

Financial Management in Digital Enterprise Start-up Business (Edutech Company Case Study Tangguh Family)

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Abstract

The times have had an impact on the emergence of Start-up companies in the world, including Indonesia. Start-ups are companies that are just at the development or research stage to find markets and develop products. The scope of start-ups is engaged in e-commerce or online trading of both products and services, which are usually start-ups are also called digital-based companies. One of them is the Tangguh Family edutech start-up. Tangguh Family is a technology company that focuses on education and consulting-based services. The services provided include pre-marital training, marriage content education, family and parenting development, consultation, and discussion forums related to marriage. This research was conducted to project financial reports for 36 months or 3 years at the Tangguh Family edutech Start-up because this Start-up is still new, so good financial reports are needed so that investors are interested in investing. This projection will make it easier for the company to see what will happen in the next few years. This research is a type of applied research using forecasting methods in implementing the Tangguh Family Start-up project. The results of this study are that in the process of developing the Tangguh Family digital start-up, there are important things to attract investors to invest, namely the company's financial statements can be seen from the profit/loss report and cash flow.

Keywords

Start-ups; digital technology;
finance



I. Introduction

The development of the business world today is the impact of the advancement of the field of technology which is increasingly advanced when its development is increasingly rapid. Advances in the world of technology make individuals able to access information online easily. This is an opportunity for entrepreneurs to provide for the needs of the community and has an impact on the emergence of Start-up companies in the world, including in Indonesia. Start-ups developed from the 1900s to the 2000s. In Indonesia, start-ups are growing very fast. Development is a systematic and continuous effort made to realize something that is aspired. Development is a change towards improvement. Changes towards improvement require the mobilization of all human resources and reason to realize what is aspired. In addition, development is also very dependent on the availability of natural resource wealth. The availability of natural resources is one of the keys to economic growth in an area. (Shah, M. et al. 2020)

Start-up comes from English which is "the act or process of starting a process or machine: a new organization or business venture" or "an act of starting a process, a new organization or business venture". Start-ups are new companies that have not been established for a long time or are commonly called startup companies. The business scope of Start-up companies is generally engaged in e-commerce or online trading based on

digital technology to earn income. Start-up companies aim to make a profit, just like any other company. Start-up characteristics include: the age of the company is less than 3 years, still in the developing stage whose income is less than \$100,000/year, the number of employees is still small, multitasking human resources, engaged in technology, its products are digital applications and usually operate on websites and social media. The determining factors for the success of Startups are teams, ideas, timing, business models, and funding. Because Start-ups are startup companies, they often fail because their products are not needed by the market, they burn too much money, the team is not solid, lost in the competition, and cost issues.

Why should start-up? Because the business industry in Indonesia starts up every year, even every month there are many start-up businesses of various types and circles in the technology field. The more Startups that are established in Indonesia, the more opportunities there will be to take part in business competitions at the international level. This can be used by the Indonesian state to develop its economy which can build the image and identity of the nation.

Start-up companies have the same goal as other companies, namely to get profit or profit. Because start-up companies are generally still in their early stages (less than 1 year), this company has difficulty in terms of the availability of financial data. Meanwhile, investors who are interested in investing in the company are seen from the history of their financial statements so that from the report it can be seen whether the company has increased or decreased from year to year. So to make financial statements, the role of financial management is needed.

Financial management according to Irham Fahmi (2013) is a combination of science and art that discusses, examines, and analyzes how a financial manager uses all company resources to seek funds, manage funds, and share funds to provide profit or prosperity for shareholders and sustainability. the company's business, so it can be concluded that financial management is a process of company financial activity that examines how a financial manager uses company resources starting from obtaining funds and using them. Its use must be effective and efficient so that the company's goals that have been set in the plan can be realized. In financial management, there are financial reports which usually consist of several budgets.

Business is an activity whose orientation is to seek profit from those who are involved in the process of buying and selling goods and services to satisfy the needs and desires of the community. as a result of buying and selling transactions that are needed and desired by consumers. The characteristic of an activity that can be said to be a business is to receive profits that come from its activities.

If a business plan proposal does not include a calculation of the financial aspect, it will be difficult to measure the success of the struggle. Where it is necessary to take into account the benefits and costs incurred and compare them with income, capital expenditures, availability of funds, data ranges that have been influenced previously, and to assess whether in the future the project will continue to grow or will stop due to losses.

