Jurnal Pemberdayaan Masyarakat Madani, 9 (2) 2025, 34 — 54
JURNAL PEMBERDAYAAN MASYARAKAT MADANI
http://journal.unj.ac.id/unj/index.php/jpm/index

IMPLEMENTING THE MATO BASED PROFIT SHARING ACCOUNTING SYSTEM FOR STRENGTHENING OF MSMEs

Hanif Hanif [1*], Joko Susilo[2], Rizqy Aziz Basuki[1], Kevin Wilmer Vittorio[2], Hans Pramudya[2]

[1] Faculty of Business and Economics, Insitut Bisnis dan Informatika Kwik Kian Gie, Indonesia
[2] Faculty of Computer and Communications, Insitut Bisnis dan Informatika Kwik Kian Gie, Indonesia

ARTICLE INFO

Article history:
Received: 11th October 2025
Accepted: 13th November 2025
Published: 13th December 2025

Keywords:
MSMEs, Profit-Sharing Accounting, Mato System, Digital Innovation, Inmato.ID

ABSTRACT

This community service program seeks to strengthen the capacity of Micro, Small, and Medium Enterprises (MSMEs) by implementing the Mato-Based Profit-Sharing Accounting System (ABHSM) through its integration into the digital application Inmato.ID. The methodological framework combined the System Development Life Cycle (SDLC), capacity building, and participatory action research (PAR), ensuring systematic system development as well as active involvement of partner enterprises. The program was conducted with MSMEs under the OK OCE initiative, supported by Rumah Makan Padang Simpang Raya as an industry partner. The findings reveal substantial outcomes: the partners' accounting literacy increased from 40% to 78%, production cost deviation was reduced from approximately ±20% to ±8%, and profit distribution time shortened from 2–3 weeks to a maximum of 1 week. These results demonstrate that the digitalization of ABHSM enhances efficiency, accountability, and empowerment of MSMEs, while providing a replicable model for broader application across diverse business sectors in fostering sustainable entrepreneurial ecosystems.

How to cite: Hanif, H., Susilo, J., Basuki, R., A., Vittorio, K., W., Pramudya, H., (2025). Implementing the Mato Based Profit Sharing Accounting System for Strengthening of MSMEs.. *Jurnal Pemberdayaan Masyarakat Madani* (JPMM), 9(2), 34-54. https://doi.org/10.21009/JPMM.009.2.03

* Corresponding Author.
hanif.ismail@kwikkiangie.ac.id

ISSN
2580-4332 (online)
DOI: https://doi.org/10.21009/JPMM.009.2.03

INTRODUCTION

Micro, Small, and Medium Enterprises (MSMEs) play a strategic role in Indonesia's economy, both as providers of employment and as drivers of national growth. Despite their significant contribution, MSMEs often face fundamental challenges in financial management, record-keeping transparency, and profit-sharing mechanisms. These challenges reduce competitiveness and limit access to external financing and broader partnership opportunities. One of the core weaknesses among MSMEs lies in the continued reliance on manual bookkeeping practices. Inventory management, transaction recording, and basic financial statements are rarely conducted in a systematic manner. As a result, business actors often struggle to evaluate their real financial conditions. This condition is compounded by the frequent mixing of personal and business finances, which diminishes accountability and transparency in profit-sharing arrangements.

To address these issues, the Mato-Based Profit-Sharing Accounting System (ABHSM) was introduced as an alternative model rooted in local wisdom. This model emphasizes fairness in distributing business profits based on weighted contributions, or 'mato,' owned by stakeholders including owners, employees, and investors. Beyond serving as an accounting framework, ABHSM fosters justice, solidarity, and sustainability within enterprises. Although ABHSM has proven relevant in previous studies, its implementation has remained largely manual. Without technological support, the system is inefficient, error-prone, and lacks transparency. Therefore, transforming ABHSM into a digital information system is an urgent necessity to ensure that fairness and transparency are effectively realized in practice.

This Community Service Program (PkM) represents a continuation of the principal investigator's previous research on the Mato-Based Profit-Sharing Accounting System (ABHSM) (Hanif, 2015, 2017a, 2017b; Hanif et al., 2015, 2018, 2019b, 2019a). This model enables equitable distribution of business profits according to the weighted shares (mato) held by stakeholders, including owners, employees, and investors. The practice of ABHSM has been shown to be relevant in supporting business sustainability; however, its implementation has largely remained manual, rendering the process inefficient, prone to recording errors, and lacking transparency.

This Community Service Program (PkM) was designed to digitally transform ABHSM into an information system. The system supports MSMEs in daily transaction recording, inventory management, cost control, and automated profit distribution. By

ISSN 2580-4332 (online)
DOI: https://doi.org/10.21009/JPMM.009.2.03

introducing a digital approach, the program seeks to enhance administrative efficiency, accelerate profit distribution, and reduce production cost deviations that previously hindered operations.

