

Community Empowerment of Micro, Small, and Medium Enterprises (MSMEs) in Ngamprah District, West Bandung Regency

Fahmi Sudrajat

Universitas Komputer Indonesia, West Java, Indonesia

Poni Kurniasih

Universitas Komputer Indonesia, West Java, Indonesia

ABSTRACT

Micro, Small, and Medium Enterprises (MSMEs) play a strategic role in promoting regional economic growth and improving community welfare. However, MSME empowerment at the sub-district level still faces challenges, including limited human resource capacity, restricted access to capital, and weak market access. This study aims to analyze MSME empowerment strategies and the role of the local government in Ngamprah District, West Bandung Regency. This research uses a qualitative descriptive method, drawing on secondary data from scientific journals, government documents, and relevant official publications. The findings show that empowerment strategies include capacity building through training programs, facilitating access to capital, and strengthening market access through digital technology. The local government acts as a facilitator, regulator, and catalyst in supporting MSME sustainability. Integrated, sustainable strategies are necessary to ensure effective, targeted empowerment programs.

Keywords: *MSMEs, Community Empowerment, Local Government, Access to Capital, Digitalization*

INTRODUCTION

Micro, Small, and Medium Enterprises (MSMEs) represent a strategic segment of the economy that significantly contributes to regional and national economic growth, job creation, and the increase of general community welfare (Tambunan, 2019). In fact, the strengthening of MSMEs has become a main concern in the economic development of the regions because this sector has been partly independent from the economic crises and also contributes a lot to the Gross Domestic Product (Ministry of Cooperatives and SMEs, 2021).

One of the main roles of local governments in encouraging MSME empowerment is through different policies, training programs, and helping MSMEs get the capital and market resources (Suryana, 2018). So, studying MSME empowerment is very useful for knowing the level of local governments' efforts in building these businesses' capacities and boosting their competitiveness in the regions (Hadiyati, 2020).

Bandung Barat Regency is one of the areas in West Java that has a large MSME potential that is spread all over its districts (BPS of Bandung Barat Regency, 2023). The number of MSMEs in this region has increased each year; however, the region still struggles with various structural challenges such as limited access to capital, low level of human resource quality, and weak market access (Dinas Koperasi and UMKM Jawa Barat, 2022). These situations illustrate that the presence of MSMEs is not yet fully supported by optimal levels of independence and competitiveness (Prasetyo, 2019). Hence, directed and sustainable empowerment measures are considered very important to make sure that the MSMEs could grow productively and be resilient through the years (Sulistiyani, 2017).

Ngamprah sub-district is the kabupaten head of Kabupaten Bandung Barat. Its role is very strategic in economic development like helping the growth of MSMEs (BPS Kecamatan Ngamprah, 2023). MSMEs in Ngamprah District are varied. They are mainly in trading, culinary, and various service sectors. MSMEs have become the main source of community livelihood (Dinas Perindustrian dan Perdagangan Kabupaten Bandung Barat, 2022). On the other hand, MSMEs in Ngamprah still experience some problems in growing their businesses. Due to various reasons like limited access to capacity-building, low managerial literacy, and insufficient mentoring, (Handini et al., 2019). These realities show that the empowerment of MSMEs needs more attention and a deeper academic study at the district level (Wulansari et al., 2021).

Earlier studies focused on MSME empowerment from different angles and perspectives. For example, Wulansari, Hakim, and Ramdani (2021) carried out a study which evaluated the strategies of the Department of Cooperatives and MSMEs in Karawang Regency for empowering MSMEs. The study found that the main components of the empowerment programs were training and providing the MSMEs with easier access to funds. However, the effectiveness of these initiatives fell short since there was hardly any continuous mentoring and the business network was not strongly built. This research points out that the availability of programs alone is not enough for the success of MSME empowerment. The quality of implementation and the synergy among different stakeholders play a crucial role too.