Every company prepares its financial statements to be able to provide useful information for users of financial statements, especially to be used as a basis for consideration in the decision-making process. In this Tangguh Family edutech start-up, financial reports are used to attract investors.

Financial reports according to Kasmir (2017) are reports that show the company's current financial condition or within a certain period so financial statements are the final form of a series of recording and summarizing processes in business transactions, where an accountant is expected to be able to organize all accounting data so that they can analyze

the company's financial statements. Financial statements are the result of accounting that can be used as a tool to accommodate data on money or company activities to interested parties, including employees, investors, shareholders, government, and society.

The benefits of financial statement analysis are:

1. To find out the company's financial position in a certain period of assets, liabilities, capital, and operating results that have been achieved for several periods
2. To find out what are the weaknesses of the company
3. To find out the strengths of the company
4. To find out what changes need to be made in the future related to the current financial position
5. To assess future management performance whether it needs updating or not because it is considered successful or failed
6. Can be used as a comparison with similar companies about the results that have been achieved.

From some of the benefits that have been presented above, it can be concluded that the analysis of financial statements can provide company management with information about the condition and achievements of financial performance to investors and creditors. In addition, by analyzing financial statements, the company's management rights can make a projected financial report as a form of achievement targets for the future.

The sales forecast is a technical forecast/projection of potential consumer demand for a certain time with various assumptions. It can be concluded that forecasting is a statement or assessment of future conditions regarding sales as a technical projection of potential consumer demand for a certain time. In the business field, forecasting is an important thing that can influence decision-making. Forecasting can be the basis for long-term planning in business processes. In the finance department, with this forecasting, the finance department can plan the costs to be incurred for the future.

Forecasting characteristics according to, among others:

1. Forecasts can be expressed in monetary or non-monetary terms
2. Divination can cover any time
3. Divination is not always approved by the higher authorities
4. The forecast is immediately updated if there is information indicating a change in conditions
5. Deviations from forecasts are not formally analyzed and explained

This forecast will affect the company's planning for production and company capacity, scheduling system, as well as input aspects in financial planning, marketing, and human resource needs. Forecasting can provide an accurate picture of the future and as a driver of all planning activities.

The forecasting results obtained may not be the same as what was planned because it is caused by:

1. Forecasting is a quantified statement or assessment of future conditions regarding a particular subject, such as sales
2. Sales forecasting is a technical projection of potential customer demand for a certain time by stating the underlying assumptions
3. Forecasting should only be seen as input for developing a sales plan
4. Management can accept, modify, or reject the results of forecasting.

The role of the researcher here is as a human resource in the field of finance with the task of projecting finance for 36 months or 3 years at the Tangguh Family edutech business start-up company. The Tangguh Family was founded because more than 300 thousand divorce cases that occur every year are an indicator of the weakness of family resilience in

Indonesia. The factors that influence the occurrence of divorce include (1) continuous disputes and quarrels; (2) economy; (3) domestic violence; and so forth. This shows the lack of knowledge to foster and manage the household as well as the lack of physical and mental readiness to undergo marriage (Fathur Rahman Alfa, 2019).

The presence of the Tangguh Family platform provides various services as an effort that is expected to be able to help people who are about to get married to get facilities in preparing for marriage. Thus, family resilience can be increased as a provision to grow a harmonious family and a superior generation.

The Tangguh Family has developed several service products, namely pre-marital training, educational content, and discussion forums. Premarital training in the form of a series of activities providing material on marriage, family development, and child care aimed at increasing the readiness of prospective husbands and wives is conducted online. Educational content provides information about marriage, family development, and parenting that is packaged attractively through the media of articles, audio podcasts, and videos compiled by a team of experts. Discussion forums allow users to be able to ask questions and respond to existing questions.

This research was conducted to project financial reports on the Tangguh Family edutech business start-up for 36 months or 3 years to create a good and neat financial report record so that it can become a history that can be seen by other people with an interest mainly to attract investors to be interested in investing. at the Start-up edutech company Tangguh Family.

