



The Application of "UMKM Kita" as a Solution to Digitize MSME Financial Administration: a Case Study of UD. Sidosermo Jaya

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ABSTRACT (9 pt)

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The "UMKM KITA" application aims to be a solution to digitize financial administration for MSMEs, with a case study at UD. Sidosermo Jaya, Surabaya. The background of the research is based on the low digitization and financial bookkeeping of the majority of MSMEs in Indonesia, which causes administrative disorder and a high potential for recording errors. The research uses the Research & Development (R&D) method with the ADDIE model approach, including the stages of needs analysis, application design, development, implementation in MSME partners, and evaluation. The results of the study show that the "UMKM KITA" application is able to facilitate the digital financial recording process, automation of financial statements, stock management, and provide good educational and data security features. The implementation of this application at UD. Sidosermo Jaya has a positive impact by facilitating the recording process, accelerating financial evaluation, and increasing the understanding of MSME actors related to financial administration. However, the evaluation also found a need to improve the performance of the application before it is applied more widely. The "UMKM KITA" application is an effective solution for digitizing financial administration and has the potential to be developed in other MSMEs in Indonesia.

1. INTRODUCTION

The era of globalization is characterized by the rapid development of technology and information, which has an impact on the increasing human need for information. Information has become very important in various activities carried out by humans (Rijal, 2023). This condition is strengthened by the results of a report from Hootsuite We are Social (Riyanto, 2025), noting that in Indonesia there are 212 million people connected to the internet, and have an internet access rate of 74.6%. The growth of internet users shows the widespread use of digital technology at various levels of society, which indicates that the flow of information is now an inseparable part of daily life.

Technological advances force various sectors to continue to adapt to digital systems in order to maintain their competitiveness (Nurova & Freze, 2021). So that many fields are now starting to depend on globalization and make it a form of adaptation and innovation to be able to survive in the digital era (Singla, 2024). One of them is in the economic sector in Indonesia, including the MSME sector. In contrast to large economic sectors that are more technologically prepared, MSMEs still face various limitations in the use of technology.

Micro, Small, and Medium Enterprises or MSMEs are one of the fields in the economic sector in Indonesia listed in Law Number 20 of 2008 concerning MSMEs. MSMEs are business units that are more numerous than large-scale industrial businesses and have the advantage of absorbing 97% of the total workforce in Indonesia. In addition, MSMEs have also contributed more than 60% to the Gross Domestic Product (GDP) (Aliyah, 2022). These contributions show that the sustainability and effective management of MSMEs can affect national economic stability. So that MSMEs are useful in developing human resources in the economic sector to be able to be independent in producing the economy of each individual.

MSMEs sometimes have several problems in managing their administration and financial management (Fadhillah & Friska, 2024). A survey conducted by the Central Statistics Agency (BPS) shows that in Indonesia there are 70% of MSMEs that do not have adequate financial reports (Luckieta, 2025). This shows that there are many MSMEs who still do not understand the importance of accounting and lack the ability to prepare financial statements. These problems arise due to a lack of coaching on financial administration, difficult systems, and unorganized administrative processes. So that it causes many losses to MSMEs directly or indirectly. The many problems make the digital system one of the solutions. The digital system in question is one that can manage these problems in an orderly manner and can overcome these problems.

As a form of response to these needs, this research was made to find a solution by building an application project to help the MSME administration and financial system called "UMKM KITA". This application is specifically designed to assist MSME actors in recording, managing, and monitoring business financial flows digitally. The main features in this application include recording, income, and expenses, financial statement recapitulation, and simple analysis of the company's financial position. This application is also designed to meet the accommodation needs of MSME actors regarding the security of data included in the application.

This research has a context on one of the MSMEs in the field of building materials under the name UD. Sidosermo Jaya in Surabaya. These MSMEs were chosen as a case study in this study because of the simple business structure, but it has complex financial administration recording needs in each sales activity. This causes a high risk of errors in the implementation of recording if you still use manual recording.

