



## Community Service: Introduction to Accounting Basics for Quality Human Resources (HR) in the New Village, Pancur Batu District

Tri Dharma Sipayung<sup>1\*</sup>, Arthur Simanjuntak<sup>2</sup>, Dimita H.P. Purba<sup>3</sup>, Lamria Sagala<sup>4</sup>, Grace Y. Simanjuntak<sup>5</sup>, Rike Yolanda Panjaitan<sup>6</sup>, Duma Rahel Situmorang<sup>7</sup>, Ivo Maelina Silitonga<sup>8</sup>, Januardi Mesakh<sup>9</sup>, Apriani M. Sibarani<sup>10</sup>  
Universitas Methodist Indonesia

**Corresponding Author:** Tri Dharma Sipayung [darmacom29@gmail.com](mailto:darmacom29@gmail.com)

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### ABSTRACT

Human Resources (HR) are fundamental assets in regional development and development. Community Service Activities in Baru Village, Pancur Batu District, aim to transform HR capacity through basic accounting training. This study uses a comprehensive extension method that includes lectures, discussions, practices, and evaluations to improve community financial literacy. The results of the activity showed a significant increase in understanding of accounting concepts, transaction recording skills, and awareness of the importance of structured financial management. Through a participatory approach, this activity succeeded in providing accounting knowledge that can encourage the development of individual and community capacity.

## **INTRODUCTION**

### ***Background of the Problem***

The development of Human Resources (HR) quality is the main foundation in the process of socio-economic transformation (Johnson & Smith, 2019). In the contemporary era of globalization, competence and adaptability are critical prerequisites for individual and collective success. Accounting, as a fundamental instrument in financial management, plays a strategic role in preparing resilient and competitive HR (Brown et al., 2020).

### ***Problem Identification***

New Village in Pancur Batu District faces a number of structural challenges in human resource development:

1. Limited access to continuing education;
2. Lack of knowledge about professional financial management;
3. Low accounting literacy at the community level;
4. Limited infrastructure for economic skills training.

### ***Significance of Intervention***

Basic accounting training is a transformative strategy that goes beyond mere knowledge transfer. Through comprehensive interventions, communities can:

1. Improve personal financial management capacity.
2. Developing entrepreneurial potential.
3. Building the foundation for micro-enterprise development.
4. Creating financial transparency mechanisms.

### ***Purpose of Community Service***

This Community Service is carried out with the aim of:

1. Analyzing the effectiveness of accounting training interventions in HR development;
2. Identifying factors that influence the absorption of accounting knowledge;
3. Exploring short-term impacts and potential long-term impacts.

## **IMPLEMENTATION AND METHODS**

### ***Theoretical Framework of Human Resource Development***

Human Resource Development (HRD) is a systematic, planned, and ongoing process to improve the capacity of individuals, teams, and organizations to achieve goals more effectively. Williams and Peterson (2018) explain that HRD includes various integrated efforts, such as training, learning, talent management, and employee empowerment, to create a work environment that supports professional and personal growth.

The theoretical basis often used in HR development is the human capital theory proposed by (Wuttaphan, 2017). This theory emphasizes the importance of investment in education, training, and skills development as the main mechanism for increasing individual and organizational productivity. In this theory, humans are considered as assets that can provide added value through increased competence, innovation, and expertise. Therefore, investment in HR

development not only increases work efficiency, but also strengthens the competitiveness of the organization in an increasingly complex and dynamic market.

In addition, HR development is also closely related to strategic management aspects. Organizations need to design development programs that are in line with their vision, mission, and long-term goals. This includes identifying training needs, evaluating performance, and career planning aimed at creating individuals who are able to adapt to change and are ready to face challenges in the modern work environment.

In the context of an organization, HR development plays a vital role in building a learning culture that encourages innovation and collaboration. By considering these dimensions, HR development becomes not only a means to achieve short-term efficiency, but also a strategic investment to support the sustainability and growth of the organization in the future.

### *Financial Literacy and Accounting*

Financial literacy is defined as an individual's ability to understand, manage, and make strategic decisions regarding their financial resources (Chen & Liu, 2021). This ability includes an understanding of basic financial concepts, such as budget management, investment planning, debt management, and understanding financial risks. Financial literacy is not only important for individuals in managing their personal finances, but also has significant implications for the economic well-being of society as a whole, as financially literate individuals tend to be able to make wiser decisions in allocating their resources (Lusardi & Messy, 2023).

In this regard, accounting plays a very important role as a key instrument to support the development of financial literacy. Accounting provides a systematic framework for recording, analyzing, and reporting financial information, allowing individuals and organizations to have a clear picture of their financial condition (Itang, 2021) and (Alvarez et al., 2024). With accurate and relevant data, individuals can evaluate financial performance, project future needs, and make informed strategic decisions.