In addition, a research conducted by Suprayitno (2018) on the empowerment of MSMEs in Sidoarjo Regency revealed that insufficient capital and limited business management skills are still the main problems experienced by MSME actors. Although the local government has disseminated diverse capacity-building programs, a majority of MSMEs have not been able to optimally benefit from them. This paper points out the necessity of enhancing human resource capabilities which is the main condition for the successful empowerment of MSMEs.

A complementary work by Atmojo (2022) further explains the part played by information technology in the empowerment of MSMEs. It has been found that online training and mentoring programs have the potential to increase the ability and market readiness of MSMEs. On the other hand, the integration of digital technology is substantially impeded by the low digital literacy among MSME individuals, especially those residing in the areas that are far from being digitally connected.

At the same time, Parinduri and Situmeang (2024) studied how MSME empowerment policies impact regional economic development. The research indicates that such policies will positively affect regional economic growth provided the implementation is supported through effective policy communication and active participation of stakeholders. Nevertheless, the study mainly concentrates on the macro-level impact of policy and does not elaborate on the conditions of MSME empowerment at the sub-district level. Likewise, Handini, Sukesi, and Kanti (2019) pointed out that the prosperity of MSME empowerment is, to a large extent, dependent on three main elements: capital, human resources, and business networks. Even though this paper presents a very solid conceptual framework, empirical studies employing these three factors at the same time in a particular regional context, especially at the sub-district level, are still quite few.

Studies examining MSME empowerment in the past have mostly concentrated at the regency level or took the macro perspective, highlighting such elements as policy, capital, and technology, but only partially. The present paper, however, intends to fill the gap in the literature by focusing on one sub-district, that one in the area of Ngamprah, which is a very micro and furthermore quite contextual unit of analysis. In addition, the present work focuses not only on empowerment programs but also on the role of the local government and the real situation of MSMEs as per secondary data at hand.

This research is novel in that it concentrates on MSME empowerment at the sub-district level, employing a qualitative approach based on secondary data, which is a somewhat unexplored avenue in the literature.

Furthermore, this research highlights the position of MSMEs in Ngamprah District, the main government hub of West Bandung Regency. The research focusing on the smallest administrative unit presents a fresh outlook towards the formulation of MSME empowerment policies which are more in tune with the local conditions and the territorial context.

Such a research paper would indeed be imperative as it mainly focuses on raw data, which when analyzed properly might reveal the status of the empowerment of MSMEs at the sub-district level and therefore serve as a point of

reference for the formulation of more target-oriented policies. Lack of comprehensive knowledge of the real situation of MSMEs in Ngamprah District is a big issue as any program of their empowerment that will be undertaken without such a knowledge will probably be ineffective and unsustainable. Hence this study, among other things, is expected to be helpful in both academic and practical ways especially if local governments in releasing more effective measures of the MSME empowerment programs will be one of its major target groups.

LITERATURE REVIEW

Local Government Strategies in MSME Empowerment

The role of local government in MSMEs empowerment is a major factor in creating a conducive environment that will help MSMEs to survive and grow. According to Soebiantoro and Permanasari (2025), through their paper "*Local Government Strategies in Empowering Micro, Small, and Medium Enterprises (MSMEs): An Empirical Study at the Department of Cooperatives and MSMEs of Tulungagung Regency*", the government at the local level carried out three main strategies in the empowerment of MSMEs: developing human capital via entrepreneurship training, arranging product exhibitions to increase market reach, and establishing business groups with institutional support to encourage innovation. These strategies were designed to help MSMEs overcome the most common problems they face, such as lack of finance, unskilled workers, and lack of innovation among entrepreneurs. These specific initiatives clearly indicate the importance of government interventions in enhancing the viability and competitiveness of local MSMEs.