II. Research Method

Research at the Tangguh Family edutech business start-up is a type of applied research, namely research directed at obtaining information that can be used to solve problems. Applied research is carried out to apply, test, and evaluate the ability of a theory that is applied in solving problems with practical goals, which means that the results are expected to be immediately used for practical purposes. The steps in carrying out applied research include 1. Something that is needed, studied, measured, and checked for weaknesses, 2. One of the weaknesses obtained will be selected for research, 3. Usually solving in the laboratory, 4. Then modifications are made so that the solution can be made to be applied, 5. The solution is maintained and put in a unit so that it becomes a permanent part of a system. The method used in this study is a forecasting method, namely the activity method used to seek sales forecasts and product usage so that these products can be made in the right quantity. The purpose of forecasting is to meet the needs of planning for the long term. Several things that were observed during this research were the implementation of financial management in this business start-up.

III. Result and Discussion

3.1 Business process

The business process is an important element in a function that runs in an organization. Good business process modeling will be able to improve organizational or company performance, overall organizational performance, and organizational or company service satisfaction (Ismanto, 2020). In the Tangguh Family business process flowchart there are activities related to its finances, these activities are colored green as a differentiator. Transactions in the Tangguh Family business process use an online system and work closely with the Bank so that the recording of transaction history will be

automatically recorded by a system that has been programmed. The description of the business process at the Tangguh edutech Start-up is as follows:

The business process starts with the customer logging in with the username and password and then verifying the data. After that, the application page will appear, the customer selects the desired menu on the available features when he has chosen what service to choose, he will get a schedule with the consultant after filling out the form, then the customer makes a payment transaction, confirms the payment after that can do a consultation and receive a record consultation.

From the description of the business processes at the Tangguh Family edutech business start-up company, it can be seen that the company has implemented appropriate processes and it can be said that the company's business processes are good because they can have a positive impact on the financial sector. Finance in the company has increased in terms of income, the amount of expenditure is balanced or smaller than income, and there is not much debt. Financial transactions at the Tangguh Family edutech business start-up can be seen from the assumptions of sales, profit and loss, and cash flow.

3.2 Cost Structure

Cost structure or costs that must be incurred to be able to operate the Tangguh Family business. Cost is the stated amount of money and economic resources sacrificed that occur and will occur to get something in achieving company goals. The costs for the Tangguh edutech business start-up include salaries of trainers, consultants, and practitioners, marketing and advertising costs, employee salaries, development and research costs, general and administrative costs, licensing fees and taxes, hosting and domain fees, fees modules, content costs, building rental costs, insurance costs, and depreciation costs.

3.3 Income statement

An income statement or income statement is a type of financial statement that is very important to measure the profits or losses of a company at a certain time. This report is useful for measuring the financial progress or decline of a company with the final results showing the resulting profit or loss. From the income statement, the founder can see the expenses and income that occur in the business and improvise on the required operational needs.

3.4 Sales Assumption

Assumption of Sales for the Edutech Tangguh Family Start-up for the period 2022-2024

Tangguh Family Sales Assumption 2022-2024						
Month	2022		2023		2024	
	Sales	Income	Sales	Income	Sales	Income
January	234	IDR 37.150.000	274	IDR 47.695.000	340	IDR 63.000.000
February	243	IDR 38.905.000	278	IDR 48.545.000	338	IDR 61.930.000
March	254	IDR 40.995.000	274	IDR 48.475.000	329	IDR 61.965.000
April	253	IDR 40.800.000	282	IDR 49.365.000	327	IDR 62.375.000
May	260	IDR 42.345.000	280	IDR 48.955.000	332	IDR 61.375.000
June	254	IDR 40.960.000	273	IDR 49.335.000	319	IDR 57.520.000
July	265	IDR 42.785.000	287	IDR 50.210.000	318	IDR 56.985.000
August	227	IDR 35.465.000	295	IDR 51.940.000	338	IDR 60.985.000

