

# Enhancing Cash Management and Financial Literacy in Small Coffee Shop Banda Aceh

Andriati Fitriningrum<sup>1</sup>, Rizki Ramadhan<sup>2</sup>, Andrey Hasiholan Pulungan<sup>3</sup>

Sekolah Tinggi Manajemen PPM, Indonesia<sup>1,3</sup>

Politeknik Aceh, Banda Aceh, Indonesia<sup>2</sup>

[fifi.fitriningrum@gmail.com](mailto:fifi.fitriningrum@gmail.com)<sup>1\*</sup>, [rizkiramadhan@politeknikaceh.ac.id](mailto:rizkiramadhan@politeknikaceh.ac.id)<sup>2</sup>, [dre@ppm-manajemen.ac.id](mailto:dre@ppm-manajemen.ac.id)<sup>3</sup>



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## Abstract

**Purpose:** This community service initiative aims to assist Warung Kopi Pak Haji, a small-to medium-sized coffee establishment in Banda Aceh, by improving its cash management strategies and financial literacy competencies.

**Methodology:** Project case assignments, mentoring, and lectures were chosen to allow participants to feel that they were part of the decision-making process for their day-to-day operations. Additionally, it allows participants to gain and enhance their understanding of handling cash and finances.

**Results:** The coffee shop's unique characteristic, financial unpredictability, necessitates the development of skills in cash management and strategic planning to ensure daily operations and reduce uncertainties.

**Cocnclusion:** This community service program demonstrates that enhancing financial literacy and cash management skills is crucial for the sustainability of small and medium-sized enterprises. Through training, mentoring, and project-based learning, the coffee shop staff and owner gained practical knowledge of managing daily operations, planning future investments, and reducing financial uncertainty. These outcomes highlight the importance of continuous capacity building to strengthen SMEs' resilience and promote long-term growth.

**Limitations:** Long business hours, participants' work schedules, and capabilities make constant participation in training exceedingly difficult for all employees.

**Contribution:** This community service supports the financial capacity, entrepreneurship, and skills of small and medium-sized businesses, particularly focusing on enhancing cash management effectiveness and financial literacy in a small-to-medium coffee shop in Banda Aceh. Managing finances effectively for daily operations is essential for the success of SMEs.

**Keywords:** *Cash Management, Financial Literacy, Small and Medium Business.*

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## 1. Introduction

The well-known coffee shop, *Warung Kopi Pak Haji* (Pak Haji Coffee Shop), is located at Jalan Malikul Saleh, Lamlagang, Banda Raya, Banda Aceh 23239, the provincial capital of Aceh. The proprietor, Chairul, started the warung in 2019 and was the first in Banda Aceh. When tourists and visitors arrive in Banda Aceh, one of their favourite coffee shops is *Warung Kopi Pak Haji*. Selling Gayo coffee which is the hallmark of Aceh Province goods, is *Warung Kopi Pak Haji* primary commodity. The store is professionally run, but cash management is still the main issue. This causes difficulty for the coffee shop in expanding its business, particularly when it requires considerable money to invest. The main

problem is a shortage of capital resources for handling and preparing the cash. Some financial challenges are brought on by *Warung Kopi Pak Haji*'s cash management issue. According to the initial meeting, the coffee shop's inability to manage cash flow makes it difficult to grow and innovate when choosing what investment to make or paying unexpected costs. This community development program aims to train coffee shop owners and staff in financial literacy and cash management so they may become knowledgeable about it. Another goal of this program is to help the coffee shop create an easy-to-use cash management system that will aid in decision-making for their firm.