The primary partners in this initiative are MSMEs under the OK OCE movement, a social entrepreneurship community dedicated to empowering grassroots enterprises. Many of these MSMEs struggle with financial management and business administration, making them ideal beneficiaries of the intervention. Through training, mentoring, and practical application, these enterprises are expected to adopt ABHSM more sustainably.

In addition to community partners, the program also involves Rumah Makan Padang Simpang Raya as an industry collaboration partner. Simpang Raya provides valuable non-financial contributions in the form of knowledge sharing and real business practices of ABHSM implementation at a larger scale. This collaboration ensures that MSMEs benefit not only from theoretical frameworks but also from tested practices applicable to broader sectors. The implementation methodology integrates the System Development Life Cycle (SDLC) (Kendal, Kenneth E. Kendal, 2016), capacity building, and participatory action research (PAR). SDLC provides a structured process for developing and testing the system, while capacity building and PAR ensure active involvement of MSMEs as co-creators rather than passive recipients of innovation. This methodological combination strengthens both the technological and human aspects of adoption.

The program also contributes to the achievement of the Sustainable Development Goals (SDGs), particularly SDG 8 (Decent Work and Economic Growth) and SDG 9 (Industry, Innovation, and Infrastructure). By promoting digital literacy and managerial capacity, the program supports inclusive, transparent, and sustainable business ecosystems. Furthermore, the involvement of faculty and students aligns with national higher education performance indicators emphasizing research utilization and project-based learning beyond campus.

In sum, this introduction underscores that the program is not merely a technical solution to bookkeeping challenges, but part of a broader empowerment strategy. By embedding local wisdom through ABHSM into digital systems, the program provides a replicable and scalable model for MSME empowerment. Through synergy between academia, communities, and industry, this initiative aspires to create a sustainable framework for strengthening Indonesia’s grassroots economy.

ISSN 2580-4332 (online)
DOI: https://doi.org/10.21009/JPMM.009.2.03

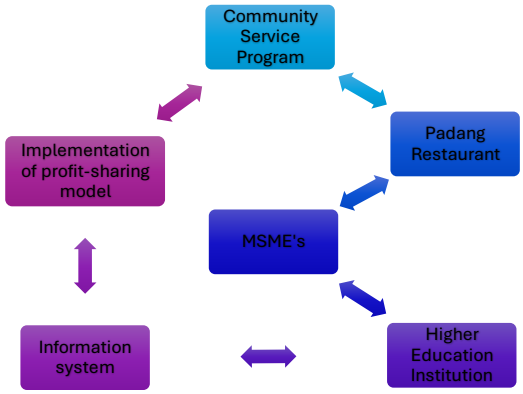

Figure 1. *A general overview of community service program*

.

LITERATURE REVIEW

The mato profit-sharing system is a unique business model originating from Indonesian culture, specifically the Minangkabau culture of West Sumatra (Hanif et.al, 2015; Hanif, 2015a; Hanif et.al, 2019a). "Mato" is a Minangkabau word with two meanings: one referring to the human sense of sight and the other to weight or scale. In the context of the mato profit-sharing system, mato means weight or points. The term of mato profit-sharing system refers to business practices occurring in Padang restaurants, such as the Sederhana Restaurant (Sa) group and the Simpang Raya Restaurant. In the mato profit-sharing system, there is no fixed monthly wage or salary for restaurant workers.

However, workers are provided with sufficient food and drink daily (generally three times a day), and the income earned from the mato profit-sharing system is determined by the restaurant's financial performance for a specific reporting period. In the case of the Sederhana Restaurant (Sa) and Simpang Raya restaurants, profit-sharing calculations are performed every 100 working days (Hanif et al., 2018).

The problem that often arises is that the calculation of the added value created ("net profit") is carried out every 100 (one hundred) working days and still does not use a specific application and has only been assisted by an Excel application that is operated manually. This results in more energy and effort for the process of financial closing to determine the net profit and distribute the profit sharing to the parties involved in the restaurant business, namely: business owners (brands) and also managers, investors, and workers. The proportion of profit sharing that often occurs is 50% of the profit is the right of the workers, while the other 50% of the profit is the right of the business owner, manager and investor. Usually, the business

ISSN 2580-4332 (online)
DOI: https://doi.org/10.21009/JPMM.009.2.03

owner gets 15% and investors 35% of the total 50% that is their right. The distribution of profit sharing based on financial performance to all employees is carried out in proportion to the weight of each employee's mato, meaning that each employee's contribution to the company's profits is measured (Hanif, 2015a; Hanif et al., 2019a). The greater an employee's mato weight, the greater their profit sharing rights, and vice versa.

This is what drives this PkM activity to be directed and dedicated to producing an application that can accommodate the uniqueness of the mato system profit sharing so that the calculation of income per mato is calculated accurately and in a short time period, meaning that with this application the profit sharing that was initially carried out once in 100 working days, with an application that will make business actors who use the mato system profit sharing able to perform and share profits every month at a high level.

