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Building Entrepreneurial Capacity: The Role of Publicly Funded Training Programs in Empowering MSMEs in Dharmasraya, Indonesia

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A B S T R A C T

Micro, small, and medium enterprises (MSMEs) are vital to the Indonesian economy, especially in rural areas like Dharmasraya. This community service project aimed to empower MSMEs by building their entrepreneurial capacity through publicly funded training programs. Using a participatory action research approach, a needs assessment was conducted with 100 MSME owners in Dharmasraya to identify challenges and training needs. Based on the findings, workshops and mentoring sessions were designed and delivered, focusing on financial literacy, marketing strategies, digital literacy, and business plan development. The training program significantly improved participants' understanding of key business concepts, including financial management, marketing, and digital tools. Participants also showed increased confidence in managing and growing their businesses. The program fostered a sense of community and peer learning among MSME owners. In conclusion, publicly funded training programs are crucial for building entrepreneurial capacity and empowering MSMEs in Dharmasraya. This initiative highlights the effectiveness of participatory approaches in addressing community needs and fostering sustainable economic development.

1. Introduction

Micro, small, and medium enterprises (MSMEs) constitute the lifeblood of the Indonesian economy, pulsating with entrepreneurial energy and driving economic growth, particularly in rural regions like Dharmasraya. These enterprises, often family-owned and deeply embedded within their communities, form the bedrock of local economies, generating employment opportunities, fostering innovation, and contributing significantly to poverty reduction. Their resilience and adaptability are crucial for navigating the complexities of the Indonesian economic landscape and ensuring the well-being of countless individuals and families. However, the journey of an MSME is often fraught with challenges. These enterprises, typically resource-constrained and operating within a dynamic market environment, grapple with limited access to finance, struggle to penetrate wider markets, and face hurdles in adopting new technologies. Moreover, many MSME owners lack formal business training and management skills, hindering their ability to effectively strategize, adapt,

and grow their businesses. These challenges, if left unaddressed, can impede the growth and sustainability of MSMEs, stifling their potential to contribute fully to the economic development of their communities and the nation as a whole.[1-3]

Recognizing the critical role of MSMEs and the obstacles they face, public administration in Indonesia has a fundamental responsibility to foster their growth and development. This responsibility extends beyond merely creating a conducive business environment; it necessitates active intervention to empower MSMEs, equipping them with the tools and knowledge necessary to thrive. Publicly funded training programs emerge as a powerful instrument in this endeavor, serving as a conduit for knowledge transfer, skills development, and capacity building. These programs, strategically designed and implemented, can empower MSME owners to overcome challenges, seize opportunities, and navigate the complexities of the modern business world with confidence and competence. This community service initiative, deeply rooted in the principles of public administration and community empowerment, focuses on building entrepreneurial capacity among MSME owners in Dharmasraya, Indonesia, through publicly funded training programs. We recognize that true empowerment stems from a participatory approach, where communities are not merely recipients of aid but active agents in their own development. Thus, this initiative adopts a participatory action research approach, ensuring that the training programs are not just delivered to the community but are born from the community's identified needs and aspirations. This approach fosters a sense of ownership and shared responsibility, laying the foundation for sustainable development that is both impactful and enduring.[4-7]

Empowerment, in the context of this initiative, transcends the mere acquisition of business skills. It encompasses a holistic transformation, fostering self-belief, encouraging innovation, and igniting a spirit of entrepreneurship within the MSME community. By enhancing their knowledge, skills, and access to resources, we aim to empower MSME owners to become agents of change, driving economic growth, creating employment opportunities, and contributing to the overall well-being of their communities. This initiative is driven by the conviction that investing in human capital is an investment in the future of Indonesia. By empowering MSMEs, we are not only strengthening individual businesses but also nurturing the seeds of economic prosperity for the entire nation. This introduction sets the stage for a detailed exploration of the initiative's methodology, findings, and implications, offering valuable insights into the role of public administration in fostering community empowerment and driving sustainable economic development through the empowerment of MSMEs.[8-10] This community service initiative aims to empower MSMEs in Dharmasraya, Indonesia, by building their entrepreneurial capacity through publicly funded training programs that are tailored to their specific needs and challenges, ultimately contributing to their growth, sustainability, and the overall economic development of the region.

2. Methods

This community service initiative, committed to fostering genuine and sustainable empowerment among MSMEs in Dharmasraya, Indonesia, employed a participatory action research approach. This methodology, characterized by its cyclical and iterative nature, places the community at the heart of the research and intervention process, ensuring that the solutions developed are not only relevant but also owned and driven by the community itself. This approach aligns perfectly with the principles of public administration that emphasize citizen engagement, collaboration, and local ownership in development initiatives. The participatory action research cycle, as implemented in this initiative, unfolded through a series of interconnected phases: planning, action, observation, and reflection. Each phase informed and enriched the subsequent phases, creating a dynamic and responsive process that adapted to the emerging needs and realities of the MSME community in Dharmasraya.