Aceh, the most well-known Arabica coffee produced in Indonesia's Aceh Province, is called Gayo coffee. Acehnese coffee is renowned for its exceptional quality because of its distinct flavour and scent. Given that it is produced in the core Acehnese region of Gayo, it is the best coffee product available. At 1.000 to 1.200 meters above sea level, the coffee from Gayo has a distinct flavour that is unmatched by any other place, as the Gayo region is the only one that is appropriate for growing coffee plants (Fadhiela ND & Roslita, 2023). This is also why Aceh's coffee shops are sprouting up quickly. It has been estimated that Aceh's coffee shop industry is proliferating, with 2,950 locations in and around Banda Aceh, the province's capital, by 2023. Because of these figures, Banda Aceh has earned the reputation of being the city of a thousand traditional and modern coffees (Bestari & Fadlia, 2019). The reason behind the establishment of *Warung Kopi Pak Haji* is this predicament. Charuil's *Warung Kopi Pak Haji*, which opened for business in 2019, is one of the most well-known coffee shops in Banda Aceh. It has grown to be a popular tourist attraction. In 2023, the coffee shop generated a profit of Rp. 1.035.924.000, which is suitable for a small business. This state also indicates that the shop's business prospects are relatively bright.

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However, not every business actor is aware of how important cash management is. The cash management practices at *Warung Pak Haji*, for example, exhibit significant shortcomings, as evidenced in Figure 1. A significant problem is the inability to distinguish between cash inflows from core business operations (Herawaty et al., 2021)—namely, the sale of coffee and snacks—and revenue earned from tenants leasing space in the coffee shop. The absence of clarity hinders financial analysis and decision-making.

Pengeluaran	Nominal
ES (S)	50.000
Rebus (S)	190.000
Selai/pekan	195.000
Pak Haji	555.000
Kasbon Ptn	100.000
Grosir	500.000
viXal	18.000
Gaji karyawan	450.000
	1.899.000
	560.000
	2.455.000

Omset = 2.455.000  
Gris = 193.000  
Fw = 87.000

Pengeluaran	Nominal
ES (S)	50.000
Gaji (S)	50.000
Rebus	60.000
Tekin	100.000
Sela	115.000
pekan (S)	220.000
Grosir	550.000
Ban kemas	30.000
Ban Jus	165.000
Silai	95.000
Bakak	50.000
Launde	70.000
pekan (S)	100.000
Pak Haji	500.000
Pak Hb (S)	50.000
Gaji karyawan	455.000
	2.055.000
	969.000
	2.350.000

Omset = 2.350.000  
Gris = 77.000  
Fw = 160.000

Figure 1. Examples of Transaction Recording at Warung Pak Haji

Moreover, their expenditure tracking is insufficient; it is ambiguous how much is designated for salaries, supplies, and other operational expenses. Alarmingly, there are cases where loans granted to employees are classified as expenses without any documentation to signify their payback. Such actions not only distort financial records but also undermine the financial integrity of the business. Additionally, the staff's sporadic deposits of business money into bank accounts impede effective cash control, heightening the danger of mismanagement and theft. The prevalence of cash transactions, albeit typical in Banda Aceh, intensifies this problem. Dependence on cash restricts transparency and hinders Warung Pak Haji from developing a more efficient and safe transaction system.

Lastly, handwritten financial documentation in Warung Kopi Pak Haji represents a conventional method for overseeing daily transactions and expenditures, enabling the proprietor to sustain a personal relationship with the business's financial operations. This method has considerable risks, such as the possibility of human errors in calculations, misplacement or destruction of physical documents, and challenges in monitoring financial changes over time (Juniyanto et al., 2023). Furthermore, handwritten records are devoid of the security and backup protocols inherent in digital systems, rendering the organization susceptible to losses or fraud, which ultimately affects its financial stability and growth.

The practice and possible negative practices in Warung Pak Haji signify the importance of cash management and better financial literacy. Cash management is an integral part of business operations. Insufficient funds can cause problems for certain operation tasks, such as revenue generation and supply chain dysfunction (Izhakian et al., 2021). SMEs are probably going to encounter this circumstance. Cash holding refers to how SMEs handle the money they get from sales and use for day-to-day operations. During their slowest sales seasons, the issues surface. In this circumstance, SMEs frequently lack the funding to operate their businesses (Hasanah et al., 2022). Paying attention to cash flow is critical for SMEs. The primary focus of cash management is cash flow management, which manages cash to maximize profit or close a deficit (Islam et al., 2020). There are two ways to view management cash flow; essential cash management and advanced cash management. (Islam et al., 2020). These viewpoints are considered in light of the company's level of liquidity management. The company's ability to adapt to changing market conditions and meet its financial obligations is facilitated by its cash reserves (Yun et al., 2021). Having cash on hand allows the business to adapt to unforeseen events without depending on outside funding, which could incur additional expenses. The corporation is encouraged to borrow money because of its inability to handle funds, especially to pay the deficit. Bankruptcy will happen if the corporation does not handle these funds for an extended time. Keeping cash on hand is frequently regarded as necessary to weigh the advantages and disadvantages.

