

## Efforts to Improve Black Oil Small Business Through Calculation of Business Profit and Packaging Improvement, Product Labelization in Seith Village Leihitu District, Central Maluku Regency

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### Abstract

The Maluku region is an area that has quite a lot of natural wealth. One of them is nutmeg and cloves and other spices. Therefore, these spices are widely used by the people of Maluku, including one in the village of Seith. The village produces black oil which has quite a lot of efficacy for external and internal ailments. However, in its business activities there is a problem, namely that the business has not been able to calculate profit correctly and is still very simple black oil packaging, even it does not have a label on the packaging bottle. The purpose of this paper is to be able to help compile financial reports and make packaging labels for black oil products. The method used is by means of research and development methods or known as R&D (Research & Development). This method is usually used to produce certain products. This activity was carried out in Seith village, Central Maluku district. The results showed that the profit earned on the preparation of the profit/loss report was 3,435,000 each time of production. In one month there are 4 times of production. In addition, this research resulted in the labeling and naming of seith black pepper.

**Keywords:** Profit and Loss, packaging and labeling.

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### I. Background

The Maluku region is an area that has quite a lot of natural wealth. One of them is nutmeg and cloves and other spices. However, the most dominant are nutmeg and cloves in almost all areas where these two plants are found. Usually the cloves and nutmeg are sold directly to agents without being processed, just dried. This is in accordance with the results of research from Haryati (2019) which explains that only a few people are trying to process nutmeg and cloves in various processed forms, one of which is "HITAM" oil located in Seith village.

This oil is called black oil because it is black which is a mixture of various spices whose basic ingredients are cloves and nutmeg. This black oil has been produced by a small business group in the Seith area which is carried out by approximately 6 people. The production of black oil has been around for about 15 years. The forms of black oil products are as follows:

Figure 1: The Untouched Black Oil of Innovation



Information. The arrows show no information about black oil

The black oil produced is still manual and very simple. As for the manufacturing process using simple tools in the form of grated coconut, oil stove and wok or kwali, after that it is just put into the conductor and then transferred to and the packaging is still very simple, even there is no brand at all. In addition, product standardization has not been met. The form of black oil is as follows:

Figure 2  
Equipment and methods of packaging black oil in the traditional way



Description: arrows indicate the tools used to process black oil.

On the other hand, the black oil product is believed by the community to be able to cure various diseases and has been sold in several areas and even shops or cottages around the production house. The turnover of this production is quite good, one production time produces 8 conductors containing 5 liters. One conductor is more or less sold at a price of Rp.800,000.00, thus one production has an income of Rp. 6,400,000.00 that can be sold for approximately only 1.5 months. Based on this turnover, partners have not been able to calculate how much profit they get each time they produce.

Based on the problems above, the team overcame the problem of producing black oil, especially in calculating profits and packaging and making brand labels for the oil, so that it has an oil identity and has proper packaging, so that buyers will be interested. This will increase the sales turnover of the business.

#### Formulation of the problem

Based on the analysis of the situation described above, it can be identified that the main problem faced by partners is that they have not been able to calculate how much profit they have earned so that partners cannot know the development of the business in terms of profits. In addition, black oil products do not yet have good packaging and product identification, so that the product is easier to introduce to consumers.

Based on the identification of the problems above, this community service activity will seek to solve the following problems:

1. How to calculate black oil operating profit in accordance with accounting rules?
2. How to do packaging in a neat and proper place.
3. How do you make a good and attractive product label?
2. The purpose of writing this article is

The purpose of writing this article is

1. Able to assist and foster the calculation of black oil operating profits in accordance with accounting principles
2. Able to assist and foster how to do packaging in a neat and proper place.
3. Able to help and develop a good and attractive product label?
3. The originality of this article is .

This paper is the first to deal with the labeling of black oil products and the calculation of operating profit carried out by Seith black oil SMEs. This SME has never been touched by any party, so the label and calculation method that we provide is something new for Seith black oil products.