The foundation of this initiative lay in a comprehensive needs assessment conducted with 100 MSME owners in Dharmasraya. This crucial first step aimed to gain an in-depth understanding of the challenges faced by these entrepreneurs and to identify their training needs and aspirations. This assessment was not merely a data-gathering exercise; it was a process of engagement and dialogue, creating a space for MSME owners to voice their concerns, share their experiences, and contribute to shaping the intervention that would ultimately aim to empower them. To capture the diverse perspectives and realities within the MSME community, a multi-faceted approach to data collection was employed. Surveys were administered to gather quantitative data on key indicators such as business performance, access to resources, and perceived challenges. Focus group discussions, facilitated by experienced researchers, provided a platform for in-depth exploration of specific issues, allowing for rich qualitative data to emerge through shared experiences and collective reflection. Furthermore, individual interviews were conducted with selected MSME owners, enabling a deeper understanding of individual circumstances, unique challenges, and personal aspirations. This rigorous and multi-pronged needs assessment revealed a tapestry of challenges faced by MSMEs in Dharmasraya. Limited understanding of financial management principles emerged as a significant hurdle, with many entrepreneurs struggling with basic accounting, financial planning, and accessing financial resources. The lack of effective marketing strategies hindered their ability to reach wider markets and compete effectively. Inadequate digital literacy skills posed a growing challenge in an increasingly digitalized world, limiting their ability to leverage online platforms for business growth. Furthermore, many MSME owners found it difficult to develop comprehensive business plans, which are crucial for securing funding and charting a clear path for growth. Beyond these specific challenges, the needs assessment also highlighted a sense of isolation among many MSME owners, a lack of access to networks and support systems, and a need for greater confidence and self-efficacy in navigating the complexities of the business world. These findings, rich with insights and grounded in the lived experiences of the MSME community, formed the bedrock for the design and implementation of the training program.

Guided by the findings of the needs assessment, a series of workshops and mentoring sessions were meticulously designed and delivered. This phase of the initiative was characterized by a collaborative spirit, ensuring that the training program was not only relevant to the identified needs but also engaging, accessible, and empowering for the participants. The training program focused on four key areas identified as crucial for MSME growth and sustainability; Financial Literacy: This module, designed to demystify the world of finance for MSME owners, covered essential topics such as basic accounting principles, financial planning, budgeting, and accessing financial resources. Participants were equipped with the knowledge and skills to manage their finances effectively, make informed financial decisions, and secure the necessary funding for business growth; Marketing Strategies: Recognizing the importance of effective marketing in today's competitive landscape, this module focused on developing marketing strategies that resonate with target audiences and drive business growth. Participants delved into market research techniques, explored branding strategies, and learned about pricing and promotion strategies to effectively reach and engage their customers; Digital Literacy: In an increasingly digital world, this module aimed to bridge the digital divide and empower MSME owners with the skills to leverage technology for business success. Participants were introduced to online marketing tools, e-commerce platforms, and social media marketing strategies, enabling them to expand their reach, enhance their online presence, and tap into new markets; Business Plan Development: This module guided participants through the process of developing comprehensive business plans, a crucial roadmap for any successful

enterprise. Participants learned how to conduct market analysis, develop financial projections, and formulate operational plans, equipping them with the tools to articulate their vision, secure funding, and guide their businesses toward sustainable growth. The delivery of the training program was as important as its content. A variety of participatory methods were employed to create an engaging and empowering learning environment. Interactive workshops, facilitated by experienced trainers, encouraged active participation, collaboration, and peer learning. Group discussions provided a platform for sharing experiences, brainstorming ideas, and building a sense of community among participants. Case studies, drawn from real-world examples, brought the learning to life, while practical exercises allowed participants to apply their newly acquired knowledge and skills in a safe and supportive environment. Recognizing that learning is an ongoing journey, the training program also incorporated mentoring sessions. Experienced mentors, drawn from the business community and public sector, provided individualized guidance and support to participants, helping them to navigate challenges, refine their business strategies, and achieve their entrepreneurial goals.

To assess the effectiveness of the training program and its impact on the MSME community, a comprehensive evaluation strategy was implemented. This evaluation, conducted both before and after the training, aimed to measure not only the acquisition of knowledge and skills but also changes in attitudes, confidence levels, and entrepreneurial behaviors. Quantitative data was collected through questionnaires, allowing for a measurable assessment of knowledge gained and skills developed in each of the training modules. Focus group discussions, conducted post-training, provided valuable qualitative insights into the participants' experiences, perceived impact of the training, and suggestions for improvement. Furthermore, observations of participant interactions and engagement throughout the training program provided valuable anecdotal evidence of the program's impact on their confidence, collaboration, and entrepreneurial spirit.