The concept of cash holding has been viewed from several theoretical angles. Holding cash is considered the best approach for a business to maximise stakeholders' wealth by avoiding additional costs from external funding, according to pecking order and trade-off theories (Yun et al., 2021). Having

cash on hand allows the business to adapt to unforeseen events without depending on outside funds which could incur additional expenses. In this situation, having cash on hand can help the firm operate better since it gives the business the flexibility and liquidity to make the best decision. Cash is essential for transactions, speculation, and prudence, leading to the desire to board cash (Diaw, 2021). These incentives demonstrate that financial resources are employed to cover ongoing costs, take chances, and avert unfavourable unforeseen circumstances. In practice, having cash on hand can result in subpar work. Cash holding can promote the growth of agency costs and ineffective resource management, both of which are detrimental to the performance of businesses (Yun et al., 2021). Holding cash can contribute to the emergence of corruption in weak governance structures. Cash on hand enables management to employ these easily accessible assets to further their goals. These will have detrimental effects on the sustainability and performance of businesses. SMEs frequently find themselves in this predicament.

SMEs have been essential to economic activity. SMEs are frequently found and run as integral parts of society, adding value to businesses and societal economies (Varga, 2021). This circumstance drives the vital functions of SMEs in community economics. SMEs' essential functions for industrial employment, fostering economic growth, and reducing poverty are evident (Hasanah et al., 2022; Herawaty et al., 2021; Juniyanto et al., 2023; Kodriyah et al., 2024; Kurniawan et al., 2022; Soejono et al., 2023; Yashinta, 2024). Consequently, the government's efforts to boost the local economy have included empowering SMEs. Even with this critical role, SMEs frequently face financial challenges. Due to a lack of resources, SME owners take on prominent managerial and ownership positions. Insufficient knowledge of finance, particularly in handling cash (Kodriyah et al., 2024; Kurniawan et al., 2022), becomes a hindrance to the expansion and viability of SMEs (Herawaty et al., 2021; Kodriyah et al., 2024). Due to a lack of understanding, SME entrepreneurs cannot create business plans and assess risks, resulting in a lack of financial skills (Zhu et al., 2023). This financial skill deficiency's ability to handle funds to finance day-to-day business operations is the riskiest aspect. This predicament arises at *Warung Kopi Pak Haji*. Bookkeeping is the only aspect of cash management that is done manually. Consequently, when faced with uncertainty or having to satisfy immediate financial responsibility, they need more knowledge about their financial status, particularly cash. They are unable to identify any risks from financial data or create a business plan to grow their company in the long run. The coffee shop must adapt to the current market condition even if it must compete as the competition increases. They struggle to estimate the amount of money needed to build their business, including creating strategies for business expansion, as a result of their poor cash management. Daily finance management to support operations also presents this kind of scenario. When the finances are at their worst, it is challenging to assess operational risks due to financial changes. In light of this circumstance, the coffee shop and other similar enterprises require specialised training and mentoring to handle funds for business continuation. This serves as the guide for the community services offered to *Warung Kopi Pak Haji*, which include financial business literacy and cash management training.

## 2. Method

Participants in this program include *Warung Kopi Pak Haji*'s owner and staff. Located at Jalan Malikul Saleh, Lamlagang, Banda Aceh lies *Warung Kopi Pak Haji*. Employees are required to attend the programme. Every employee holds a Senior High School degree. The program lasts six months, starting in January and ending in June 2024. Figure 2 illustrates the five phases into which the programme is divided. The initial survey was carried out on 20 January 2024. The team held a brainstorming session to gain an understanding of the difficulties faced by the coffee shop's owner and staff. The meeting also aims to shed light on the state of financial management, financial literacy, and skills related to managing cash and managing daily cash flow for business operations. Meanwhile, throughout this brainstorming, the present threat and potential prospects are gathered (Winarko et al., 2021), which serves as resources for creating the training materials. Every participant has the opportunity to suggest many topics that can serve as a basis for the program's development.