The application of the "MSME KITA" application at UD. Sidosermo Jaya is expected to be a solution in recording financial administration digitally that can minimize errors. This research will see the extent to which the application can help MSME owners in compiling systematic financial records, transaction records, and business planning that will be made with this application.

2. RESEARCH METHOD

This research is motivated by the problems faced by MSME actors in Indonesia, especially in the aspects of administrative and financial management which are still carried out

manually and unstructured. This condition hinders business development and makes the data-driven decision-making process more difficult.

In this study, Research & Development (R&D) theory from Borg & Gall (1983) was used. In this theory, it is stated that the function of this research is to provide a product of the results of the research that has been carried out. In line with this research, which wants to make a product in the form of an KITA MSME application from research on MSME problems. This theory explains the existence of general indicators or stages of R&D research according to Borg & Gall (Zamsiswaya, 2024). The stages are in the form of the following 10 indicators:

2.1. Research and Information Collecting

The initial step in product development is a preliminary study, which includes an analysis of needs related to urgency, development potential, availability of experts, and time. Followed by a literature study to obtain an initial picture and supporting data, as well as small-scale research to answer unanswered questions through scientific references.

2.2. Planning

After the preliminary study is conducted, the next stage is to prepare a research plan. In research and development (R&D), this planning includes the determination of research objectives, the estimation of resource needs such as budget, labor, and time, and the determination of the qualifications of researchers and their involvement in the research process.

2.3. Develop Preliminary of Product

At this stage, the researcher can design the initial form of the product or hypothetical design, detail the needs of facilities and infrastructure during the R&D process, and can draw up the stage of field design trials, as well as determine the roles and duties of each party involved.

2.4. Preliminary Field Testing

This stage is an initial trial of limited product design, both in terms of content and the number of parties involved. Testing is carried out repeatedly to obtain a feasible design in terms of substance and method.

2.5. Main Product Revision

Based on the results of the limited test, improvements were made to the initial product design. Revisions are carried out qualitatively by evaluating the process, so that the improvements are internal and aim to improve the quality of the design.

2.6. Main Field Test

Product trials can be conducted on a wider scale to measure the effectiveness of the design. Generally use an experimental approach with a repetition model. The results of this stage are expected to produce an effective design in terms of content and method.

2.7. Operational Product Revision

The revision of the plan was carried out based on the results of large-scale field tests. The methods used include pretest and posttest. This revision aims to establish the product as a whole through internal and external improvements.

2.8. Operational Field Test

The product is tested at scale to assess effectiveness and adaptability, and engages potential users directly.

2.9. Final Product Revision

Final refinements are made to ensure the product is effective, accurate and ready for widespread application.

2.10. Implementation

The product is implemented in the user after passing the quality control stage.

This research also uses the ADDIE development model which is in accordance with the Research & Development theory. Dick and Carry (1993) as the makers of the ADDIE model explained that in the model there are stages in making a system or product. The researchers used the ADDIE development model to produce products that can be designed in stages. There are five steps in this model, namely: 1). Analyze is the initial identification of the cause of the problem and the initial planning which includes thinking and decision-making on the product to be made 2). Design is verification of the results or achievements that have been targeted and determines the steps that will be used in achieving the needs of the problem 3). Development is compiling and ensuring the accuracy of information, as well as developing products to suit the needs of 4). Implementation stage of product implementation in real situations to see its functionality and user response 5). Process evaluation assesses the effectiveness and quality of the product, to find out the shortcomings and improvements through the response from the user experience

3. RESULTS AND DISCUSSION

The UMKM KITA application is a solution needed by MSMEs with many existing risks. The solution is adjusted to the problems that have been collected when searching for data. Based on data from the Central Statistics Agency, 89.59% of MSME problems still use manual technology and have not been integrated with modern technology.