MATERIAL AND METHOD

The implementation of this Community Service Program was guided by a methodological framework that integrates the *System Development Life Cycle* (SDLC), capacity building, and *participatory action research* (PAR). This combination was deliberately selected to ensure that the program not only produces a functional and reliable information system but also builds the managerial capacity of Micro, Small, and Medium Enterprises (MSMEs) as the primary beneficiaries of the innovation. By combining technological development with human empowerment, the program was able to address both technical and social aspects of the challenges faced by MSMEs.

The SDLC approach was applied systematically through several stages, namely planning, analysis, design, implementation, and evaluation. During the planning stage, the program team identified the central problems commonly experienced by MSMEs, particularly the reliance on manual bookkeeping and the lack of transparency in profit-sharing mechanisms. This initial stage was crucial for aligning the program with the actual needs of the community partners, ensuring that the digital system to be developed would provide practical solutions to their everyday financial management challenges.

The analysis stage involved the collection of requirements through structured interviews, focus group discussions, and direct observation of the operational practices of MSME partners. The findings revealed that most MSMEs struggled with maintaining accurate stock records, often experienced cost deviations due to unstructured inventory management, and faced delays in profit distribution because of slow manual recap processes. These insights served as the

ISSN 2580-4332 (online)
DOI: https://doi.org/10.21009/JPMM.009.2.03

foundation for the system design process and informed the development of digital features tailored to the realities of small enterprises.

In the design stage, the principles of the Mato-Based Profit-Sharing Accounting System (ABHSM) were translated into a digital application framework. The system design included modules for recording daily transactions, managing inventory, calculating production costs, and distributing profits. User-friendliness was emphasized in order to accommodate the relatively limited digital literacy of many MSMEs. Prototypes were developed iteratively, allowing for validation through continuous feedback from academic experts, industry partners, and MSME users, ensuring both theoretical soundness and practical usability.

The implementation stage consisted of deploying the digital system to selected MSME partners within the OK OCE community. Training sessions were provided to familiarize participants with the system's features, followed by ongoing mentoring and technical assistance to support adoption. At this stage, Simpang Raya, serving as the Industry Partner (DUDI), contributed valuable knowledge by sharing their experiences of implementing ABHSM in a larger-scale business context. Their role provided benchmarks that guided MSMEs in adapting the system to smaller enterprises without losing sight of the principles of fairness and transparency.

Evaluation was conducted through both formative and summative approaches. Formative evaluation ensured continuous refinement of the system based on user feedback during implementation, while summative evaluation assessed the effectiveness of the program as a whole. Key indicators used included improvements in accounting literacy, reduction in production cost deviations, and acceleration of profit distribution timelines. These metrics provided concrete evidence of the system's impact on MSME performance and sustainability.

Beyond SDLC, the program incorporated a capacity-building strategy aimed at strengthening managerial and financial literacy among MSME participants. Through workshops and hands-on training, MSMEs were equipped with knowledge of basic accounting principles, digital system usage, and the importance of transparent profit-sharing mechanisms. These activities were essential not only for system adoption but also for developing a deeper understanding of the cultural and ethical values embedded in ABHSM.

The PAR approach was equally important in ensuring that MSMEs were actively engaged throughout the program. Rather than being passive recipients of innovation, MSMEs were positioned as co-creators in defining requirements, testing prototypes, and evaluating outcomes. This participatory model enhanced the sense of ownership among partners, fostered sustainability of adoption, and promoted contextual adaptation of the system to diverse

ISSN 2580-4332 (online)
DOI: https://doi.org/10.21009/JPMM.009.2.03

business environments.

To ensure reliability and validity, the program employed triangulation of data sources by involving multiple stakeholders such as MSME owners, employees, industry partners, and academic supervisors. This strategy allowed for a comprehensive perspective on both technical and social dimensions of the program. Moreover, systematic monitoring and evaluation mechanisms were implemented, with regular site visits and surveys capturing the behavioral and knowledge shifts among MSMEs. Identified barriers, such as limited internet connectivity and resistance to change, were addressed through adaptive strategies including additional mentoring and provision of appropriate digital tools.

Overall, the methodological framework of this Community Service Program is closely aligned with the objectives of the Sustainable Development Goals (SDGs), particularly Goal 8 on decent work and economic growth, and Goal 9 on industry, innovation, and infrastructure. By integrating technological innovation, human capacity development, and participatory involvement, the program went beyond addressing bookkeeping inefficiencies to establish a replicable and sustainable model for MSME empowerment. The methodological rigor applied in this program demonstrates the relevance of ABHSM digitalization as both an academic contribution and a practical solution for strengthening the resilience and competitiveness of grassroots enterprises.