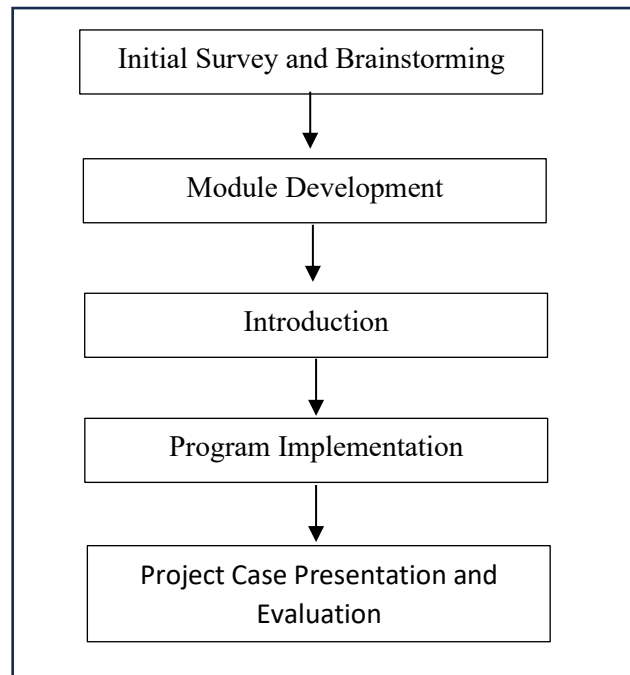


Figure 2. Community Development Program Process

The development of modules is the next stage. It began in February 2024 and ended in early March 2024. The results of the initial conversation serve as the foundation for the module's development during this stage. The module functions as both the guidebook and source material for the training. When creating the module, participants' needs for managing the business and the level of urgency are taken into account. Next, the introductory speech took place in *Warung Kopi Pak Haji* Banda Aceh with the launch, the community development programme officially began. Each trainer had the opportunity to introduce their module, pique participants' interest, and clarify the purpose of the programme during this introductory session.

The introduction was followed by the execution of the programme. The implementation programme is scheduled to run from April to June 2024. The owners and staff of *Warung Kopi Pak Haji* received training and workshops are the primary programme during its implementation. During the implementation session, the key activities were problem-solving and discussion, with an emphasis on an active learning process. The choice of active learning is made to motivate learners to participate in the process (Sumanasekera et al., 2020). Lecturing, project scenarios and game questions help to build the learning process. The goal of the lecture sessions that open the training is to introduce the goals, processes, and methodology. After this session, there are Q&A sessions where more discussion is created. The primary goals of the lecture sessions are to enhance participant's knowledge and abilities in the areas of cash flow, financial management, and creating simple financial reports for SMEs. The purpose of lecturing is to provide participants with an overview of financial ideas and management by organising and delivering crucial information. (Gosavi & Arora, 2022). The essential data that is provided comprises business financial report preparation and financial management processes and procedures, which serve as the foundation for their comprehension. After completing these exercises, participants were required to give a group presentation based on their financial planning assignment for their business. Mentors and fellow students helped the participants with this financial planning assignment. The goal of a group presentation is to show how much they have learned. The presentation is followed by a Q&A. Participants are encouraged to practice and master new skills through self-learning as part of active learning methods.

Evaluation is the program's final component. This session serves to evaluate the program efficacy as well as the post-training skills and knowledge improvement of the participants. During the evaluation process, participants' knowledge of handling cash and creating financial plans is evaluated. Game

questions are used in the assessment process to track the development of skills and knowledge. As part of the training programme assessment for the entire course is in the form of a group presentation. A group presentation is utilised to assess training's effect since it allows seeing the deep improvement in practice. Participants' suggestions and feedback for programme improvement are included in the evaluation.

### 3. Results and Findings

There are multiple stages to this community development programme, ranging from initial consultation to evaluation.