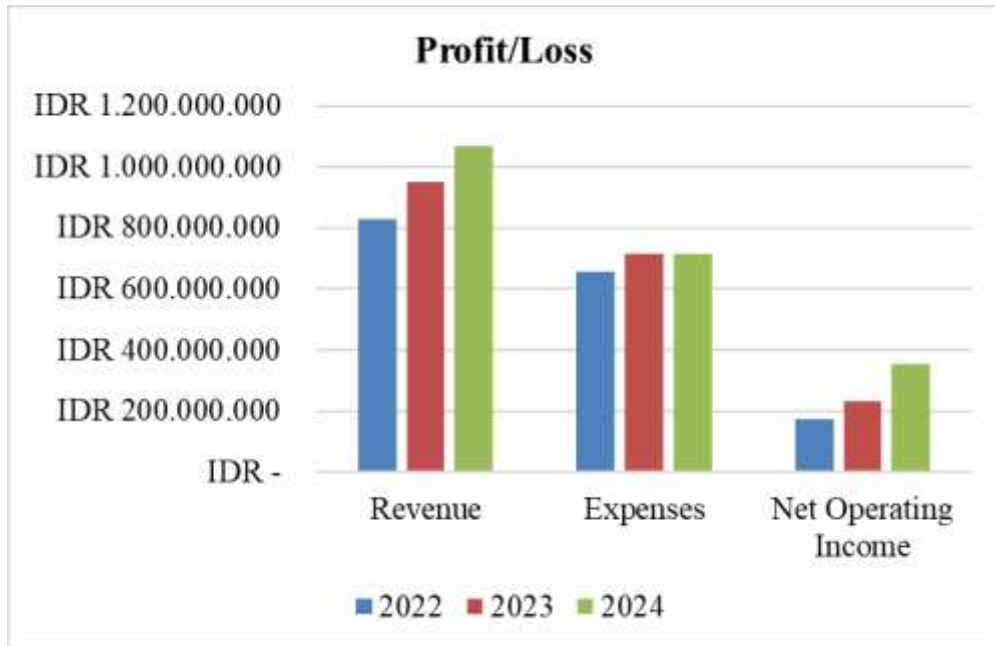
September	240	IDR 38.685.000	301	IDR 52.225.000	332	IDR 61.400.000
October	732	IDR 116.935.000	883	IDR 154.375.000	988	IDR 179.370.000
November	233	IDR 40.470.000	309	IDR 53.595.000	339	IDR 62.650.000
December	252	IDR 40.500.000	365	IDR 62.000.000	360	IDR 65.150.000
TOTAL	3447	IDR 555.995.000	4101	IDR 716.715.000	4660	IDR 854.705.000

Sales assumptions are obtained from service sales that occur at the Tangguh Edutech Start-up company for the 2022-2024 period which consists of sales of training services, consulting services, and service packages. In 2022 the total sales are 3,447 so the revenue is IDR 555,995,000. In 2023, sales amounted to 4,101 so it earned an income of IDR 716,715,000. And in 2024 total sales were 4,660 so it earned an income of IDR 854,705,000. It can be concluded that sales from year to year have increased so that their income has also increased.

3.5 Profit and Loss

Profit and Loss Start-up Edutech Tangguh Family period 2022-2024

Tangguh Family			
Profit/Loss			
2022-2024			
Revenue (Sales)	2022	2023	2024
Total Revenue (Sales)	IDR 829.350.000	IDR 950.600.000	IDR 1.066.720.000
Cost/ good sold COGS	IDR 657.749.750	IDR 716.774.000	IDR 713.394.748
Net Operating Income	IDR 171.600.250	IDR 233.826.000	IDR 353.325.252
Expenses			
Salary Fees of coaches, consultants and practitioners	IDR 153.000.000	IDR 180.000.000	IDR 177.500.000
Marketing and advertising costs	IDR 82.935.000	IDR 95.060.000	IDR 106.672.000
Employee Salary Costs	IDR 330.000.000	IDR 330.000.000	IDR 330.000.000
Development and research costs	IDR 6.000.000	IDR 7.200.000	IDR 8.400.000
Administrative and general costs	IDR 8.400.000	IDR 9.000.000	IDR 9.600.000
Licensing Fees and taxes	IDR 4.146.750	IDR 57.036.000	IDR 5.334.748
Hosting and domain fees	IDR 680.000	IDR 890.000	IDR 900.000
Module Cost	IDR 9.000.000	IDR 9.000.000	IDR 10.200.000
Content Costs	IDR 9.000.000	IDR 9.000.000	IDR 10.200.000
Building Rental Costs	IDR 48.000.000	IDR 13.000.000	IDR 48.000.000
Insurance Costs	IDR 2.925.000	IDR 2.925.000	IDR 2.925.000
Depreciation Costs	IDR 3.663.000	IDR 3.663.000	IDR 3.663.000
Total Expenses	IDR 657.749.750	IDR 716.774.000	IDR 713.394.748
Net Operating Income	IDR 171.600.250	IDR 233.826.000	IDR 353.325.252
Gross Profit	IDR 167.453.500	IDR 176.790.000	IDR 347.990.505