A research paper conducted by Arofah, Murti, and Radjikan (2025) in Lamongan District titled "MSME Empowerment Strategies in Enhancing Economic Growth: A Study in Lamongan District" reported that community-based MSME empowerment through skill-development, increased access to capital, and strengthening of the regulatory environment were done. These initiatives not only enhanced the capacity of the businesses but also the local economic growth; however, resource scarcity and limited market reach remained the main challenges of the community. At the national level, empowering MSMEs in a more comprehensive way is another driver of economic growth through the training provided in a focused manner, the increased availability of funding, and the digitalization. These methods are the most relevant that they directly resolve a number of the high-priority problems such as low financial literacy, which is a major factor limiting MSME competitiveness and survival.

The Role of Local Government in Community Based MSME Empowerment

Local government intervention in the community-based MSME empowerment do not simply consist of carrying out the usual managers tasks but actually help formulate seizing the opportunity to the institutionalizing act and consolidated policy making. Rahmayanti (2024) investigates in her paper "*The Role of Local Government in the Empowerment of MSME Actors in Palopo City*", that the government could be like a leader, a law enforcer, or an inspiring person in the chain of the empowerment of the MSME communities. And this is done granting financial assistance, providing educational programs, promoting products, mentoring the businesses, and rendering a favorable environment for the business creation.

Additionally, in his paper "Latest Evidence on the Development of Micro, Small, and Medium Enterprises in Indonesia, " Tambunan (2019) stated that local governments are essential actors in fostering a suitable business environment through laws, provision of infrastructure, and enhancement of access to markets. Moreover, the research indicates that through a coordinated public intervention, it is possible to raise the capability of MSMEs to compete at both local and national levels.

Besides, Hadiyati (2015) in her research "Marketing and Government Role in MSME Development" found that government supports through product promotion, business partnerships, and digital marketing development are the main factors that can lead MSMEs to sustainability of MSMEs. Besides being a regulator, the government acts as an enabler, assisting MSMEs in reaching wider markets.

Literature reveals that community-based MSME support programs employing teamwork and social projects can hugely enhance competitiveness in the digital era. MSMEs working together are prompted to use appropriate

technologies, increase their efficiency, and generate more customers. Such collaborative efforts help MSMEs remain strong and capable of surviving in this rapidly changing, highly competitive economy.

METHODOLOGY

The present research adopts a qualitative research design through secondary data analysis to study community-based MSME empowerment in Ngamprah District, West Bandung Regency. The study utilized official government reports, statistics, region policy documents, and open-access academic publications on MSME development and local government roles.

The qualitative secondary analysis method is suitable for a thorough, well-contextualized interpretation of existing data obtained from empirical research. Instead of gathering new data from the field, this study reviews and synthesizes existing documented evidence in a systematic way, through which it identifies trends, issues, and strategic interventions in MSME empowerment.

Data analysis for this paper is implemented through literature synthesis, thematic categorization, and interpretative analysis in order to explore local government roles.

Firstly, the literature synthesis method is used to examine and summarize relevant documents as well as to detect main findings related to MSME empowerment. Secondly, thematic categorization is performed to arrange the data in several major themes such as local government roles, access to capital, human resource capability, business networks, and digitalization. Thirdly, interpretative analysis is conducted to elucidate regularities, cross-check findings from different sources, and infer how empowerment programs affect MSME development at the sub-district level.

This method helps the study to discover very detailed insights and draw policy-related conclusions about MSME empowerment at the sub-district level.

RESULTS AND DISCUSSION

Access to Capital

To provide MSMEs with more funding opportunities in Ngamprah, the local government and other related organizations have teamed up with local banks such as Bank BJB. Because of these collaborations, small business owners can get loans even without having collateral. Besides, MSME consultation services like the *Abdi Nagri* outreach program mainly focus on business financing and lead the entrepreneurs how to get a loan and working capital. Together, these activities are laying the groundwork for further projects that will help MSME development through regulatory and institutional changes.

The study shows that the availability of financing for MSMEs in Ngamprah was enhanced through partnership between the local government and various supporting agencies. Collaborations with financial institutions, especially Bank BJB, offer easier loan products that do not necessarily require traditional collateral. Besides that, consultation and outreach programs for MSME that mainly target financing of the business are very instrumental in helping the entrepreneurs to get credit and working capital. These activities are a clear indication of how regulatory and institutional support help in laying a solid foundation for sustainable growth of MSMEs..