## II. Research Methods

This paper aims to produce a calculation of the profit and loss of SMEs, and product labeling and product packaging. For this reason, the method that is suitable for calculating profit and loss is using a single step. It means calculating profit and loss by grouping all income and subtracting all expenses. This is done because the method is easier and simpler to implement. In addition, it also refers to W.R. Borg and M.D. Gall (1989) is a research and development method known as R&D (Research & Development). Meanwhile, the reason for choosing this is referring to the opinion of Borg and Gall that "research & development is very powerful" strategy to improve practice. This method is usually used to produce certain products. The steps of this research refer to Dewi's opinion (2017) consisting of first, the researcher identifies the problem and what must be made. After that, making a priority scale, then the team makes an activity design. Second, the team makes an activity plan which consists of designing product labels and packaging to be made, direct practice with SMEs to make labels and packaging and evaluation

## III. Results And Discussion

### a. Selling price determination

Before compiling the SME business income statement, the team provided an understanding of the preparation of the income statement. This activity involves experts from ISAS to provide training on the preparation of Financial Statements and labeling and packaging. The pictures of the activities are as follows:

Figure 3  
Activities for the implementation of service preparation of financial reports



From the training, the practitioner was immediately invited to prepare an income statement. The steps taken are to identify the costs incurred:

### 1. Identify costs:

The forms of details found with SMEs can be arranged as follows:

Table 1  
Cost classification table

No	Note	unit		Unit cost	amount
A	<b>raw material cost</b>				
1	Clove	5	kg	100.000	500.000
2	Cooking oil	25	liter	15.000	375.000
3	Ginger	5	kg	30.000	150.000
4	Turmeric	3	kg	20.000	60.000
5	Nutmeg	5	kg	90.000	450.000
6	Kerosene	1	konduktor	30.000	30.000
7	other condiments	1	package	200.000	200.000
		<b>raw material cost</b>			1.765.000
B	labor costs				
	Worker	2	person	100.000	200.000

C	Packaging fee etc	1	package	1.000.000	1.000.000
				<b>Total Biaya</b>	<b>2.965.000</b>

1. Determination of the unit price:

Table 2.  
Determination of the selling price / unit before adding the desired profit

Number	Note	Unit price
1	5 conductor	593.000
2	5 bottle	118.600
3	3 bottle	39.533

2. Pricing / unit

Table 3.  
Determination of the selling price in accordance with accounting rules

No	note	Unit price	Desired profit (20%)	Selling price
1	5 conductor	593.000	118.600	711.600
2	5 bottle	118.600	23.720	142.320
3	3 bottle	39.533	7.907	47.440

3. Income Statement as follows:

For the calculation of profit and loss, the following results are obtained:

Table 4  
Profit/loss calculation

No	note	unit	Unit cost	amount	
A	Income				
	Sales	8 conductor	800.000	6.400.000	
A	aw material cost				
1	Clove	5 kg	100.000	500.000	
2	Cooking oil	25 liter	15.000	375.000	
3	ginger	5 kg	30.000	150.000	
4	turmeric	3 kg	20.000	60.000	
5	nutmeg	5 kg	90.000	450.000	
6	Kerosene	1 conductor	30.000	30.000	
7	other condiments	1 package	200.000	200.000	
				<b>raw material cost</b>	1.765.000
B	labor costs				
	worker	2 person	100.000	200.000	
C	<b>Packaging fee etc</b>	1 package	1.000.000	1.000.000	
				Total cost	<b>2.965.000</b>
				Operating profit	<b>3.435.000</b>

Based on the data obtained in the field, the selling price of every 5 liters/gen of oil is sold at a price of Rp. 800,000, - meaning that SMEs in determining the selling price do not experience losses and gain more than 20% profit. This means that one production will be able to generate a profit of Rp. 3,435,000, -. The production is carried out a maximum of 3 times each month, so that the monthly income is approximately Rp. 10.305.000,-



2. Labeling and Packaging Activities.

In this labeling and packaging activity, the team carried out theoretical training activities first. The evidence for training in labeling and packaging activities is as follows:

Figure 4  
Labeling And Packaging Training Activities



After the theory or training has been carried out, then direct practical activities are carried out with the materials provided by the service team. The activities carried out are as follows:

Figure 5.  
Packaging And Labeling Practices



The results of the packaging and labeling training are as follows:

Figure 6  
The results of service activities



#### IV. Conclusion

SMEs have been able to compile profits and losses during the production process, SMEs already know how much profit can actually be obtained. In addition, SME products have sealed labels and packaging.

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