#### 3.1 Initial Survey and Brainstorming Session

The program's initial step, known as preliminary discussion, is when the goal and commencement of community development are determined. Employees were asked to share the topics or skills they believe are essential for enhancing their daily operations in cash management. Subsequently, they rated the subjects they are most interested in learning about, with no obligation to answer every question. As shown in Table 1, handling cash is the highest requirement for this training followed by preparing cash reports, and familiar with financial management. The initiative and measures are implemented in response to these issues and demands. Three project leaders from three different universities in Indonesia started the programme. After this initial meeting, the project leaders went about their duties by first evaluating the needs and difficulties, then the available resources. Evaluating the issues and needs is essential to the programme since the findings of these assessments serve as a guide for mapping the environment, which is utilised to create training materials and modules.

Table 1. Survey Results for Proposed Topics

Topics	5 (very high priority)	4 (high priority)	3 (sufficient)	2 (low priority)	1 (very low priority)
Familiarity with financial management	12	6	4		
Preparing cash report	13	6	3		
Familiarity with handling cash	15	10	2		
Budgeting	10	8	3		
Financial planning	10	8	5		
Familiar with the financial component	9	10	2		
Comprehend the cost component	4	13	1	1	
Comprehend the profit component	9	8	5	1	

The project leaders meet the proprietor and representative of the staff of *Warung Kopi Pak Haji* after the initial discussion. The goal of the discussion is to learn more about the demand and circumstances of the coffee shop to deliver thorough and all-inclusive training modules. The purpose of the meeting is also to gather information about the expectations, knowledge, and resources of possible participants from the owner and staff of the coffee shop. The main topic of discussion at the meeting between the project organisers and interested participants is this information about the profile and expectations.



Figure 3. Initial Meeting with owner and representative staff

### **3.2 Module Development Session**

The meeting concludes that the coffee shop requires additional staff members who are proficient in handling financial matters. These specifications guide the development of training courses, which centre on helping SMEs manage their finances and increase their financial literacy. To increase participants' comprehension and skill levels, project examples and games are incorporated into the training courses.

There are three prepared financial modules for this community development. The information gathered from early conversations and contacts with potential participants is used to design the module. The first module is called Introduction to Financial Management. The introduction and basic grasp of financial and its management are provided by the Financial Management. This session runs for two sessions from basic and intermediate levels. The cash flow management module is the second stage. Understanding financial resources for businesses and how to manage them are the main topics of this lesson. The topic runs for two sessions from lecturing and practicing. The final module created for this community growth is cash management. The management of funds for ongoing operations and future investment plans is the main topic of this lesson. This topic runs for two sessions consisting of lecturing and practising.

### **3.3 Introduction Session**

The program's introduction is the first exercise. The purpose of the introduction session is to give a quick overview of the program's operation and goals. Each module is given a brief explanation during this introductory session. Engaging with each participant to hear about their background and expectations for the programme is the first step in the introductory session. The goal of the programme and the prerequisites that participants must meet are described during this introductory session. This programme emphasizes participants' attendance requirements to satisfy training objectives and expectations. This introduction session is being attended by one of the owners of *Warung Kopi Pak Haji*, together with sixteen staff members. The participants' ages are between seventeen and thirty-five years old. In the meantime, depending on their educational background, sixteen participants with high school diplomas and owner participants with bachelor's degrees.

### **3.4 Implementation Session**

The owner and staff of *Warung Kopi Pak Haji* are receiving financial training during the implementation session. The program's second action is financial management. Given that some participants may not have any prior experience or education in finance, this program aims to give participants a quick introduction to managing their finances. A fundamental understanding of financial and money management is imparted in this course. Throughout this session, participants learn about financial terminology, protocols, and the purposes and significance of each account in financial reporting. Participants in this session are tasked with assessing a corporation's financial report. The purpose of this job is to provide the participants with a practical understanding of the financial report and the state of the organisation.

Cash flow management and cash management are the upcoming sessions. The topic of cash flow management is the main emphasis of the third session. During this session, participants leave this course



with a better understanding of the company's cash flow process and allocation. The participants are tasked with determining the cash flow and allocation of the company throughout this session. The goal of the work is to impart a thorough grasp of the allocation and cash flow process. Cash management for operation is covered in the fourth session. This session aims to impart knowledge and skills related to operating cash flow management and future investment planning. Participants receive training in managing cash for everyday operations, including how to allocate available funds. Participants in this session receive training on using cash management to create financial plans, particularly for regular operations. Participants in this session will be challenged with determining the money required to operate their coffee shop and creating a financial strategy for day-to-day operations.