Figure 2. A general overview of community service program

ISSN
2580-4332 (online)
DOI: https://doi.org/10.21009/JPMM.009.2.03

By integrating the SDLC framework, capacity building, and knowledge sharing from the industry partner (DUDI), this program not only produced *Inmato.ID* as a digital innovation but also ensured its successful adoption in real practice. The role of Simpang Raya as a role model strengthened the linkage between theory, application, and business practices, making the outcomes of the program more sustainable, measurable, and replicable across MSMEs under the OK OCE community. Based on the adaptation of SDLC to the context of community service, the program was carried out in five key stages as follows.

The first stage, Preparation and Socialization, involved coordination within the project team, preparation of activity schedules, and development of instruments such as training modules, pre-test questionnaires, and application tools. During this stage, preliminary requirement planning was conducted in collaboration with MSME partners, incorporating insights from Simpang Raya's established practices of ABHSM. Socialization activities were carried out with MSMEs under OK OCE to ensure their understanding of the program's objectives, expected benefits, and the stages of activities, while also building a commitment to active participation. The expected outcome of this stage was the establishment of a comprehensive list of system requirements informed by field experience, as well as the confirmed commitment of target partners to participate.

The second stage, Needs Analysis and System Design, focused on mapping the existing conditions of the partner enterprises, particularly regarding financial recording, raw material inventory, and bookkeeping practices. The results of this analysis informed the design of the system, which included workflow structures, database architecture, and application interfaces. During this stage, Simpang Raya contributed technical inputs on revenue-sharing workflows, cost control mechanisms, and inventory management practices, ensuring that the design of *Inmato.ID* was contextually aligned with real business operations. The expected outcome of this stage was the production of an application blueprint relevant to MSME conditions, along with baseline data that would later serve as the reference point for evaluation.

The third stage, Training and Capacity Building, aimed to provide partners with knowledge and skills regarding the principles of ABHSM, basic bookkeeping, and simulations of using the application. The training was conducted interactively, combining theoretical instruction with knowledge sharing sessions from Simpang Raya, which showcased real-world implementation of ABHSM in larger-scale businesses. This helped MSME partners to understand how the same principles could be simplified and applied at their level with the aid of the digital system. The target achievement of this stage was an increase in participants' understanding, from a baseline of around 40% to at least 80% based on pre- and post-test

ISSN 2580-4332 (online)
DOI: https://doi.org/10.21009/JPMM.009.2.03

assessments, as well as their readiness to adopt the application in daily operations.

The fourth stage, Implementation and Mentoring, marked the actual deployment of the system among the partner MSMEs. At this stage, partners began using *Inmato.ID* for recording inventory, daily transactions, profit-sharing distribution, and generating financial reports. The program team provided intensive mentoring while simultaneously conducting system testing to identify shortcomings and areas requiring further development. Simpang Raya's role at this stage was to provide feedback on the trial implementation, compare it with established ABHSM practices, and guide partners in applying appropriate operational standards for business management. The expected outcome was that partners would be able to record daily transactions digitally, compile monthly financial reports, and distribute profits transparently within a maximum of one week.

The fifth stage, Evaluation and Reflection, constituted the assessment of both the application's implementation and the effectiveness of the program as a whole. Evaluation was conducted through quantitative indicators such as the reduction of production cost deviations from approximately ±20% to ±5%, an increase in administrative empowerment scores from 2 to at least 4, and consistency in monthly reporting as well as qualitative indicators derived from interviews with partners. In this stage, Simpang Raya again contributed by providing an industry perspective, ensuring that the evaluation results reflected not only the achievements of MSME partners but also the validity of ABHSM's application in real business environments. The expected outcome was tangible improvement in partners' production and management capacity, accompanied by consistent availability of simplified financial reports.

Through these five stages, the program established a structured and participatory pathway for digitalizing ABHSM, enabling MSMEs to improve their efficiency, transparency, and sustainability. The systematic integration of SDLC stages with contextualized training and industry collaboration ensured that the innovation was not merely technological but also socially and economically transformative for the partner enterprises.

RESULT AND DISCUSSION

Results

Stage 1: Preparation and Socialization

The initial stage of preparation and socialization provided the foundation for the successful implementation of the program. Coordination among the academic team ensured that the program roadmap was aligned with the objectives of applying the Mato-Based Profit-Sharing Accounting System (ABHSM) in MSMEs. Key preparatory activities included the

ISSN 2580-4332 (online)
DOI: https://doi.org/10.21009/JPMM.009.2.03

development of training modules, pre-test questionnaires, and the initial version of the application. At this point, close collaboration with the industry partner, Simpang Raya, allowed the program team to contextualize the design of ABHSM practices within the broader framework of small-scale business operations.

The socialization process was carried out with MSMEs under the OK OCE community. During these sessions, partners were introduced to the program's objectives, expected benefits, and detailed implementation stages. This was essential to ensure not only their awareness but also their commitment to actively engage in every stage of the program. According to participatory approaches in community service, early communication is a critical factor for building trust and fostering ownership among partners. The willingness of MSMEs to participate actively became an initial indicator of program acceptance.