The application of applications to MSMEs is carried out in stages that are the basis of this research. In accordance with the theory of R&D, which is research to develop a new innovation in the form of products or models that are suitable for the community which in this research is carried out at UD. SIDOSERMO JAYA as the object of research from the development of the MSME financial system, namely the UMKM KITA application.

Based on existing problems, UMKM KITAs were born as an answer to these problems in the form of digitizing MSME administrative and financial management with various superior features that facilitate the financial recording process.

3.1. Product Advantages

3.1.1. Business Summary Dashboard

This feature is a useful feature to see directly a summary of the business implementation process that has occurred. In this feature, there are daily, weekly, and monthly charts. There is also a real-time visualization of the profit/loss of the business.

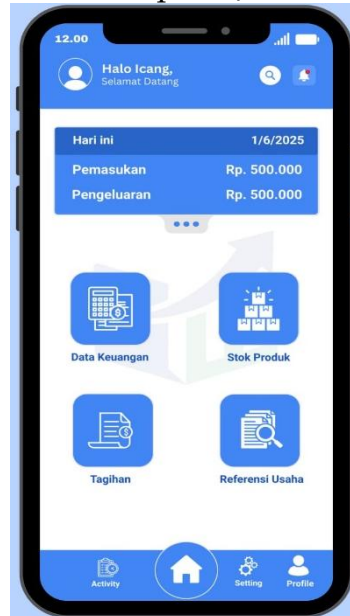


Figure 1. Business Summary Dashboard

3.1.2. Entry and Withdrawal

This feature is an important feature in the UMKM KITA application, because it will display the form of income and expenditure along with the information clearly. In this feature, you can see the financial condition, so that it can determine the direction of MSMEs that use this application.

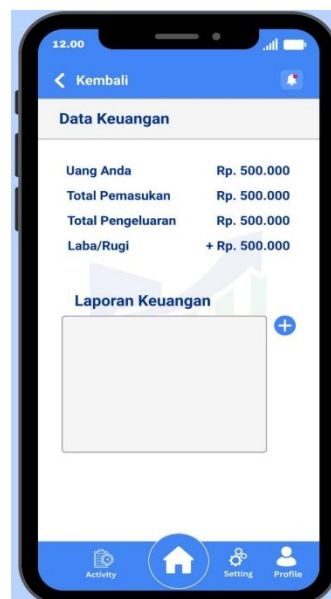


Figure 2. Entry and Withdrawal

3.1.3. Automated Financial Reports

The next feature is the feature that will come out every month. This feature will show financial reports every month, so that it can be a source of evaluation and determination of the next direction of MSMEs.



Figure 3. Automated Financial Reports

3.1.4. Product Stock Management

This feature will display the products entered by business actors and become a product stock management system when the product is sold. In addition, this feature will help remind if there is a stock that is starting to decrease or run low.



Figure 4. Product Stock Management

3.1.5. Payments and Bills

The following feature will display payments and bills that must be made by MSME business actors. Such as electricity bills, water, product purchases, and more.



Figure 5. Payments and Bills

3.1.6. Data Security

This feature is a mandatory feature in the UMKM KITA application, because this application will deal with private finances for each account. In this feature, there will be data or profile synchronization by providing a PIN or password every time you open the application.



Figure 6. Data Security

3.1.7. Educational Features

This feature is in the form of additional features for local MSME actors who will be given an overview of administrative and financial management. This feature is also expected to be a form of guidance that will be carried out indirectly to MSME actors.