Revenue (sales) consists of;

- a. Sales of Training Services
- b. Sales Consulting Services
- c. Service Package Sales
- d. Business Investment
- e. Sponsorship Partner

The expenses consist of:

- a. Costs Salaries of trainers, consultants, and practitioners
- b. Marketing and advertising costs
- c. Employee Salary Cost
- d. Development and research costs
- e. Administration and general fee
- f. Licensing Fees and taxes
- g. Hosting and domain fees
- h. Module Fee
- i. Pay Content
- j. Building Rental Fee
- k. Insurance fee
- l. Depreciation Cost

Net Operating Income is obtained from total revenue minus total expenses

The income statement in the Tangguh Family Start-up business has several benefits including (1) informing the total tax to be paid, (2) informing the increase in profit or loss, (3) reference for evaluating the company's profit or loss, (4) seeing the company's efficiency, (5) becomes the basis for making a decision, and (6) can minimize financial risk.

From this data, it can be seen that the income from the Tangguh Family edutech Start-up has increased from year to year. Where the income is obtained from the sale of training services, consulting, and service packages, as well as from business investments and sponsorship partners. Meanwhile, the costs consist of salaries for trainers, consultants, and practitioners, marketing and advertising costs, employee salaries, development and

research costs, general and administrative costs, licensing fees and taxes, hosting and domain fees, module fees, content fees, rental fees. building costs, insurance costs, and depreciation costs. In 2022, a profit of IDR 171,600,250, in 2023 with a profit of IDR 233,826,000, and 2024 with a profit of IDR 353,325,252. so it can be concluded that the Tangguh Family's edutech business start-up has increased in profit from year to year, which means the company also experiences improvements every year to increase the company development.

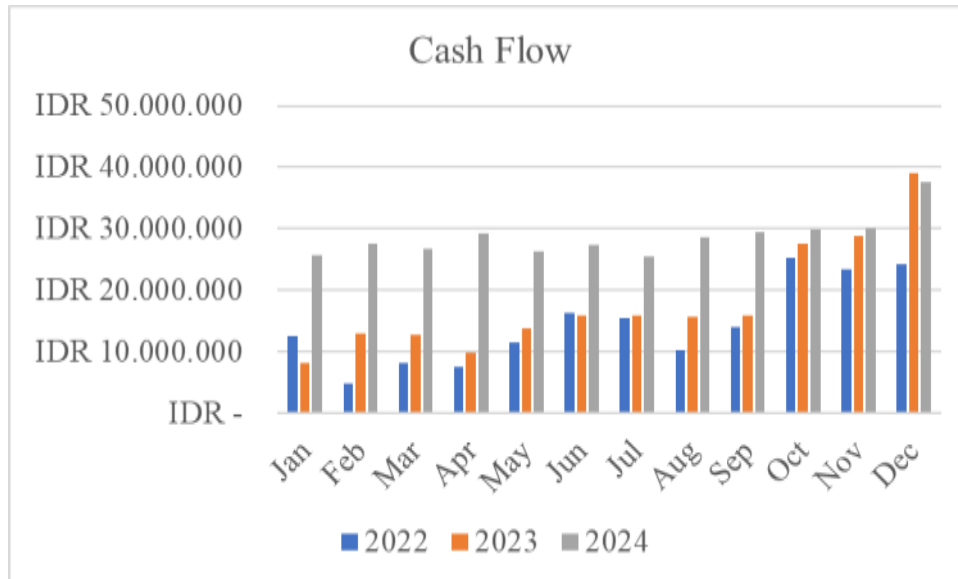
3.6 Cash Flow

Cash flow is the amount of money that enters and leaves a company from the investment made to the end of the investment. In this case, the most important thing for investors is how much net cash is received from the money invested in the business, the importance of this final cash for investors when compared to the profit received by the company because:

1. Cash is needed to meet daily cash needs
2. Cash is used to pay all obligations that have matured
3. Cash is used to reinvest

Tangguh Family Edutech Start-up Cash Flow for 2022-2024

TANGGUH FAMILY						
CASH FLOW						
2022-2024						
		2022		2023		2024
Jan	IDR	12.493.104	IDR	8.216.167	IDR	25.759.096
Feb	IDR	4.852.604	IDR	13.021.167	IDR	27.676.096
Mar	IDR	8.083.604	IDR	12.778.167	IDR	26.807.596
Apr	IDR	7.458.104	IDR	9.934.167	IDR	29.201.596
May	IDR	11.548.604	IDR	13.840.167	IDR	26.276.596
Jun	IDR	16.377.104	IDR	15.982.167	IDR	27.307.096
Jul	IDR	15.544.604	IDR	15.869.667	IDR	25.475.596
Aug	IDR	10.306.604	IDR	15.626.667	IDR	28.625.596
Sep	IDR	14.104.604	IDR	15.883.167	IDR	29.449.096
Oct	IDR	25.224.104	IDR	27.569.667	IDR	29.840.596
Nov	IDR	23.361.104	IDR	28.816.167	IDR	30.124.096
Dec	IDR	24.288.104	IDR	39.080.667	IDR	37.574.200
Total	IDR	173.642.250	IDR	216.618.000	IDR	344.117.252



The cash flow statement is divided into 3 parts, namely:

- 1. Cash Flow from Operating Activities**
 - a. Cash received from income
 - b. Cash is paid to pay the salaries of trainers, consultants, and practitioners
 - c. Cash paid to pay for marketing and advertising
 - d. Cash paid for employee salaries
 - e. Cash paid for development and research
 - f. Cash paid for administration and general
 - g. Cash paid for Licensing and taxes
 - h. Cash paid for Hosting and domain
 - i. Cash paid for Module
 - j. Cash paid for Content
 - k. Cash paid for Building Rent
 - l. Cash paid for Insurance
- 2. Cash Flow from Investing Activities**
 - a. Cash received from the purchase of fixed assets
- 3. Flows from Funding Activities**
 - a. Cash received from investment
 - b. Cash received from and sponsor

Judging from the data above, we can conclude that the cash flow has increased from year to year starting from 2022-to 2024. In 2022, the net cash is IDR 173,642,250. In 2023 the net cash is IDR 216,618,000 and in 2024 the net cash is IDR 344,117,252. This net cash is obtained from total Cash Flows from Operating Activities + total Cash Flows from Investing Activities + total Flows from Financing Activities.

IV. Conclusion

Based on the description above, it can be concluded that Startups are new companies that have not been established for a long time or are commonly called startup companies. The business scope of Start-up companies is generally engaged in e-commerce or online trading based on digital technology to earn income. Every company prepares its financial statements to be able to provide useful information for users of financial statements, especially to be used as a basis for consideration in the decision-making process. In this Tangguh Family edutech start-up, financial reports are used to attract investors. Financial statements are the result of accounting that can be used as a tool to accommodate data on money or company activities to interested parties, including employees, investors, shareholders, government, and society. The financial reports in the Tangguh Family edutech start-up company start from the assumptions of sales, profit and loss, and cash flow. From the financial statements, the net cash proceeds in 2022 amounted to IDR 173,642,250 and the profit is IDR 171,600,250. In 2023 the net cash is IDR 216.618.000 and the profit is Rp. 233.826.000. In 2024, the net cash is IDR 344,117,252 and the profit is IDR 353,325,252. This net cash is obtained from total Cash Flows from Operating Activities + total Cash Flows from Investing Activities + total Flows from Financing Activities. While the profit is obtained from the total revenue minus the total expenses. The income from year to year starting from 2022 to 2024 at the Tangguh Family edutech Start-up has increased. Where the income is obtained from the sale of training services, consulting, and service packages, as well as from business investments and sponsorship partners. Meanwhile, the costs consist of salaries for trainers, consultants, and practitioners, marketing and advertising costs, employee salaries, development and research costs, general and administrative costs, licensing fees and taxes, hosting and domain fees, module fees, content fees, and rental fees. building costs, insurance costs, and depreciation costs.

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