Figure 4. Training Participants

During the implementation session, the participants were trained to use Excel to record financial transactions for *Warung Kopi Pak Haji*. This session is aimed at establishing a well-structured approach that captures detailed revenue and expense information. Start by setting up separate worksheets within the Excel file (Kurniawan et al., 2022). A simple cash sheet can effectively summarize overall revenues and expenditures as shown in Figure 5. In the revenue section, the revenues are segmented into various categories to gain insights into different income streams. This categorization may include sections for beverages, snacks, etc. For example, the employees could record coffee sales under the beverages category and snack sales under snacks, making it easier to track which products contribute most to the business's income. In the expense section, it's vital to break down expenses into relevant categories. This may encompass the cost of the ingredients used in beverages and snacks, utilities such as electricity and water, and labour costs representing staff wages and salaries. By systematically recording each expense, the employee can monitor how much is being spent across different areas of the business (Kurniawan et al., 2022).

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92		A		B		C		H		I		J													
93		A		B		C		H		I		J													
94		A		B		C		H		I		J													
95		A		B		C		H		I		J													
96		A		B		C		H		I		J													
97		A		B		C		H		I		J													
98		A		B		C		H		I		J													
99		A		B		C		H		I		J													
100		A		B		C		H		I		J													

Figure 4. Partial Financial Recording in Excel



### 3.5 Project Case Presentation and Evaluation Session

The program's last session is used for evaluation. Monitoring protocols for training include evaluation. It is anticipated that this evaluation will lead to improvements and that input for further improvements will be obtained. Meanwhile, evaluation aims to quantify the training's outcomes and the extent to which participants improved. A project assignment is used to carry out the assessment. Each group that is formed from the participants is tasked with organizing the daily cash management from the operation. Every group is then required to show their work.

The project's main focus is on cash planning and management for the coffee shop's operations. This assignment requires each group to manage cash resources and spending, explain their financial budgeting, and locate alternate finance for unforeseen operating needs. The presentations show that participants' understanding and proficiency with daily financial management for business has significantly improved. The participants can create a basic budget that they can refer to while making financial decisions. The financial planning assignment also paints an insufficient image of progress. A few participants find it challenging to identify operational financial planning. For instance, deciding on the budget plan for company innovation demands overwhelming several participants. This requirement is reasonable given that not all participants are managers or employees who regularly engage in financial planning and budgeting. However, it is challenging for the coffee shop to reinvent its operational activities due to its limited resources.

The participants give the training evaluation a positive rating as the training can offer a fresh viewpoint on managing cash and daily spending. It enables employees to delve deeply into managing finances and daily spending through hands-on experiences, the project assignment garners the most comments and feedback. Nonetheless, because the programme also benefits their skill set, participants anticipate its continuation. They also anticipate more efficient hours, which allow them to delve deeper and gain more knowledge.

### 3.6 Discussion

The goal of this community development programme is to raise the level of financial literacy and cash management among *Warung Kopi Pak Haji's* staff and owners for their day-to-day operations. They can use this programme as a guide to manage the company and plan for future growth. The participants' emergence of an entrepreneurial attitude is also fuelled by this instruction. The proactive nature of firms that offer goods and services in the market through innovation and investment defines an entrepreneurial approach. (Cho & Lee, 2018). *Warung Kopi Pak Haji* was chosen since it is a popular tourist destination and the first coffee shop in Banda Aceh. Because of this, this coffee shop in Banda Aceh has started to serve as an example for other coffee shops. The coffee shop must constantly innovate and grow. The coffee shop faces limited resources and cash management challenges, which hinder innovation and investment in business development. By offering an entrepreneurial approach based on operational finance management abilities, these issues motivate attempts to address them. These abilities are necessary to handle investment risk and oversee innovation.