3. Results

Table 1 provides a snapshot of the demographic and business characteristics of the 100 MSME owners who participated in the training program. The participant pool exhibits a relatively balanced gender distribution, with 62% male and 38% female participants. This suggests that the program attracted a diverse range of entrepreneurs, promoting inclusivity and equal opportunities for both men and women in business development. The majority of participants fall within the 31-50 age range (65%), indicating that the program primarily engaged established entrepreneurs who likely possess some business experience and are seeking to enhance their skills and knowledge further. While half of the participants have completed high school, a significant portion (15%) hold diplomas or university degrees. This diversity in educational backgrounds suggests that the program catered to individuals with different levels of formal education, emphasizing the importance of lifelong learning and skills development for entrepreneurs. The participants represent a variety of business sectors, with the most common being Food & Beverage (30%), Retail Trade (25%), and Agriculture (20%). This diversity highlights the program's broad reach and its ability to cater to the needs of entrepreneurs across different industries. Most participants have been in business for more than three years (80%), indicating that the program attracted entrepreneurs with established businesses seeking to improve their operations and growth prospects. The majority of businesses (70%) employ between 1-5 employees, suggesting that the program primarily targeted micro-enterprises, which often face the most significant challenges in terms of access to resources and business development support. A significant portion of the businesses (75%) generate annual revenue of less than IDR 100 million, reflecting the financial constraints often faced by MSMEs, particularly in rural areas. 60% of participants reported having access to credit, suggesting that access to finance remains a challenge for a significant

portion of the MSME community. This highlights the need for programs that not only enhance financial literacy but also facilitate access to financial resources for business growth. A large proportion of participants (45%) identify as beginners in terms of digital literacy. This underscores the importance of incorporating digital skills training into MSME development programs, enabling entrepreneurs to leverage technology for business growth in the digital age.

Table 2 provides a comprehensive overview of the key findings from the needs assessment conducted with 100 MSME owners in Dharmasraya. This assessment, utilizing a mix of surveys, focus group discussions, and key informant interviews, aimed to identify the critical areas where MSMEs needed support and training; Financial Literacy: A significant 65% of MSME owners reported a limited understanding of basic accounting principles. This indicates a fundamental gap in their ability to effectively manage their finances, track income and expenses, and make informed financial decisions. This finding underscores the need for training programs that strengthen their foundation in financial literacy. Access to finance is crucial for business growth, yet 40% of MSME owners reported difficulties in securing credit from formal financial institutions. This challenge often stems from a lack of proper financial records and business plans, highlighting the need for training and support in these areas to improve their creditworthiness. A striking 70% of MSME owners indicated a lack of formal financial plans for their businesses. This ad-hoc approach to financial decision-making can hinder long-term growth and sustainability. Training programs that emphasize financial planning, budgeting, and forecasting are essential to address this gap; Marketing Skills: 80% of MSME owners reported limited knowledge of marketing strategies beyond basic advertising. This indicates a need to broaden their understanding of marketing principles, including market segmentation, branding, and digital marketing techniques, to enhance their competitiveness and reach. Over half (55%) of the MSME owners struggle to identify and reach their target customers effectively. This highlights the need for training programs that equip them with the skills and knowledge to conduct market research, identify customer needs, and develop targeted marketing campaigns; Digital Literacy: 60% of MSME owners reported limited skills in utilizing digital tools for business purposes. In today's digital age, this lack of digital literacy can significantly hinder their growth potential. Training programs that focus on essential digital skills, such as social media marketing, e-commerce, and online payment systems, are crucial for their success. While less prevalent, 20% of MSME owners face challenges in accessing reliable internet connectivity and digital devices. This highlights the need for interventions to bridge the digital divide and ensure equitable access to digital resources for all MSMEs; Business Planning: A significant majority (75%) of MSME owners do not have formal written business plans. This lack of planning can hinder their ability to secure funding, articulate their vision, and strategically guide their business growth. Training programs that emphasize business plan development are essential to address this gap. Half of the MSME owners who had sought funding reported facing challenges in securing loans or investments. This difficulty often arises from a lack of collateral, credit history, or a convincing business plan. Training and support in developing comprehensive and compelling business plans can significantly improve their chances of securing funding.

Table 1. Participant characteristics.