Training and Skills Development

Several training sessions have been held to improve the skills of MSME facilitators in Ngamprah. For example, the West Java Provincial Office of Cooperatives held a three-day workshop entitled Financial Literacy and Digitalization Training in West Bandung in June 2025. The training was participated by MSME actors from the Ngamprah area and introduced them to basic financial-recording cash management, and the use of digital payment platform in business operation.

Participants showed great excitement for practical learning, which indicates that there is a big need for formal skills development among local entrepreneurs. In response to this, vocational and technical training, such as water hyacinth processing for product diversification of small industry in nearby areas, is regularly provided. As a result,

MSMEs in Ngamprah currently have better business fundamentals and they are making small changes. Nevertheless, additional training is needed to make sure that the new knowledge leads to improved product quality and quantity.

Mentoring and Institutional Support

Mentoring for MSMEs in Ngamprah mainly through cross-institutional coordination was quite intensive. Programs on the field like *Abdi Nagri Nganjang ka Warga* (April 2025) made cooperative and MSME services directly available to the people of Ngamprah. At these events, provincial officials offered MSMEs and cooperatives on-site consultation services, which were highly appreciated for their concrete help to local entrepreneurs.

At the regencies level, the local government has pushed institutions forward by engaging the Economic Affairs Division, the Investment and One-Stop Integrated Service Office (DPMPTSP), and the Cooperatives Office as facilitators of NIB issuance. The operators at village and sub-district levels were trained in assisting residents in registering for NIB. Scheduled mentoring sessions and peer-learning groups planned as training follow-ups will serve as reinforcement. The government has arranged advanced workshops and, through partnerships with financial institutions, will extend MSME access to banking services. Nevertheless, challenges like scarcity of mentors at the village level and the diversity of MSMEs still need to be resolved to provide equitable support.

In order to tackle these issues, the local government is suggested to allocate more resources for mentoring at the village level and create tailored support programs that consider the different characteristics of MSMEs.

Business Digitalization

The government is urging MSMEs in Ngamprah to embrace digital transformation. Trainers focus on the integration of fintech tools like e-wallets and POS apps in the everyday business activities. In addition, they familiarize participants with digital accounting software and online payment solutions. Moreover, the provincial government offers a learning management system (LMS), through which MSME players can self-access and keep up to date with training contents anytime.

Besides government programs, the private sector has also contributed to the development of digital literacy. For instance, Smartfren organized a series of comprehensive digital literacy training sessions for MSMEs in West Bandung, with the goal of helping local business owners to fully utilize the internet and digital technologies. Nevertheless, many of MSMEs in Ngamprah are still not very familiar with technology. Consequently, ongoing mentoring and follow-up programs should be put in place to make sure that digitalization is not just a one-off training event but a full-fledged efforts.

Product Marketing

Attempts to widen the target market exposure of differently-sized MSMEs' goods in Ngamprah are realized through local promotional events. The government frequently hosts bazaars and festivals to exhibit local products. For instance, a village market in Sukatani (September 2024) was arranged to showcase locally made MSME products to attract more customers. Likewise, the leader of West Bandung blessed the opening of the Ramadan MSME Bazaar (March 2025) at the regency office complex which served as a familiar place for entrepreneurs to meet and offer their products.

The bazaars are intended to energize the community economy through motivating residents to buy more local products. In addition, some entrepreneurial concepts have been integrated with marketing such as the business management training sessions. On the other hand, MSMEs' market access still depends largely on special events and traditional sales. Online marketing and distribution networks need to be strengthened in order to increase the reach of the market beyond the local level.

Business Legality (NIB)

The issuance of the Business Identification Number (NIB) has become a major focus of the West Bandung Regency Government. Through 2024, the regency planned issuing 41, 516 NIBs and issued 38, 787 NIBs, reaching 93.43% of the target. To speed up this activity, the provincial and regency governments carried out outreach and technical assistance for preparing documents at sub-districts such as Ngamprah, also 165 village-level operators were activated to help people get NIBs.