Accounting also plays a role in providing comprehensive financial education through training or counseling on financial statement management, understanding income statements, balance sheets, and cash flow. With these skills, individuals not only understand their financial condition, but can also identify opportunities to improve efficiency and reduce financial risk.

In a broader context, good financial literacy, supported by a deep understanding of accounting principles, can improve the economic stability of society. Individuals who have high financial literacy are more likely to use financial services wisely, such as using credit responsibly, investing in productive assets, and saving for the future. Therefore, financial literacy combined with an understanding of accounting is an essential combination to support effective and sustainable management of financial resources.

### ***Andragogical Approach in Training***

Adult learning theory or andragogy, proposed by (Kapur & Islamia, 2015), emphasizes a special approach to learning designed to meet the unique needs of adults. This approach is different from pedagogy or learning methods for children. Some of the main principles that form the basis of this theory are intrinsic motivation, experience as a source of learning, practical orientation, and independence in the learning process (Bandhu et al., 2024). Here is an explanation of each point:

#### **1. Intrinsic Motivation**

Intrinsic motivation refers to the drive from within an individual to learn, without relying on external rewards such as grades, certificates, or incentives. Adults tend to learn because they see direct benefits that are relevant to their personal needs or goals, such as career development, problem solving, or improving certain skills. Therefore, the learning process for adults should be designed to show real connections between the material being learned and practical applications in their lives. When intrinsic motivation is activated, adults tend to be more committed and proactive in the learning process.

#### **2. Experience as a Learning Source**

In adult learning, past experiences are one of the main sources of learning. Adults bring their previously acquired knowledge, skills, and insights into the learning context. This allows them to connect new material to their existing experiences, making learning more meaningful. The role of the facilitator in this learning is to utilize the experiences of learners through discussions, case studies, simulations, or group collaborations. Thus, the experiences of participants are not only valued, but also integrated as part of the learning process.

#### **3. Practical Orientation**

Adults tend to have a practical, problem-solving orientation to learning. They prefer to learn material that has direct relevance to their life or work situations. This is in contrast to the theoretical approach that is often applied to children's learning. Adults tend to seek out applied learning, such as through simulations, problem-based projects, or case studies related to real-world challenges. This practical orientation helps them feel that the time and effort they invest in learning is yielding tangible results.

#### **4. Independence in the Learning Process**

Adults are usually more independent than children in determining what they want to learn and how they want to learn it. They have the ability to identify their own learning needs, set goals, and choose appropriate learning methods. In this context, the role of the facilitator is not as an instructor who leads unilaterally, but as a supporter or guide who helps participants achieve their learning goals. This independence-based learning also includes the development of reflection and self-evaluation skills, so that participants are able to evaluate their progress independently.

By understanding these principles, adult learning processes can be designed to be more effective, relevant, and tailored to their unique needs. This is essential to supporting successful learning, whether in the context of formal education, job training, or personal development.

### *Intervention Design*

Learning activities designed using a multidimensional approach utilize various principles to ensure the effectiveness and relevance of the learning process. These approaches include pedagogical constructivism, active participation of participants, adaptation to local contexts, and andragogical approaches. Each approach has a complementary role in creating a holistic learning experience. Here is a detailed explanation of each point:

#### 1. Pedagogical Constructivism

The pedagogical constructivism approach is based on the theory that learning is an active process in which learners construct their own understanding based on prior experiences and knowledge. In this approach, the facilitator does not simply provide information in a one-way manner, but encourages participants to explore, analyze, and construct new knowledge through interaction with the learning material. Methods such as group discussions, exploration of real-world problems, or collaborative projects are often used to support this approach. Pedagogical constructivism helps participants develop critical thinking and problem-solving skills, so that the knowledge gained becomes deeper and more meaningful.

#### 2. Active Participation of Participants

Active participant participation emphasizes the importance of direct involvement in the learning process. This approach involves participants as subjects of learning, not just objects that receive information. Activities such as interactive discussions, group work, simulations, or role-plays can be used to encourage this participation. Active participation not only increases understanding, but also encourages collaboration, increases ownership of learning outcomes, and builds participants' self-confidence. In addition, active participation also provides space for participants to share their experiences and perspectives, making learning richer and more relevant.

#### 3. Adaptation to Local Context

Adaptation to the local context ensures that learning activities are relevant to the environment, culture, and needs of participants. This is important because the local context influences how participants understand, process, and apply the knowledge gained. Learning materials and methods should be adapted to the social, economic, and cultural situations that participants face. For example, case studies or simulations can be designed based on real problems faced by the local community. This approach not only increases the relevance of learning but also ensures that the solutions generated can be applied in everyday life.