Characteristic	Frequency	Percentage (%)
Gender		
Male	62	62
Female	38	38
Age		
20-30 years	25	25
31-40 years	40	40
41-50 years	25	25
51+ years	10	10
Education level		
Primary School	5	5
Secondary School	30	30
High School	50	50
Diploma/University	15	15
Type of business		
Agriculture	20	20
Food & Beverage	30	30
Retail Trade	25	25
Services	15	15
Other	10	10
Years in business		
Less than 1 year	10	10
1-3 years	35	35
4-5 years	30	30
6+ years	25	25
Number of employees		
1-5 employees	70	70
6-10 employees	20	20
11+ employees	10	10
Annual revenue (in IDR)		
Less than 50 million	40	40
50-100 million	35	35
100-500 million	20	20
Over 500 million	5	5
Access to credit		
Yes	60	60
No	40	40
Digital literacy level		
Beginner	45	45
Intermediate	35	35
Advanced	20	20

Table 2. Needs assessment findings.

Area of need	Key findings	Supporting data
Financial literacy		
Lack of basic accounting knowledge	65% of MSME owners reported having a limited understanding of basic accounting principles.	- 65 out of 100 respondents in the survey indicated difficulty in preparing basic financial statements. - Focus group discussions revealed that many MSME owners relied on informal methods for tracking income and expenses.
Difficulty in accessing credit	40% of MSME owners reported having difficulty accessing credit from formal financial institutions.	- 40 out of 100 respondents indicated that they had been rejected for loans or did not apply due to fear of rejection. - Key informant interviews with bank officials suggested that lack of proper financial records and business plans hindered MSME access to credit.
Poor financial planning and management	70% of MSME owners reported not having a formal financial plan for their business.	- 70 out of 100 respondents indicated that they did not have a written budget or financial projections for their business. - Focus group discussions highlighted that many MSME owners made financial decisions on an ad-hoc basis without considering long-term implications.
Marketing skills		
Limited understanding of marketing principles	80% of MSME owners reported having limited knowledge of marketing strategies beyond basic advertising.	- 80 out of 100 respondents indicated that their marketing efforts primarily consisted of word-of-mouth and traditional advertising methods. - Focus group discussions revealed a lack of awareness about market segmentation, branding, and digital marketing techniques.
Difficulty in reaching target markets	55% of MSME owners reported facing challenges in identifying and reaching their target customers.	- 55 out of 100 respondents indicated that they struggled to attract new customers and expand their market reach. - Key informant interviews with successful entrepreneurs emphasized the importance of targeted marketing efforts in achieving business growth.
Digital literacy		
Limited skills in using digital tools	60% of MSME owners reported having limited skills in using digital tools for business purposes.	- 60 out of 100 respondents indicated that they had little or no experience with social media marketing, e-commerce platforms, or online payment systems. - Focus group discussions revealed a lack of awareness about the benefits of using digital technologies for business growth.
Lack of access to digital infrastructure	20% of MSME owners reported facing challenges in accessing reliable internet connectivity and digital devices.	- 20 out of 100 respondents indicated that they had limited or no access to computers, smartphones, or reliable internet connection. - Key informant interviews with government officials highlighted the need for improved digital infrastructure in some areas of Dharmasraya.
Business planning		
Lack of formal business plans	75% of MSME owners reported not having a formal written business plan.	- 75 out of 100 respondents indicated that they did not have a documented business plan outlining their vision, mission, and strategies. - Focus group discussions revealed that many MSME owners operated based on intuition and experience rather than a structured plan.
Difficulty in securing funding	50% of MSME owners who had sought funding reported facing challenges in securing loans or investments.	- 50 out of 100 respondents indicated that they had difficulties in obtaining funding due to lack of collateral, credit history, or a convincing business plan. - Key informant interviews with investors and financial institutions emphasized the importance of a well-developed business plan in securing funding.