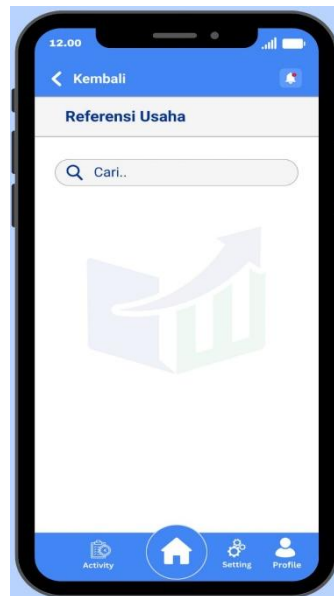


Figure 7. Educational Features

3.2. Model ADDIE

The UMKM KITA application uses the ADDIE model in its formulation stage. The researcher uses this model because it is appropriate and very relevant in the implementation of making this application. The indicators in this ADDIE model are explained as follows:

3.2.1. Analysis

The analysis stage was carried out by conducting observations on one of the MSMEs, namely UD. Sidosermo Jaya to take the primary data needed. The primary data provides a reference in the creation of the "UMKM KITA" application. At this stage, researchers found a need for a form of digitalization in MSMEs. These needs can be detailed as follows;

- Digital financial reporting data
- Financial system security
- Financial education references

In addition, there are also secondary data taken from various literature. This data collection is carried out as a form of additional sources that can be used as a reference again in the process of making the UMKM KITA application. So that there are additional needs that are in accordance with MSMEs in Indonesia, besides that it is also a form of preparation for this application at a wider level.

3.2.2 Design

At this stage, the researcher makes an application with a design that is friendly to everyone. So it is hoped that it can be reached by all people who lack understanding of technology. This application uses a system that makes it very easy for all people to operate it. In addition, the UI/UX form is also adjusted so that it can be easily understood by all ages.

3.2.3 Development

This stage is carried out using a system that is integrated into all the needs of MSMEs in Indonesia. Such as a financial system that is directly integrated into financial statements, so that all finances can be formed automatically. In addition, this application is also carried out so that MSME actors can understand and learn about financial administration and financial management.

3.2.4 Implementation

The implementation of this application has been carried out at UD. Sidosermo Jaya as a partner of the KITA MSME application. At this stage, there are still suggestions and criticisms from partners in implementation. But overall a suitable system has been formed. The advantage of this KITA MSME application is a form of convenience that has been systematized. But there are drawbacks such as the application running that is still not suitable and requires a long process.

3.2.5 Evaluation

This stage is the last stage and performs the evaluation needs in this application. The evaluation in this application is a system that is sometimes still slow in its processing. So this stage requires a re-shaping of the evaluation that has already been seen, in addition to that this evaluation also requires advice from partners. The partner explained that the form of this application is very good because it is easy to understand the content of the application. But what needs to be done again at this stage is the readiness of the application to spread to all other MSMEs.

The adjustment of this application with superior features and also the ADDIE models makes the UMKM KITA application can have new suggestions and criticisms that are useful for building a better system. This shows the impact of making this application in a positive direction in the future. So that the creation of this application is aimed at economic development, especially in the MSME sector in Indonesia. Economic development through the UMKM KITA application is also expected to be a solution to the form of financial administration digitalization that occurs.

4. CONCLUSION

The results of this research can develop the UMKM KITA application as a digital solution to overcome financial administration problems in MSMEs, especially in UD. Sidosermo Jaya. Through Research & Development (R&D) and the ADDIE model, this application can be designed with various features that suit the needs of MSME actors. These needs such as transaction recording, financial statements, stock management and business summary dashboards will make it easier for MSMEs to manage their business in a structured and more efficient manner. The results of the trial of the application can show a positive response from users that this application is not only functional but also easy to manage by MSME actors with various levels of digital security.

The success of the "UMKM KITA" application proves that Research & Development with the ADDIE model is the right method to develop digital solutions that suit the needs of

MSMEs. The results of the study show a significant increase in productivity for the development of MSMEs in Indonesia, especially in terms of increasing the capacity of digital financial management. This application is clear evidence that digitalization is a sustainable solution to overcome challenges in the MSME sector. This research not only has a practical impact on business actors, but also for strategic partners in encouraging the growth and competitiveness of MSMEs in the digital era.

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