#### 4. Andragogy Approach

The andragogical approach, as described by Knowles (1980), focuses on the unique needs and characteristics of adult learners. This approach emphasizes independence, practical orientation, and the relevance of learning materials to participants' life experiences and goals. In andragogical-based activities,

participants are given the freedom to identify their own learning needs, determine learning goals, and choose the most appropriate methods. The role of the facilitator in this approach is as a supporter or guide who helps participants achieve their goals by providing the necessary resources and guidance.

By combining these multidimensional approaches, learning activities can be designed to not only deliver knowledge, but also empower participants, address their specific needs, and deliver real impact that can be applied in their lives or work. This approach creates a more inclusive, relevant, and sustainable learning experience.

### ***Location and Time of Research***

- Location: Desa Baru, Kecamatan Pancur Batu, Kabupaten Deli Serdang;
- Duration: 2 Days;
- Number of Participants: 30 People.

### ***Implementation Stages***

1. Preparation Stage
  - a. Community needs survey;
  - b. Human resource profile mapping;
  - c. Curriculum design;
  - d. Preparation of training instruments.
2. Implementation Stage
  - a. Interactive Lectures;
  - b. Practical Demonstration;
  - c. Mentoring Session;
  - d. Guided Practice.
3. Evaluation Stage
  - a. Competency Test;
  - b. Learning Reflection;
  - c. Measuring Competency Achievement.

### ***Community Service Instruments***

1. Pre-Training Questionnaire;
2. Observation Sheet;
3. Competency Test;
4. Interview Guide.

### ***Data analysis***

The research used a mixed-method method with:

1. Quantitative analysis for test data;
2. Qualitative analysis for observation and interview data.

## **RESULTS AND DISCUSSION**

### ***List of Participants***

Participants consist of:

1. Village youth.
2. UMKM actors.

3. Community group financial managers.
4. Individuals with an interest in skills development.

### *Competency Achievement*

Test results show significant improvements in:

1. Understanding accounting concepts.
2. Ability to record transactions.
3. Interpretation of financial reports.



**Figure 1. Submission of HR Competency Development Books**



**Figure 2. Providing Accounting Knowledge for Participants**

### *Impact Analysis*

Individual Dimension

1. Increasing Financial Literacy

The ability of individuals to understand budget management, investments, and financial products for wise financial decision making.

2. Developing Analytical Skills

The ability to evaluate financial data, analyze opportunities, and predict risks for optimal financial strategies.

3. Financial Risk Management Awareness

Understanding to identify and manage risks, such as through emergency funds, diversification, or insurance, to maintain financial stability.

***Communal Dimension***

1. Potential for Strengthening a Knowledge-Based Economy

A financially literate society can manage resources better and encourage local productivity.

2. Increasing Local Institutional Capacity

Financial literacy supports institutions such as cooperatives or MSMEs in more efficient management that is relevant to local needs Entrepreneurship Development Stimulus.

3. Increasing Financial Knowledge

Financial knowledge encourages the emergence of new innovative entrepreneurs, increasing economic opportunities and community welfare.

**CONCLUSIONS AND RECOMMENDATIONS**

***Conclusion***

1. Accounting training interventions are effective in increasing human resource capacity, accounting training has been proven to strengthen individual competencies in financial management and strategic decision making.

2. Participatory approach results in maximum knowledge absorption Participatory methods encourage active involvement of participants, allowing for more effective knowledge transfer and optimal practical application.

3. Continuity of development programs is needed, the sustainability of training programs is essential to ensure long-term impact and consistent skills development.

***Recommendations***

1. Development of sustainable training programs

Increase the effectiveness of training through routine and structured programs, so that skills can be strengthened gradually.

2. Establishment of financial assistance centers

Provide local support for communities in managing finances and applying accounting knowledge.

3. Integration of curriculum with specific regional needs

Adjust training materials to the economic, social, and cultural characteristics of the region to increase relevance.

4. Long-term impact research

Evaluate the impact of training in more depth to ensure sustainable and significant results.

## ACKNOWLEDGMENT

### Theoretical Contributions

1. Strengthening the validation of the andragogy approach as an effective method in HR training.
2. Providing a basis for the development of innovative community-based intervention models.

### Practical Implications

1. HR development replication model.
2. Financial literacy improvement strategy.

### Research Limitations

1. The research sample only covers one area, so the results do not yet reflect a wider variety of contexts.
2. The short intervention period limits the ability to evaluate long-term changes.
3. There has been no systematic measurement of long-term impacts.

Investment in knowledge through accounting training has proven its ability to transform communities. By equipping human resources with basic accounting skills, we not only increase individual capacity, but also pave the way for more planned and sustainable prosperity. This effort is a strategic step to empower communities and create a positive impact on the local and national economy.

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