Table 3 provides a detailed outline of the training program designed for MSME owners in Dharmasraya. It clearly illustrates how the program addressed the needs identified in the previous assessment (Table 2) through a structured and comprehensive curriculum; Module Structure and Content: The program is divided into four key modules: Financial Literacy, Marketing Skills, Digital Literacy, and Business Planning. Each module focuses on specific areas crucial for MSME growth and sustainability, directly addressing the challenges and knowledge gaps identified in the needs assessment. Within each module, the topics covered are comprehensive and relevant to the needs of MSME owners. For example, the Financial Literacy module not only covers basic accounting but also delves into financial planning, management, and accessing credit. Similarly, the Marketing Skills module goes beyond basic advertising to encompass marketing principles, branding, and promotion. The content within each topic is geared towards practical application. It includes elements like preparing financial statements, developing marketing campaigns, creating social media profiles, and writing business plans. This practical focus aims to equip participants with actionable skills and knowledge they can immediately implement in their businesses; Delivery Methods and Materials: The program utilizes a variety of interactive delivery methods to enhance learning and engagement. These include workshops, group discussions, case study analyses, practical exercises, guest speaker sessions, and site visits. This blended approach caters to different learning styles and encourages active participation. The program provides participants with a range of materials to support their learning. These include handouts, templates, software demonstrations, and case studies. The materials are designed to be accessible and relevant to the participants' needs and context. The program incorporates presentations and Q&A sessions with bank officials and e-commerce experts, ensuring that participants receive information and guidance from professionals in relevant fields; Duration and Depth: The duration allocated to each module and topic appears sufficient to cover the content effectively. For instance, the Business Plan Development topic, which requires in-depth learning and application, is allocated 10 hours, including individual mentoring sessions. The program appears to follow a logical progression, starting with foundational topics like basic accounting and marketing principles and building towards more advanced concepts like financial planning, digital marketing, and business plan development.

Table 4 presents a compelling picture of the positive impact of the training program on the entrepreneurial capacity of MSME owners in Dharmasraya. By comparing pre- and post-training outcomes, we can clearly see significant improvements across all four modules; Financial Literacy: The average score on the financial literacy assessment increased by 26 points, indicating a substantial improvement in participants' understanding of financial concepts and principles. The percentage of participants who can correctly prepare a basic income statement jumped by 45%, demonstrating a significant enhancement in their practical financial skills. A remarkable 45% increase was observed in the number of participants who feel confident in managing their business finances, suggesting that the training program successfully empowered them with the knowledge and skills to make sound financial decisions; Marketing Skills: The average score on the marketing knowledge assessment increased by 27 points, indicating a significant improvement in participants' understanding of marketing concepts and strategies. The percentage of participants who can identify their target market increased by 45%, suggesting that the training program equipped them with the skills to effectively segment their markets and identify potential customers. A remarkable 60% increase was observed in the number of participants who have developed a marketing plan for their business, demonstrating a significant improvement in their ability to strategically plan and execute marketing activities; Digital Literacy: The average score on the digital literacy assessment increased by 27 points, indicating a substantial improvement in

participants' digital skills and knowledge. The percentage of participants who can use social media for business purposes increased by 50%, highlighting the program's effectiveness in equipping them with the skills to leverage social media for business growth. A 50% increase was observed in the number of participants who are aware of e-commerce platforms, suggesting that the training program successfully expanded their knowledge of online business opportunities; Business Planning: A dramatic 55% increase was observed in the number of participants who have a written business plan, demonstrating a significant improvement in their ability to formally plan and strategize for their business's future. The percentage of participants who can identify their business's strengths and weaknesses increased by 60%, suggesting that the training program enhanced their ability to critically analyze their businesses and identify areas for improvement. A 50% increase was observed in the number of participants who feel confident in their ability to grow their business, indicating that the training program instilled a sense of empowerment and optimism about their future prospects.

Table 3. Training program details.

Module	Topic	Content	Duration	Delivery method	Materials
Financial literacy	Basic Accounting	- Introduction to accounting principles - Chart of accounts - Recording financial transactions - Preparing basic financial statements (income statement, balance sheet, cash flow statement)	8 hours	- Interactive workshop - Group exercises - Case study analysis	- Handouts - Worksheets - Sample financial statements
	Financial Planning & Management	- Developing a budget - Forecasting sales and expenses - Managing cash flow - Analyzing financial performance	8 hours	- Interactive workshop - Group discussions - Practical exercises	- Handouts - Budgeting templates - Financial management software demonstration
	Accessing Credit	- Types of credit available to MSMEs - Understanding loan terms and conditions - Preparing loan applications - Building creditworthiness	4 hours	- Presentation by bank officials - Q&A session - Case study analysis	- Handouts - Loan application templates - Information on government loan programs
Marketing skills	Marketing Principles	- Understanding the marketing mix (product, price, place, promotion) - Market research and analysis - Identifying target markets - Developing a marketing strategy	8 hours	- Interactive workshop - Group discussions - Guest speaker session with a successful entrepreneur	- Handouts - Marketing plan templates - Case studies of successful marketing campaigns
	Branding & Promotion	- Creating a brand identity - Developing promotional materials - Utilizing advertising channels (online and offline) - Measuring marketing effectiveness	8 hours	- Interactive workshop - Practical exercises - Group project: developing a marketing campaign for a hypothetical business	- Handouts - Design software demonstration - Examples of effective promotional materials
Digital literacy	Social Media Marketing	- Creating social media profiles for business - Content creation and scheduling - Engaging with followers - Analyzing social media performance	6 hours	- Hands-on workshop - Group exercises - Practical demonstrations on popular social media platforms	- Handouts - Social media management tools demonstration
	E-commerce	- Introduction to e-commerce platforms - Setting up an online store - Managing online orders and payments - Digital marketing for e-commerce	6 hours	- Hands-on workshop - Guest speaker session with an e-commerce expert - Site visit to a successful e-commerce business	- Handouts - E-commerce platform tutorials - Case studies of successful e-commerce businesses
Business planning	Business Plan Development	- Defining the business vision and mission - Conducting market analysis - Developing operational plans - Creating financial projections - Writing a business plan	10 hours	- Interactive workshop - Individual mentoring sessions - Group presentations and feedback	- Handouts - Business plan templates - Financial projection software demonstration