NIB is an essential document because not only does it give legal certainty to microenterprises, but also it makes it easier for them to get access to government programs and financings like KUR. It is true that the target for 2024 was

not met completely, but the officials are still hopeful that the target for 2025 will be completely reached since there are trained officers in each sub-district who are willing to help business actors.

The main challenge in the future is to make sure that all MSMEs are aware of the benefits of legalizing their businesses and also they have all the requirements to be fulfilled.

Role of Local Government

On the whole, the provincial and regency governments still highly support MSMEs in Ngamprah. According to the Head of the West Bandung Cooperatives Office, MSME empowerment programs are very important in regional development. The West Bandung Regent, Jeje R. Ismail, has dedicated one of the civil servants' performance allowances to the supporting of local MSMEs in terms of purchase, and every time he inaugurates in the site of MSMEs, the Ramadan Bazaar from the most recent is one of the direct supports.

Besides that, the government has been using public facilities as a means of helping MSMEs. As an illustration, the Vice Regent gave an order to make the most out of the basement area of Pasar Mal Little Madinah so that it could be used as a dedicated trading center for MSMEs sellers. At the same time, through the *Abdi Nagri* initiative, the West Java Provincial Government went to the sub-district level in Ngamprah to provide cooperative and MSME services directly.

The government showing the way in making financial resources more accessible as well as offering mentoring programs are clear indications that the authorities are truly devoted to not only deepening the MSME ecosystem but also significantly changing business sustainability for the better in the long run. This discovery is in line with Tambunan's (2019) work that points out that the government assistance through funding programs and development measures has a very important function in strengthening the MSME resilience, productivity, and competitiveness..

At the same time, it is necessary to keep track continuously and make a regular assessment to guarantee that empowerment programs are genuinely meeting the actual needs of MSME actors and that they are still able to adapt to changing local challenges.

In a similar vein, OECD (2021) provides evidence supporting this argument by pointing out that policy evaluation is a must to be able to maintain not only the relevance but also the targeting accuracy and effectiveness of SME development programs.

Besides, long-term dedication from policy makers and the support from the wider business environment are critical in ensuring that MSME empowerment will lead to wider and more lasting community economic benefits. According to the World Bank (2020), helping MSMEs' access to finance is a major contributor to creating jobs, increasing productivity, and economic development that involves everyone.

CONCLUSION AND RECOMMENDATION

The development of Micro, Small, and Medium Enterprises (MSMEs) in Ngamprah District, West Bandung Regency, is a confirmatory evidence that local-level initiatives are one of the main factors in strengthening regional economic resilience. The results show that the empowerment programs have been conducted by human resource capacity building, providing capital, market access and digital technology usage. The local government has been a facilitator, regulator and catalyst in the support of MSME sustainability through training programs, business legalization support and financial access schemes.

Nevertheless, there remain a number disadvantages, such as unequal access to financing, low level of digital literacy, and absence of constant mentoring mechanisms. Thus, as local government it is advisable to further improve the comprehensive strategies of empowerment through intensifying the cross-sector collaboration, widening digital transformation programs, guaranteeing broader financial inclusion, and supplying continuous mentoring of MSME actors. With the right, long-term policy approach, the communities in Ngamprah district can achieve their economic independence and community development in an inclusive way.

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ABOUT THE AUTHORS

Fahmi Saeful Bahri Sudrajat, e-mail : fahmi.41723701@mahasiswa.unikom.ac.id

Fahmi Saeful Bahri Sudrajat is a student of semester 6 (VI) of the Government Science Study Program at the Faculty of Social and Political Sciences at the University of Computer Indonesia.

Poni Sukaesih, e-mail : poni.sukaesih@email.unikom.ac.id

Poni Sukaesih is a Lecturer at the Universitas Komputer Indonesia, located in Bandung City, West Java. The author works in the field of political science.