Cash management is critical to finance the day-to-day operations of firms. For SMEs, cash management is an integral part of business operations. Insufficient funds can cause problems for certain operational tasks, such as revenue generation and supply chain dysfunction (Hasanah et al., 2022; Izhakian et al., 2021; Kodriyah et al., 2024). This kind of situation is probably present in SMEs such as *Warung Kopi Pak Haji*. Cash holding refers to how SMEs handle the money they get from sales and use for day-to-day operations. During their slowest sales seasons, the issues surface. SMEs frequently need more funding to operate their business in this scenario. It is a scenario that *Warung Kopi Pak Haji* is also facing. In contrast, large businesses typically use cash holding to manage unpredictability and the need to fulfil unforeseen obligations. Issues related to cash holding may not be as challenging for large companies as they are for SMEs. SME managers are encouraged to focus on maintaining enough cash flow for their business because of the critical function that cash plays for SMEs (Hasanah et al., 2022; Herawaty et al., 2021; Soejono et al., 2023). This is particularly true when managing short-term liquidity for the company.

The primary goal of cash holding is cash flow control. There are two ways to view management cash flow; essential cash management and advanced cash management. (Islam et al., 2020). These viewpoints are viewed in light of the company's level of liquidity management. The corporation can adapt to changing market conditions and financial requirements with the flexibility that comes from having cash on hand (Yun et al., 2021). This indicates that the company's short- and long-term viability is determined by how cash holdings are managed. For SMEs like the coffee shop, this is the reason that handling cash is critical to their day-to-day operations. To manage the cash effectively and efficiently, *Warung Kopi Pak Haji* needs a particular technique to handle the uncertainty of the amount of cash received. When cash is utilized to maximize profit or close a deficit, controlling cash holdings is seen as managing cash flow. (Islam et al., 2020). The corporation is encouraged to borrow money because of its inability to handle funds, mainly to pay the deficit. Bankruptcy will happen if the corporation does not handle these funds for an extended time. This circumstance makes it difficult for the company to develop profitable, productive, and efficient operations. (Fitriiningrum et al., 2024). The owner and staff of *Warung Kopi Pak Haji* require financial literacy and cash management abilities to prevent this possible financial issue, according to the initial discussion and brainstorming.

The program for cash management and financial literacy has its problems. The dedication to completing the program is the first issue. It is challenging to get individuals to commit to attending the program regularly. This happens because the participants' job schedules and the training period conflict. This occurs because *Warung Kopi Pak Haji* opening hours, which are 5.30 AM to 11.30 PM, are somewhat lengthy, making it challenging for participants to engage in the training activities completely. The degree of participants' basic knowledge and comprehension of business and financial management is the second problem. According to preliminary research, graduates in fields other than economics frequently struggle to understand financial concepts that influence their financial planning and decision-making (Fitriiningrum et al., 2024; Thomas & Subhashree, 2020). Consequently, the training moves slowly and involves many repetitions to provide participants a fundamental and improved comprehension.

Regarding their project case assignment, there is a need for more dedication and comprehension of financial principles. Even though the company has been around since 2019, growth has been somewhat sluggish. The project scenario, particularly the investment planning session, illustrates the poor capacity to prioritise the usefulness of resources. The planning of investments is probably more concerned with maintaining business continuity than with innovation (Kurniawan et al., 2022). When it comes to business improvement, imitation is more common than originality. The primary cause of this predicament is a lack of decision-making and complicated financial action-taking skills, which are primarily present in young people and entrepreneurs (Putri & Heryudanta, 2021). For SMEs with little resources and unstable financial situations, like *Warung Kopi Pak Haji*, this is a very risky situation. Meanwhile, coffee shops no longer have the chance to lead the way in business through imitation-based strategies and investments.

An essential skill for handling cash in both daily life and business is financial literacy. Financial literacy is essential for businesses to ensure the long-term viability of their operations. Entrepreneurs with financial literacy can recognise the everyday circumstances that call for cash and take appropriate action to address these needs (Kumari, 2020). This capacity is important when the business faces financial difficulties or requires more capital. Analysing the choice and locating alternative funds takes specific expertise (Hasanah et al., 2022; Juniyanto et al., 2023; Soejono et al., 2023). When assessing the risks and returns from funding options, management can make better decisions by having a clear understanding of the financial condition (Goodell et al., 2021). However, understanding finance alone will not help the management grasp this company's financing. Consequently, cash management is needed to help managers handle these financial problems.