Table 4. Training program outcomes.

Outcome measure	Pre-training	Post-training	Change
Financial Literacy			
- Average score on financial literacy assessment (out of 100)	52	78	26
- Percentage of participants who can correctly prepare a basic income statement	35%	80%	0,45
- Percentage of participants who feel confident in managing their business finances	40%	85%	0,45
Marketing Skills			
- Average score on marketing knowledge assessment (out of 100)	48	75	27
- Percentage of participants who can identify their target market	20%	65%	0,45
- Percentage of participants who have developed a marketing plan for their business	10%	70%	0,6
Digital Literacy			
- Average score on digital literacy assessment (out of 100)	38	65	27
- Percentage of participants who can use social media for business purposes	25%	75%	0,5
- Percentage of participants who are aware of e-commerce platforms	30%	80%	0,5
Business Planning			
- Percentage of participants who have a written business plan	5%	60%	0,55
- Percentage of participants who can identify their business's strengths and weaknesses	15%	75%	0,6
- Percentage of participants who feel confident in their ability to grow their business	30%	80%	0,5

Table 5 provides valuable qualitative insights into the impact of the training program, capturing the voices and experiences of the MSME owners themselves. These personal narratives offer a deeper understanding of how the program influenced their confidence, motivation, and business practices; Increased Confidence and Motivation: The quotes highlight a significant boost in participants' confidence in their ability to overcome challenges and achieve success in their businesses. They express a newfound sense of empowerment and belief in their own potential, fueled by the knowledge and skills gained through the training. The training appears to have ignited a spark of entrepreneurship among participants, inspiring them to pursue their dreams with renewed vigor and a willingness to take risks and innovate. This suggests that the program not only equipped them with practical skills but also fostered a positive mindset and a proactive approach to business; Peer Learning and Networking: The quotes emphasize the value of connecting with other MSME owners and learning from their shared experiences. This peer learning aspect of the program fostered a sense of community and provided a platform for mutual support and encouragement. Participants appreciated the collaborative learning environment, where they could engage in group discussions, work on projects together, and share ideas freely. This collaborative approach reinforced the training content and fostered a deeper understanding of the concepts; Appreciation for the Training Program: Participants consistently highlighted the relevance and practicality of the training program. They valued the focus on immediately applicable skills and knowledge that they could directly implement in their businesses. This underscores the importance of designing training

programs that are tailored to the specific needs and context of the target audience. The quotes provide concrete examples of how participants have already started applying the learnings from the training in their businesses and are seeing positive results. This demonstrates the real-world impact of the program and its potential to contribute to the growth and sustainability of MSMEs.

Table 5. Qualitative findings.

Theme	Sub-theme	Illustrative quotes from participants
Increased confidence and motivation	Belief in Self and Business	- "I used to feel overwhelmed by the challenges of running my business, but now I feel more confident in my ability to overcome them." - "The training has given me the tools and knowledge I need to make my business a success." - "I'm excited to put what I've learned into practice and see my business grow."
	Entrepreneurial Spirit	- "I feel more motivated than ever to pursue my dreams and make my business thrive." - "The training has ignited a spark in me, and I'm full of new ideas for my business." - "I'm no longer afraid to take risks and try new things."
Peer learning and networking	Shared Experiences	- "It was so valuable to connect with other business owners who understand my struggles and successes." - "We learned so much from each other's experiences and insights." - "I now have a network of colleagues I can turn to for support and advice."
	Collaborative Learning	- "The group discussions and activities were very helpful in reinforcing the training content." - "Working together on projects allowed us to apply what we learned in a practical way." - "We created a supportive learning environment where everyone felt comfortable sharing their ideas."
Appreciation for the training program	Relevance and Practicality	- "The training was very relevant to my business needs and provided me with practical skills I can use immediately." - "The trainers were knowledgeable and experienced, and they made the learning process engaging and enjoyable." - "I appreciate the government's support in providing this valuable training opportunity."
	Impact on Business Practices	- "I've already started implementing some of the things I learned in the training, and I'm seeing positive results." - "The training has helped me to improve my financial management, marketing, and digital skills." - "I'm confident that this training will help me to achieve my business goals."