From the perspective of results, this stage successfully generated a comprehensive list of requirements based on real business practices. The requirements covered financial recording needs, stock management procedures, and profit distribution practices. Integrating insights from Simpang Raya as a role model in ABHSM provided empirical grounding to the requirement list, ensuring that it reflected both micro and macro perspectives of the profit-sharing system. The blend of academic planning and industry benchmarking resulted in a solid foundation for system development.

In discussion, this stage demonstrates the significance of preparatory alignment between theory and practice. The involvement of MSMEs in defining requirements is consistent with the principles of *participatory action research (PAR)*, which stresses co-creation between communities and academic teams. The preparation phase also shows that innovation adoption requires more than technology-it requires socialization that bridges expectations, needs, and readiness. In line with diffusion of innovation theory (Rogers Everett M., 2003), early communication reduces uncertainty and accelerates acceptance of new practices.

ISSN 2580-4332 (online)
DOI: https://doi.org/10.21009/JPMM.009.2.03

Figure 3. Preparation and Socialization

Stage 2: Needs Analysis and System Design

The second stage focused on analyzing the existing conditions of MSME partners, particularly their bookkeeping practices, raw material inventory systems, and financial reporting mechanisms. Through interviews, focus group discussions, and direct observations, the team identified significant gaps in financial literacy and documentation. Many partners still relied on manual notes, which often led to errors, inconsistencies, and difficulties in distinguishing between personal and business finances. These findings became crucial inputs for the system design phase.

The design of the system translated ABHSM into a digital application framework. This included workflows for recording daily transactions, calculating cost of goods sold (COGS), managing inventory, and distributing profits. User interface design prioritized simplicity and clarity, ensuring that MSMEs with limited digital literacy could navigate the system effectively. Furthermore, database structures were designed to support scalability, allowing future expansion of features beyond the pilot stage.

The role of Simpang Raya was particularly important during this stage, as they provided technical insights into cost control, revenue-sharing distribution, and stock management practices. Their experience demonstrated how ABHSM could be applied effectively in a larger business context, and this knowledge was adapted into simplified features suitable for smaller enterprises. As a result, the system blueprint not only addressed technical feasibility but also aligned with the realities of MSME operations.

ISSN 2580-4332 (online)
DOI: https://doi.org/10.21009/JPMM.009.2.03

From a discussion perspective, this stage highlights the importance of contextualization in system design. According to information system development theory, user-centered design is critical for adoption and sustainability. The incorporation of industry best practices into the application ensured that the system bridged the gap between theoretical models and practical needs. Moreover, the co-creation of the design phase with MSME partners aligns with *design thinking* principles, where empathy and contextual understanding drive innovation.

Figure 4. Needs Analysis and System Design

Stage 3: Training and Capacity Building

The training and capacity-building stage aimed to enhance both technical and conceptual knowledge of MSMEs regarding ABHSM and financial management. Training sessions covered basic accounting concepts, the principles of fair profit-sharing, and practical exercises on using the application. This dual approach—conceptual understanding and hands-on practice—ensured that MSMEs were not merely users of the system but also understood the rationale behind its design.

ISSN
2580-4332 (online)
DOI: https://doi.org/10.21009/JPMM.009.2.03

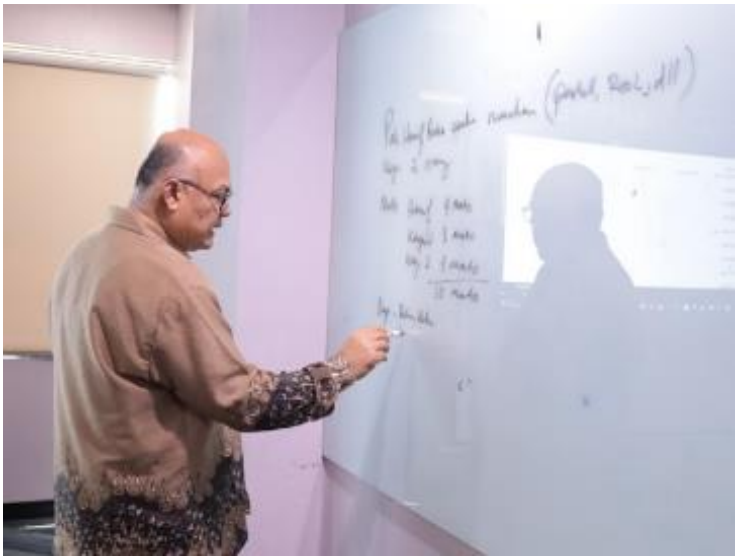

Figure 5. Training Building

Capacity building was further strengthened through interactive sessions that included role-playing and simulations of financial transactions. Participants learned to record daily sales, track stock usage, and calculate profit-sharing allocations using the digital platform. Knowledge sharing from Simpang Raya added a real-world perspective, showcasing how ABHSM was implemented at scale and how the same model could be adapted for MSMEs.