The scope of cash management extends beyond handling operational tasks and financial difficulties. Cash management reduces transaction costs and guards against underinvestment losses from a lack of funds (Khatib et al., 2022). The presence of liquid funds in this scenario gives the business the adaptability to foresee unforeseen events like sharp price fluctuations and shortages of raw supplies.

The viability of the company will be impacted if these kinds of reforms are delayed. Companies with access to liquid capital can foresee that these abrupt shifts will pose challenges to their operations. This is typical problems that *Warung Kopi Pak Haji* and other SMEs face. This may be the cause of *Warung Kopi Pak Haji* and other SMEs' uneasiness to grow.

The goal of the community development program is to raise the financial literacy and cash management ability of *Warung Kopi Pak Haji*'s owner and staff. During training sessions, participants in the program receive assistance in building cash management strategies for their businesses. The way cash is managed affects how long a business can continue. This is particularly true when the company's daily cash flow is the key to its operations. When a corporation has to deal with unforeseen commitments, uncertainty increases risk and puts pressure on it. SMEs like *Warung Kopi Pak Haji* must maintain enough cash to support their operations in this scenario. Therefore, this training is to give *Warung Kopi Pak Haji*'s staff and management the necessary knowledge and abilities to handle and store cash effectively and efficiently. SMEs like *Warung Kopi Pak Haji* also struggle with financial literacy in addition to cash management skills. It is challenging for people with little financial literacy to grow their businesses, particularly when it comes to finding new sources of funding and avoiding additional burdens such as interest. A fundamental understanding of financial management is essential for SME management and staff to run the company and make sound financial decisions that will ensure the company's long-term viability. There are some problems with the training. Long work hours can lead to a lack of dedication, which slows down and repeats the program. Another factor impeding advancement is their degree of financial literacy. The entire program demonstrates that financial literacy alone is insufficient for SMEs to run businesses and achieve sustainability because of the financial uncertainty inherent in their industry. To address this uncertainty and support daily operations, SMEs need to be able to manage and map their cash.

#### 4. Conclusion

A community development programme includes training to enhance employees' and business owners' financial literacy and cash management abilities. The decision to use *Warung Kopi Pak Haji* was made due to the establishment's renown as an Aceh coffee pioneer and famous tourist attraction. The coffee shop served as a model for other coffee shops in Aceh due to its widespread popularity and pioneer status. This implies that the coffee shop must be cutting-edge and inventive. The coffee shop needs to invest in numerous innovations to fulfil these goals. When investment needs a considerable amount of cash, issues arise. The coffee shop's basic bookkeeping does not accurately depict the company's financial status. This hampers some investing operations. The primary causes of these problems are the inadequate cash management and financial literacy of managers and staff which becomes the motivation to provide financial literacy and cash management training as well as supporting community development in this circumstance. To help the business understand its financial status, cash management training and assistance are offered in addition to financial literacy. The business will be better able to handle and forecast financial unpredictability and make wise investment decisions if it clearly understands its financial status. The coffee shop can create development and investment plans for the long-term viability of the business with the help of this financial training and support. Finally, for SMEs, more than financial literacy is required to manage a business and attain sustainability. The SMEs' unique business characteristic of financial uncertainty necessitates the development of skills in cash management and mapping to support daily operations and address business uncertainty.

This community development requires improvement. First, time constraints in program development and execution are the main cause of its poor implementation. Thus, a follow-up plan is necessary to ensure program efficacy and flexibility. Second, positive feedback from participants indicates satisfaction with the program, but some concerns must be addressed to sustain momentum and success. Each subject should have many training sessions so employees can attend without conflicting with their work schedules. The follow-up plan comprises refresher and advanced courses on issues identified as needing more attention during the first training. Small group or training-for-trainers sessions led by a team leader or trainers who mentor team members are recommended for additional sessions. By using this structure, everyone can learn faster and better. This community development program provides

financial and entrepreneurial issues to help organizations adjust to new difficulties. Regular post-training assessments will evaluate knowledge retention and implementation in every day.

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