4. Discussion

The findings of this community service initiative unequivocally demonstrate the profound and multifaceted impact of the training program on the entrepreneurial capacity of MSME owners in Dharmasraya. This impact extends beyond the mere acquisition of knowledge and skills, encompassing a transformation in confidence, self-belief, and the

overall approach to business management. The training program, meticulously designed based on a comprehensive needs assessment, effectively addressed the knowledge and skills gaps identified among MSME owners. Across all four modules - Financial Literacy, Marketing Skills, Digital Literacy, and Business Planning - participants exhibited substantial improvements in their understanding of key business concepts and their ability to apply them in practical scenarios. Participants demonstrated a marked improvement in their grasp of fundamental financial concepts, including basic accounting principles, financial planning, and budgeting. They gained a deeper understanding of financial statements, enabling them to analyze their business's financial health and make informed decisions. Moreover, they learned about various credit options and loan application procedures, empowering them to seek funding for business expansion. The program significantly enhanced participants' understanding of marketing principles, including market research, target market identification, and the development of effective marketing strategies. They gained insights into branding, promotion, and advertising techniques, enabling them to reach their target customers more effectively and enhance their market competitiveness. In an increasingly digitalized world, the program equipped participants with essential digital skills, including social media marketing, e-commerce, and online payment systems. This empowered them to leverage digital tools for business growth, expand their online presence, and tap into new markets. The program fostered a significant improvement in participants' ability to develop comprehensive business plans. They learned how to articulate their business vision, conduct market analysis, develop operational plans, and create financial projections. This equipped them with a roadmap for business growth and enhanced their ability to secure funding from investors and financial institutions. This comprehensive enhancement of knowledge and skills across diverse business domains provided participants with a solid foundation for success. It empowered them to make informed decisions, manage their businesses more effectively, and navigate the challenges and opportunities of the dynamic market environment. Beyond the acquisition of knowledge and skills, the training program had a profound impact on participants' confidence and self-belief. This intangible yet crucial outcome is evident in the qualitative feedback, where participants repeatedly expressed a newfound sense of empowerment and a belief in their ability to overcome challenges and achieve their business goals. Many participants initially felt overwhelmed by the complexities of running a business. The training program, by providing them with the necessary knowledge and skills, instilled a sense of control and confidence in their ability to manage their businesses effectively. Participants reported feeling more equipped to face challenges and setbacks, viewing them as opportunities for learning and growth rather than insurmountable obstacles. This shift in mindset is crucial for entrepreneurial resilience and long-term success. The program ignited a spark of entrepreneurship among participants, inspiring them to pursue their dreams with renewed passion and determination. They expressed a greater willingness to take risks, innovate, and explore new opportunities for business growth. This increase in confidence and self-efficacy is a testament to the empowering nature of the training program. By fostering a belief in their own abilities and potential, the program nurtured the entrepreneurial spirit among participants, encouraging them to take ownership of their businesses and strive for success. The true measure of any training program lies in its ability to translate knowledge and skills into tangible improvements in business practices. The qualitative feedback from participants provides compelling evidence that the program achieved this objective. Participants reported actively applying the learnings from the training in their businesses, making positive changes in their financial management, marketing strategies, digital presence, and overall business planning. Many participants shared specific examples of how the training had led to improvements in their

business performance, such as increased sales, improved customer engagement, and better financial management. Participants expressed confidence that the training would help them achieve their business goals, whether it be expanding their market reach, increasing profitability, or creating new jobs. This translation of knowledge into action demonstrates the real-world impact of the training program. By equipping participants with practical skills and empowering them with confidence, the program enabled them to make informed decisions, implement effective strategies, and drive positive change in their businesses. The impactful outcomes observed in this initiative highlight the synergistic relationship between knowledge, skills, and confidence in fostering entrepreneurial capacity. The acquisition of knowledge provides the foundation for effective business management. It enables entrepreneurs to understand key concepts, analyze situations, and make informed decisions. Skills provide the tools for entrepreneurs to put their knowledge into practice. They enable them to perform specific tasks, implement strategies, and solve problems effectively. Confidence acts as a catalyst, empowering entrepreneurs to take action, embrace challenges, and persevere in the face of setbacks. It fuels their motivation and inspires them to strive for success. The training program, by effectively enhancing knowledge, skills, and confidence, created a powerful synergy that empowered MSME owners to transform their businesses and contribute to the economic development of their community.[11-15]

