate profits. This means that the company has and uses large amounts of funds to increase company profits. The more money you have for working capital, the greater your profits are likely to be. On the other hand, it also reduces profits when fewer resources are used. But in reality this is not always the case. Based on these three working capital concepts, it can be concluded that quantitatively working capital is the amount of current assets. Qualitative working capital is current assets minus short-term debt, while the functional concept only focuses on the ability of the company's funds to generate income.

### **Targets and Outcomes**

Based on the description of the existing problems, the expected solutions from this training are: First, participants have increased knowledge in working capital management both theoretically and practically by using tools to improve income and welfare levels, second, participants gain knowledge and understand the concept of entrepreneurship by produce products that have added value. Third, participants are expected to be able to independently apply the methods and knowledge obtained in the training so as to create good business continuity. This service activity was carried out to answer the problems faced by the Sellers group in Tumumpa Village, Tuminting District, Manado City by providing assistance and training in working capital management and transferring knowledge regarding Business Management such as financial management and production which has added value so that it can increase income. This activity will be carried out at the Fish Market in Tumumpa Village or at a partner's house located nearby.

It is hoped that partners can gain benefits from this PKM activity, including:

- a. Economic side: Partners can improve and develop themselves which will have an impact on the willingness to increase competitiveness including performance at work which ultimately increases income and welfare.
- b. Science and Technology application side: Partners can become "trainers" for other groups of workers.
- c. Community side: can improve family welfare.

In addition to achieving the output targets above, the PKM team also has another output target in the form of publication of an accredited national journal based on the results of this PKM implementation. With this publication, it is hoped that there will be stakeholders from academics, marketing practitioners and even the government who will participate in helping other actors.

### Implementation Method

The method used by the service team is a training method for groups of Fish Sellers at Tumumpa Market, Tumumpa District in the form of lectures and questions and answers. The socialization method involves providing guidance to the public regarding working capital management, increasing profits, understanding and skills of partners as well as increasing entrepreneurial spirit by increasing product added value. The following is a table showing the methods presented to participants.

No.	Material	Allocation Time	Training Methods
1.	<i>Working capital</i>	2 hours	1. Lecture 2. Discussion/Q&A
2.	<i>Entrepreneurship and Business development</i>	2 hours	1. Lecture 2. Discussion/Q&A

### Results and outputs achieved

During the activity, the fishermen/fish sellers at Tumumpa Market were very enthusiastic about taking part in the socialization and discussion activities, firstly, basically the fishermen selling fish at Tumumpa Market were less able to manage money, especially in management practices such as financial planning, for example they did not make projections about working capital needs so they do not have a clear picture of working capital requirements. Second, increasing profits. Fish sellers in the market are important. Therefore, there are many things that need to be considered, including understanding the market, the ability to adapt to changes in the business environment, which are key factors in increasing profits for sellers. Apart from that, fish sellers need to have a long-term vision and focus on strategies that can bring long-term profits. Furthermore, increasing sales can also reduce unnecessary costs, this includes savings in operations and better inventory management. The third is related to product development. Fish

sellers need understanding and skills in product development or product diversification to attract customers. Perishable fish products require fast and precise handling.

The following are questions asked to partners when the TEAM conducts follow-up:

1. Do you understand the training material in its entirety?
2. Do you feel that participating in this activity increases your knowledge?
3. Do you implement the theory/knowledge gained?
4. Do you understand working capital management without the help of the PKM TEAM?
5. Do the service activities that have been carried out have an influence on business development and way of thinking?
6. Do the activities that have been carried out have an influence on creativity and innovation?
7. Does this activity have an economic impact?
8. In the future, do you want to share the knowledge you have gained with other people?

### **Conclusion**

Based on the implementation of these PKM activities, it can be concluded that the PKM activities for working capital management and business development carried out by fish sellers in Tumumpa Village are able to increase knowledge, awareness and understanding of partners, even when implemented they are able to provide changes from an economic perspective to fish sellers in . Apart from that, this PKM activity can also provide space for lecturers to contribute to community empowerment activities.

### **Suggestion**

Suggestions can be given so that PKM partners have regular follow-up and that PKM activities like this continue to be implemented with different community targets.

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