Evaluation of training effectiveness was carried out using pre- and post-tests. Results showed a significant increase in participants' financial literacy, with average scores rising from 40% to above 78%. This improvement demonstrated that capacity building was effective not only in teaching technical skills but also in reshaping attitudes toward financial transparency and accountability.

Figure 6. Capacity Building

ISSN
2580-4332 (online)
DOI: https://doi.org/10.21009/JPMM.009.2.03

In discussion, this stage illustrates that successful technology adoption requires simultaneous human resource development. Theories of organizational change suggest that building competencies and confidence among users is a prerequisite for sustainable adoption of innovations. By combining training with participatory methods and industry-based examples, the program created a supportive learning environment. This approach aligns with the concept of *capacity development* in community empowerment, where knowledge and skills enhancement are key drivers of long-term transformation.

Stage 4: Implementation and Mentoring

The fourth stage marked the transition from planning and training into actual application. MSME partners began to use the Inmato.ID application for recording daily transactions, managing stock, calculating profit-sharing, and generating monthly reports. The implementation phase revealed both the strengths and weaknesses of the system. Partners quickly adapted to digital recording, but challenges such as limited internet access and occasional data entry errors also emerged.

The mentoring component played a crucial role in addressing these challenges. The academic team provided intensive support through regular site visits and virtual assistance. Problems were identified in real time, and solutions were co-developed with partners. This iterative process resembled system testing, where feedback loops were continuously integrated into system refinements.

Simpang Raya, as the DUDI partner, contributed by offering comparative feedback based on their established ABHSM practices. They highlighted differences in scale, operational procedures, and standards, allowing MSMEs to benchmark their progress. This knowledge exchange reinforced the relevance of ABHSM principles and helped MSMEs to see the broader implications of adopting the model.

From a discussion perspective, this stage underscores the interplay between technology and mentorship in community service programs. The diffusion of innovation literature emphasizes the role of opinion leaders and role models in accelerating adoption. In this program, Simpang Raya functioned as such a role model, bridging the gap between large-scale application and small-scale adaptation. The combination of academic guidance and industry mentorship ensured that implementation was not only technical but also cultural and managerial.

ISSN 2580-4332 (online)
DOI: https://doi.org/10.21009/JPMM.009.2.03

Figure 7. Implementation

Figure 8. Mentoring

Stage 5: Evaluation and Reflection

The final stage focused on assessing the effectiveness of the program in achieving its objectives. Evaluation was conducted using both quantitative and qualitative measures. Quantitatively, results showed a reduction in production cost deviations from ±20% to ±8%, faster profit distribution timelines reduced from 2–3 weeks to a maximum of 1 week, and increased consistency in financial reporting. Qualitatively, interviews with partners revealed greater confidence in managing their finances and stronger trust among stakeholders due to improved transparency.

Reflection sessions involved MSME partners, the academic team, and Simpang Raya. These sessions served as platforms for sharing experiences, identifying lessons learned, and discussing sustainability strategies. The inclusion of industry perspectives validated the applicability of ABHSM in real business environments, confirming that the digital system was not only functional but also contextually relevant.

ISSN
2580-4332 (online)
DOI: https://doi.org/10.21009/JPMM.009.2.03

The evaluation stage also demonstrated the replicability of the program. Given its success in the pilot MSMEs, the system and methodology could be extended to other enterprises under the OK OCE community. The program thus contributed not only to individual partners but also to the wider ecosystem of MSMEs.

In discussion, this stage highlights the alignment of program outcomes with broader development goals. By reducing inefficiencies, improving transparency, and fostering empowerment, the program contributes to Sustainable Development Goals (SDG 8 and SDG 9). Furthermore, the evaluation confirms that integrating local wisdom (ABHSM) with digital innovation creates a hybrid model that is both culturally grounded and technologically advanced. This demonstrates the potential of community service programs to produce scalable and impactful innovations.

Figure 8. MSME empowerment was assessed using pre- and post-tests administered

Discussion

The results of the program demonstrate that the application of the Mato-Based Profit-Sharing Accounting System (ABHSM) through digital innovation produced measurable improvements in both financial literacy and operational practices of MSME partners. The increase in accounting comprehension from 40% to 78% indicates that the combination of training, mentoring, and participatory engagement was effective in strengthening the

ISSN 2580-4332 (online)
DOI: https://doi.org/10.21009/JPMM.009.2.03

managerial capacity of participants. This finding aligns with theories of community empowerment which emphasize that knowledge transfer, when combined with practical tools, leads to sustainable behavioral change. In this context, the integration of ABHSM principles into a digital platform addressed long-standing problems of manual bookkeeping, error-prone reporting, and lack of transparency in profit distribution.