The resounding success of this community service initiative in empowering MSMEs in Dharmasraya can be largely attributed to the deliberate and consistent application of the participatory action research (PAR) approach. This methodology, with its emphasis on collaboration, community ownership, and continuous learning, proved to be a powerful catalyst for empowering MSMEs, ensuring the training program's relevance, effectiveness, and sustainability. At the heart of PAR lies the principle of community ownership. By actively involving MSME owners in every stage of the initiative, from the initial needs assessment to the final program evaluation, a profound sense of ownership and shared responsibility was fostered. This participatory approach ensured that the training program was not merely imposed upon the community but was instead co-created with the community, reflecting their unique needs, aspirations, and priorities. The needs assessment, conducted through surveys, focus group discussions, and interviews, provided a platform for MSME owners to voice their challenges, concerns, and aspirations. This ensured that the training program was grounded in the lived realities of the community, addressing their most pressing needs and reflecting their collective vision for growth. MSME owners were actively involved in shaping the training program's content, format, and delivery methods. This participatory design process ensured that the program was not only relevant but also engaging and accessible to the participants. The evaluation process incorporated feedback from participants, allowing them to contribute to the assessment of the program's effectiveness and identify areas for improvement. This ensured that the program remained responsive to the evolving needs of the community and fostered a sense of shared accountability for its success. This sense of ownership, cultivated through active participation, had a transformative effect on the MSME community. It fostered a sense of collective responsibility for the program's success, motivating participants to actively engage in the training and apply the learnings in their businesses. This participatory approach not only empowered MSMEs with knowledge and skills but also instilled a sense of agency and self-reliance, enabling them to take ownership of their development journey. The participatory nature of the initiative ensured that the training program was deeply rooted in the local context. The needs assessment provided rich insights into the unique challenges and opportunities faced by MSMEs in Dharmasraya, allowing the training program to be tailored to their specific circumstances. The needs assessment revealed the specific challenges faced by MSMEs in Dharmasraya, such as limited access to finance, inadequate digital literacy skills,

and difficulties in developing business plans. This granular understanding of the local business ecosystem enabled the training program to address these specific needs effectively. The program's design and delivery were adapted to suit the local context, taking into account factors such as literacy levels, access to technology, and cultural norms. This ensured that the program was accessible and engaging for all participants, regardless of their background or prior experience. The program leveraged local resources and expertise, such as guest speakers from successful local businesses and mentors from the community. This not only enhanced the program's relevance but also fostered a sense of community ownership and pride. This contextual relevance was crucial for the program's effectiveness. By addressing the specific needs and challenges faced by MSMEs in Dharmasraya, the program ensured that the training was not only relevant but also immediately applicable to their businesses. This, in turn, enhanced the program's impact and fostered a sense of ownership and commitment among participants. The participatory action research approach fostered a sense of ownership and commitment within the MSME community, laying the foundation for the sustainability of the initiative's impact. By actively involving MSMEs in the design and implementation of the training program, the initiative empowered them to take ownership of their development journey. This sense of empowerment is crucial for sustaining the program's impact, as it motivates participants to continue applying the learnings and striving for growth even after the training has concluded. The program fostered a sense of community and peer learning among MSME owners, creating a network of support and collaboration. This social capital, built through shared experiences and mutual learning, can sustain the program's impact by providing ongoing support and encouragement for MSME owners. The participatory approach fostered a sense of self-reliance among participants, encouraging them to take initiative and seek solutions to their challenges. This self-reliance is essential for sustaining the program's impact, as it enables MSMEs to adapt to changing circumstances and continue growing even in the absence of external support. This focus on sustainability ensured that the program's impact extended beyond the immediate post-training period. By fostering community ownership, building social capital, and promoting self-reliance, the initiative created a ripple effect that will continue to benefit MSMEs in Dharmasraya for years to come.[16-20]

5. Conclusion

This community service initiative has demonstrated the profound impact of publicly funded training programs in empowering MSMEs in Dharmasraya, Indonesia. By adopting a participatory action research approach, the initiative fostered community ownership and ensured the training program's relevance and effectiveness. The significant improvements observed in participants' knowledge, skills, and confidence underscore the transformative potential of such programs in building entrepreneurial capacity and fostering sustainable economic development. This initiative serves as a compelling example of how public administration, through strategic investment in human capital and collaborative partnerships with communities, can empower MSMEs to thrive and contribute to the economic vitality of their region. The findings highlight the importance of participatory approaches in development interventions, ensuring that programs are tailored to the specific needs of the community and foster a sense of ownership and shared responsibility. This initiative provides valuable insights for policymakers and practitioners seeking to empower MSMEs and promote inclusive and sustainable economic growth in rural communities.

6. References

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