Improving Entrepreneur Skills for Micro Business Nearby Al Syakirin Gombak Mosque Malaysia to Achieve Sustainable Development Goals

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Abstract. The Covid-19 pandemic has badly affected micro businesses in Malaysia. The condition is getting better after the Malaysian Government lifted restrictions due to Covid-19 prevention. Al Syakirin Mosque, Gombak Selangor Malaysia, has 345 zakat recipients, some of whom have micro businesses. The micro businesses are mainly located near the mosque. However, a lack of entrepreneurial skills results in prolonged development of their business although Covid-19 restrictions have been lifted, raising concerns about achieving SDG 1 (no poverty) and SDG 2 (no hunger) for the micro business. Meanwhile, there are many opportunities that they can utilize to develop their business, such as obtaining new markets and developing more variety of products. The community service program was conducted in May 2023 in Al Syakirin Mosque Gombak Malaysia in the form of training and consultation on digital marketing and financial management to 26 zakat recipients who have micro businesses or are planning to have micro businesses. Based on the participants’ evaluation in the Google Form, all of them found that the training has improved their knowledge and awareness of digital marketing, halal sources of funds, and preparing and using simple financial reports. In terms of their sales, within three weeks after the training, half of them reported an increase in sales. Based on the interview with participants, this program can reduce the poverty level among participants and educate them with financial literacy knowledge to be independent (SDG 1 on no poverty). This program is also viewed by the participants to be able to help them to open new businesses to avoid hunger and the digital marketing knowledge has opened a broader market to expand their business through the use of it (SDG 2 on no hunger).

Keywords: achieve sustainable goals, entrepreneurial skill, micro business

1 Introduction

According to the Malaysia Statistical Business Register (MSBR) issued by the Department of Statistics, Malaysia (DOSM), there were 1,226,494 MSMEs in Malaysia in 2021, amounting to 97.4% of all establishments. In comparison to a total of 1,086,157

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MSMEs in 2016, there has been an increase of more than 140,000 enterprises, resulting in an average annual growth rate of 5.2 percent throughout the six years (SME Corporation Malaysia, 2016). Microenterprises were significant in terms of company size, accounting for the biggest percentage of MSMEs. More than 150,000 micro-enterprises were added between 2016 and 2021, with an average annual growth rate of 5.6 percent. Micro enterprises made up 78.6 percent (964,495 businesses) of all MSME establishments in 2021, small-sized firms made up 19.8 percent (242,540 firms), and medium-sized MSMEs made up the remaining 1.6 percent (19,459 firms). From these statistics, it is acknowledged that the mindset and the way of thinking of the people who started their businesses from 2016 until 2021 have increased and shown satisfactory improvement. This shows that the number of entrepreneurs in Malaysia has a positive reaction as it has been increasing for the past few years.

In its resolution 75/211 on entrepreneurship for sustainable development, which was adopted in December 2020, the General Assembly recognized the significant contribution that entrepreneurship makes to sustainable development through the creation of jobs, encouragement of inclusive economic growth and innovation, enhancement of social conditions, and addressing of economic, social, and environmental challenges within the framework of the 2030 Agenda for Sustainable Development. It stressed that social entrepreneurship, micro, small, and medium-sized firms, and their roles in social and economic development are more important than ever during the post-coronavirus disease (Covid-19) recovery process and beyond (https://unctad.org/system/files/official-document/a77d254_en.pdf). Liu (2017) stated that MSMEs are a top priority for achieving sustainable development goals (SDGs) due to their crucial contribution to larger social economic objectives, including employment creation. The poor and vulnerable, especially women and youth, will frequently immediately benefit from job creation through MSMEs, which will eventually reduce poverty, increase income, and have a favorable influence on household spending on health and education. MSME development has the potential to have significant effects on the SDGs, particularly SDG 1 (end poverty), SDG 2 (zero hunger), and others, on a global scale. Nursini’s study on Indonesia MSMEs (2020) found the percentage of the poor, the gap between the average expenditure of the poor and the poverty line, and the disparity in the average expenditures of the poor can all be decreased through the growth of MSMEs. On the other hand, it was discovered that MSEs and SMEs had distinct effects on the alleviation of poverty based on the calculation of indirect effects.

Hashim (2000) stated that SMEs typically face challenges as a result of their internal and external environments, such as a lack of resources, inadequate management, outdated technology, competitiveness, and issues with the economy, socio-culture, and the world. This finding was supported by a prior study (Ghosh and Kwan, 1996) that identified the economic crisis as a substantial barrier to corporate operation in addition to internal and external difficulties. Determining whether SMEs require financial support or credit to address their capital shortfalls became more challenging as a result of the poor skills and the economic slump. With the right training in pertinent fields, SMEs can be given the tools they need to tackle these issues.

Cossa et al. (2018), in their systematic review of the literature on financial literacy importance for entrepreneurship, identify that entrepreneurship plays a key role in reducing poverty, generating new employment opportunities, enabling people to offer goods and services, enhancing their well-being, and enhancing economic growth and development. They also provided evidence that people's decision-making abilities are improved by financial literacy, enabling them to make sensible financial decisions. They discovered that financial literacy enhances entrepreneurs' abilities and gives them confidence in their ability to manage their business's finances and make decisions on savings.

Digital marketing is another skill needed in this era by SMEs. It has become a powerful
marketing tool for every organization. Four roles in digital marketing for SMEs have been identified by Salford Business Schools. It first provides equal opportunities for everybody. No of the size, all firms operate in the same competitive environment. Small and medium-sized firms have equal prospects in the digital world. Whatever the company's budget, SMEs can compete with both large organizations and other smaller businesses. Second, they benefit from an exceptional ROI thanks to digital marketing. The purpose of digital marketing is to assist SMEs in increasing the profitability of their marketing initiatives. Online marketing is incredibly cost-effective compared to traditional marketing and provides an exceptional return on investment (ROI). They must make use of digital marketing if they want to accomplish their corporate goals. They can increase their ROI by optimizing their marketing expenditures.