The improvement in operational efficiency, particularly the reduction of production cost deviation from ±20% to ±8%, demonstrates how digital tools can enhance decision-making accuracy and cost control. These outcomes resonate with studies on financial technology adoption in MSMEs, which suggest that digitization reduces inefficiencies and promotes accountability (Rahayu & Day, 2021). Furthermore, the acceleration of profit distribution—from delays of 2–3 weeks to a maximum of 1 week—reflects not only technical efficiency but also the strengthening of trust among stakeholders. Timely distribution is crucial in maintaining fairness and motivation among employees and investors, thereby reinforcing the social dimensions of ABHSM.

The results also highlight the emergence of new habits among MSMEs, such as the routine preparation of monthly financial reports by 70% of partners. This behavioral shift represents an important cultural transformation, moving from informal and inconsistent practices to standardized, transparent reporting. Such progress confirms the argument that digitalization is not merely about introducing technology but about reshaping institutional culture within enterprises. In this sense, the Inmato.ID application became both a tool and a catalyst for change, encouraging MSMEs to institutionalize accountability in their daily business processes.

Equally important is the high level of participation and engagement from community partners. Attendance rates of over 85% and active involvement in application trials indicate strong acceptance of the innovation. According to diffusion of innovation theory (Rogers Everett M., 2003), active participation is a predictor of successful adoption. The relevance of the system to MSMEs' immediate needs—stock management, financial record-keeping, and profit-sharing—further strengthened their willingness to adopt and sustain the innovation. This relevance validates the co-creation approach used in the program, where MSME partners were not passive recipients but active contributors throughout the process.

Table 1. Quantitative Achievements of Each Aspect

Aspect	Indicator	Existing	Target	Achievement
Production	Administrative empowerment score	2/5	≥4/5	3.8/5
Production	Production cost deviation	±20%	≤5%	±8%
Production	Profit distribution time	2–3 weeks	≤1 week	≤1 week

ISSN 2580-4332 (online)
DOI: https://doi.org/10.21009/JPMM.009.2.03

Management	Bookkeeping comprehension (pre-post test)	40%	≥80%	78%
Management	Frequency of financial reports	Not scheduled	Monthly	70% already monthly
Management	Access to digital reports	Not available	Real-time	Available (initial version)

The impacts of the program can be analyzed from two dimensions: usefulness and productivity. In terms of usefulness, the program enhanced financial literacy, improved cost efficiency, and established transparent profit-sharing mechanisms. In terms of productivity, partners experienced more accurate financial reporting, improved access to financing opportunities, and greater confidence in data-driven decision-making. These dual impacts confirm that the program's outcomes extend beyond technical improvements, reaching into socio-economic empowerment and long-term sustainability.

The additional presence of a digital ecosystem—through the official website and social media platforms—also amplified the program's reach and sustainability. By disseminating information beyond initial partners, the innovation gained visibility, credibility, and potential replicability. This supports the argument that community service initiatives should not be limited to localized interventions but should aim to build scalable and transferable models of innovation.

In sum, the program demonstrated that combining ABHSM with digital transformation can create significant positive impacts on MSMEs. Improvements in knowledge, efficiency, transparency, and empowerment are evidence of the success of the intervention. More importantly, the active participation of MSMEs and the relevance of the innovation to their daily needs suggest that the program has strong potential for replication across other sectors. The discussion therefore reinforces that community service programs, when grounded in local wisdom and supported by industry collaboration, can generate transformative outcomes for grassroots enterprises.

ISSN 2580-4332 (online)
DOI: https://doi.org/10.21009/JPMM.009.2.03

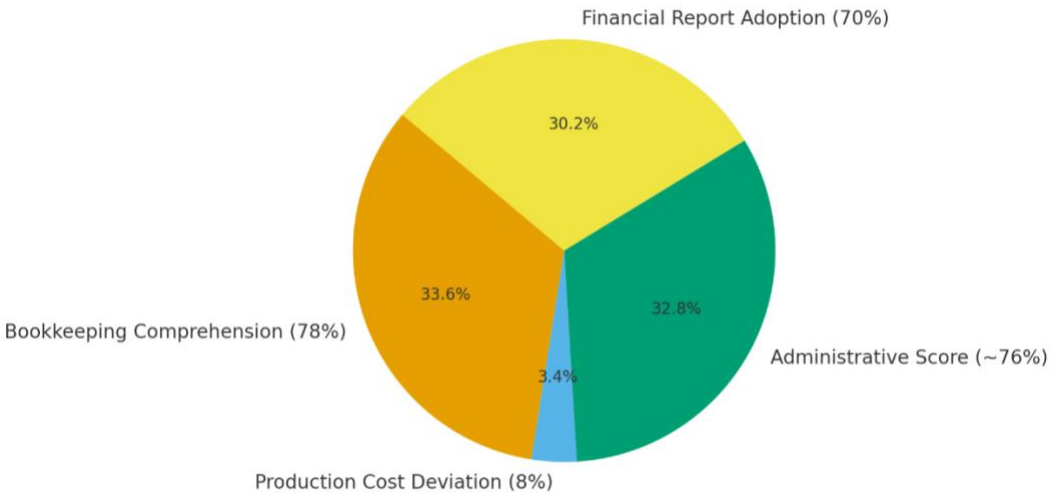

Figure 9. Quantitative Achievements of MSME Empowerment Indicators

CONCLUSION AND RECOMMENDATION

Conclusion

The implementation of the Community Service Program on the Mato-Based Profit-Sharing Accounting System (ABHSM) demonstrated that the integration of local wisdom with digital innovation can substantially improve the managerial and financial capacity of MSMEs. The program successfully enhanced accounting literacy, reduced cost deviations, accelerated profit distribution, and encouraged the adoption of routine digital financial reporting. The role of the industry partner, Simpang Raya, proved essential in bridging theoretical frameworks and real business practices, while the participatory involvement of MSME partners ensured contextual relevance and sustainability.

Overall, the program confirmed that the application of ABHSM through a digital platform is not only technically feasible but also socially and economically impactful. By combining the SDLC methodology with capacity building and participatory engagement, the program created a replicable model for strengthening MSMEs, contributing to transparency, efficiency, and empowerment in business ecosystems.

Recommendation

Based on the results, several recommendations can be made to strengthen future initiatives. First, continuous mentoring and technical support are necessary to ensure sustained adoption of the digital system, particularly for MSMEs with limited digital literacy. Second, further development of the application should incorporate additional features such as

ISSN 2580-4332 (online)
DOI: https://doi.org/10.21009/JPMM.009.2.03

integration with taxation, banking, and broader supply chain management to increase its utility. Third, replication of the program across other MSME sectors within the OK OCE community and beyond is highly encouraged to validate scalability and adaptability.

In addition, collaboration between academic institutions, industry partners, and MSME communities should be maintained and expanded to foster innovation ecosystems. Policymakers and stakeholders are also encouraged to support the dissemination of ABHSM-based digital systems through financial incentives, infrastructure support, and training programs. By following these recommendations, the sustainability and broader impact of the program can be strengthened, ensuring long-term benefits for MSMEs and the wider economy.

Acknowledgment

1. This program received full funding support from the Directorate of Research and Community Service (DPPM), Directorate General of Research and Development, Ministry of Higher Education, Science, and Technology, under the 2025 funding scheme.
2. We would like to express our gratitude to the Honorable DPPM, Director General of Research and Development of the Ministry of Education, Culture, Research, and Technology.
3. We would like to thank the management of Simpang Raya Restaurant for providing access to financial data to be developed into the Inmato.id application.

REFERENCES

Hanif. (2015). Introducing Mato Based Profit-Sharing Accounting and its Synergy with Cooperative and Sharia. *Procedia - Social and Behavioral Sciences*, *211*, 1223–1230. https://doi.org/10.1016/j.sbspro.2015.11.163

Hanif. (2017a). (Re)Konstruksi Akuntansi Keuangan Bagi Hasil Sistem Mato. *Jurnal Akuntansi Multiparadigma*, 227–243. https://doi.org/10.18202/jamal.2017.08.7051

Hanif. (2017b). Re)Konstruksi Akuntansi Keuangan Bagi Hasil Sistem Mato. *Akuntansi Multiparadigma*, *8*(2), 1–15.

Hanif, H., Rakhman, A., & Nurkholis, M. (2018). New Productivity Concept Based on Local Wisdom: Lessons from Indonesia. *GATR Journal of Management and Marketing Review*, *3*(3), 96–103. https://doi.org/10.35609/jmmr.2018.3.3(1)

Hanif, H., Rakhman, A., & Nurkholis, M. (2019a). Building a concept of entrepreneurial control. *TEM Journal*, *8*(4), 1198–1206. https://doi.org/10.18421/TEM84-13

ISSN 2580-4332 (online)
DOI: https://doi.org/10.21009/JPMM.009.2.03

Hanif, H., Rakhman, A., & Nurkholis, M. (2019b). The Construction of Entrepreneurial Accounting: Evidence from Indonesia. *GATR Global Journal of Business Social Sciences Review*, *7*(2), 104–117. https://doi.org/10.35609/gjbssr.2019.7.2(1)

Hanif, Ludigdo, U., Rahman, A. F., & Baridwan, Z. (2015). *AKUNTANSI BAGI-HASIL SISTEM MATO Etnografi Bisnis Restoran Padang*. Mitra Wacana Media.

Kendal, Kenneth E. Kendal, J. E. (2016). *Systems Analysis and Design* (8th ed). Prentice Hall.

Rogers Everett M. (2003). *Diffusion of Innovations, 5th Edition* (5th ed.). Macmillan Publishing Co., Inc.

ISSN 2580-4332 (online)
DOI: https://doi.org/10.21009/JPMM.009.2.03