Third, they can reach consumers wherever they are thanks to internet marketing. They can contact people who are interested in their business thanks to the function of digital marketing. It is difficult for them to market to consumers who are looking for their products or services via conventional techniques. However, they can concentrate on the customers who are most interested in their goods or services thanks to digital marketing. They can connect with customers who are interested in their business by using digital marketing. They can target the customers who want their products or services thanks to these marketing strategies. Fourth, they can gauge its success thanks to digital marketing. They will learn that internet marketing also makes it simple for them to track the success of their campaigns as they consider the various functions of digital marketing. They always want to know if an advertising or marketing strategy is producing the desired effects. Because they can't tell whether their efforts persuaded their audience, conventional marketing strategies make this challenging. They can check the effectiveness of their initiatives in real-time with digital marketing.

Looking at the importance of financial literacy and digital marketing skills for SMEs, conducting community service programs for micro-business entrepreneurs is very relevant and important. By having better skills in these areas, the objective of SDGs 1 and 2 for micro business can be achieved.

2 Methodology

The community service program consisted of three phases: (1) Selecting community group and need assessment; (2) Conducting training and consultation; (3) Post training evaluation. For this program, the community service team consists of lecturers from the Faculty of Economics and Business Universitas Muhammadiyah Yogyakarta and lecturers from Kulliyah of Economics and Management Sciences, International Islamic University Malaysia. In phase 1, the team chose zakat recipients from Al Syakirin Mosque, Gombak Malaysia who already have a business or those who would like to start a business. Access to the micro business entrepreneur was granted by Ustadz Mohamad Saupi, the Nazir (Head) of Al Syakirin Mosque in 2022. As there was a change at the beginning of 2023, the communication continued with Ustadz Aznil Zulkifli as the new Nazir. Based on the communication between the community service team and Al Syakirin Mosque committee members, it was agreed that the program is to improve entrepreneurs’ skills of micro business around Al Syakirin Mosque in terms of financial literacy and digital marketing. To attract the participants, a poster was produced for promotion to the prospective participants.

Confirmation was then undertaken with the participants who had already registered through the questionnaire survey. The response obtained from the participants confirms that they need financial literacy skills and also digital marketing. The specific topic for digital marketing is marketing via the social media of TikTok.
Figure 1. Poster of the Training on Financial Literacy and Digital Marketing.

Phase two of the program was conducting training and consultation. The training was undertaken on 14 May 2023 in the Siti Khadijah meeting room, Al Syakirin Mosque Gombak from 08.30 am to 1.20 pm. The community service team provided 4 sets of instruments for good-quality TikTok content production. This includes a tripod, ring fill light, wireless microphone, and USB wall charger. The participants were in the same WhatsApp group with the trainers to enable for consultation. Phase three of the program was post-training evaluation after two weeks of the training.

3 Results and Discussion

The Al Syakirin Mosque was first established in 1984. The mosque is located in Setapak Gombak with the address of Km 9 (Batu 5 3/4) Jalan Gombak, Kuala Lumpur, 53100 (http://e-masjid.jais.gov.my/index.php/profail/profail/id/60).

Al Syakirin Mosque has 8720 m2 with a capacity of up to 5000 prayer congregations. Some of the mosque members have a micro business which was badly affected by the
Covid-19 pandemic. The condition of micro businesses owned by the mosque prayer congregation is very traditional.

The training was conducted in three sessions. The first is on the importance of digital marketing and how to produce good TikTok content for marketing purposes. This was presented by Dr. Fatin Husna and Dr. Amira. The second session was on financial literacy especially obtaining halal funds delivered by Assoc Prof Dzujastr. The third session was preparing a simple financial report by Prof Riza Yaya.

Based on the evaluation through a Google form survey, it was found that all participants answered that they received benefits from the training in terms of knowledge of digital marketing and financial literacy. They find that they have increased awareness of obtaining the halal source of funds, increased awareness of the importance of keeping financial recordings, and separated business funds and personal funds. The participants also improved their awareness of the importance of using digital marketing. They also have an increased ability to produce TikTok content. In terms of sales, half of the participants answered that their sales have improved since the training.

After two weeks of training, some recorded interviews were undertaken with the participants. Two participants said that the training suited their needs and they had followed it up. Two of them stated that they are processing new products to sell to the new market. This program was also perceived by the participants can reduce the poverty level among participants and educate them with financial literacy knowledge to be independent (SDG 1 on no poverty). This program can also help them to open new businesses to avoid hunger and the digital marketing knowledge has opened a broader market to expand their business through the use of it (SDG 2 on no hunger).

4 Conclusions

The community service program conducted by the community team from Universitas Muhammadiyah Yogyakarta and International Islamic University Malaysia for improving entrepreneurship skills of micro business on financial literacy and digital marketing has successfully been conducted showing its positive impact. The training and consultation provided have improved the participants’ knowledge and awareness of digital marketing, halal sources of funds, and preparing and using simple financial reports. In the evaluation after two weeks of the training, half of the participants reported an increase in sales. This program was also perceived by the participants can reduce the poverty level among participants and educate them with financial literacy knowledge to be independent (SDG 1 on no Poverty). This program can also help them to open new businesses to avoid hunger and the digital marketing knowledge has opened a broader market to expand their business through the use of it (SDG 2 on no hunger). To maintain the positive aspects of this program, advanced training on financial literacy and digital marketing is needed to be conducted and followed by financial access for their business development. For this follow-up, Al Syakirin Mosque can invite universities, NGOs, the private sector, or the government to participate.

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