

Empowering micro-enterprises by improving human resource skills through food entrepreneurship in Tuban District



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ABSTRACT

This study examines the empowerment of micro-enterprises through human resource (HR) skills development programmes in Tuban Regency, with a particular focus on food entrepreneurship initiatives implemented by the local government. Grounded in Theodore W. Schultz's Human Capital Theory, the research analyses the effectiveness of training programmes in strengthening the capacity and competitiveness of micro-entrepreneurs. Employing a descriptive qualitative approach, data were collected through in-depth interviews, field observations, and documentation involving micro-business actors, MSME facilitators, and local government officials. The findings reveal that training programmes related to local product processing, business legality, and digital marketing have contributed positively to improving entrepreneurial competencies, business knowledge, and operational capabilities among micro-enterprise actors. These initiatives have enhanced participants' readiness to compete within increasingly dynamic market environments and encouraged greater business sustainability. Nevertheless, the study also identifies several challenges, particularly regarding the need for stronger post-training assistance, mentoring, and more equitable access to empowerment programmes to ensure broader and more sustainable impacts. The study contributes to the literature on micro-enterprise development, human capital enhancement, and local economic empowerment by providing empirical insights into community-based entrepreneurship development in regional Indonesia.

Keywords: Human Resource Training; MSME Empowerment; Micro Enterprises



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INTRODUCTION

Micro, Small, and Medium Enterprises (MSMEs) are the backbone of the Indonesian economy. According to data from the Ministry of Cooperatives and Small and Medium Enterprises of the Republic of Indonesia, MSMEs contribute over 60% to the national Gross Domestic Product (GDP) and employ approximately 97% of the workforce in Indonesia (Kemenkop UKM, 2023). Among the MSME categories, micro-enterprises have the largest proportion, both in terms of the number of business owners and distribution across various regions of Indonesia, including non-metropolitan areas like Tuban Regency, East Java.

Tuban Regency is one of the areas on the northern coast of East Java Province with significant economic potential based on the people. Based on data collected in 2023, there are a total of 52,550 micro-enterprises spread across various sub-districts in Tuban Regency. Interestingly, this data shows a decrease in the number of micro-entrepreneurs compared to 2021, when 70,772 micro-enterprises were recorded (Suwidiyanti et al., 2020). Nevertheless, the dominant sector still remains consistent, namely food and beverages. This reflects that the culinary sector is still the main choice for the community in developing micro business activities in Tuban.

The decline in the number of micro-business actors is an indicator of the challenges faced by MSME actors, particularly in terms of business sustainability and resilience. One of the most fundamental challenges that arises is related to the quality of human resources (HR) among micro-business owners (Sunariani et al., 2017). Many business owners in Tuban only focus on buying and selling activities without considering other fundamental aspects such as financial record-keeping, business legality, operational management, digital marketing, and technological literacy. The prevailing mindset is still subsistence-oriented, meaning "as long as we can eat today and sell today," without any focus on sustainably developing the business towards a small or medium scale (Mualim et al., 2024).

In a report by the Tuban District Cooperative, Micro, Small, and Medium Enterprises and Trade Service, it is stated that the majority of micro-business owners in this area do not yet understand the urgency of external aspects of their businesses such as bookkeeping management, legality, digital marketing, and human resource management (Suwidiyanti et al., 2020). As a result, they find it difficult to move up a grade or expand their businesses. This phenomenon reflects a significant skills gap in terms of managerial and entrepreneurial competencies.

The characteristics of micro-business owners in Tuban are also categorized as "ultra-micro," meaning those who operate businesses on a very small scale with very limited income. This category refers to business actors with a monthly turnover of less than Rp10 million and business assets of less than Rp50 million, as defined in the regulations of ultra-micro financing institutions such as the Government Investment Center (PIP) (Ivani et al., 2024). This condition further emphasizes the need for an empowerment approach that is not only capital or financial, but also focuses on improving human resource skills as a long-term foundation for independence and business sustainability.

Several previous studies have highlighted the importance of human resource capacity building as a key factor in the success of micro, small, and medium enterprises (MSMEs). Research by Karen et al., (2022) showed that structured entrepreneurship training can improve the competencies of micro-business owners in terms of business planning, financial record-keeping, and marketing strategies. A similar finding was also found in research conducted by Sunariani et al. (2017), which concluded that digital

marketing training-based empowerment significantly affects the increase in revenue for culinary MSMES in East Java.

However, the majority of these studies were conducted in urban areas or in the buffer zones of major cities such as Surabaya, Malang, or Sidoarjo. There is still very limited research that specifically addresses the conditions of MSMES in coastal and rural areas like Tuban Regency. This indicates a research gap that needs to be filled, particularly in the context of human resource development for micro-entrepreneurs in regions with unique socio-economic characteristics.

Many MSME empowerment programs launched by the government and private institutions tend to be uniform and do not consider the specific needs of business owners in the regions (Suwidiyanti et al., 2020). The training programs offered are often one-way lectures, non-contextual, and unsustainable. As a result, the training outcomes cannot be optimally internalized by the participants and do not have a significant impact on their business practices (Ivani et al., 2024).

Additionally, based on observations and interviews with several micro-business owners in Tuban, it was found that low motivation and understanding of the importance of business development were also hindering factors. Most business owners are content with their daily income, which is enough to meet their basic needs, without any motivation to scale up their businesses. This kind of mindset, if not changed through educational and persuasive approaches, will continue to hinder the progress of the micro-business sector in Tuban (Rahma, 2024).

In an effort to empower micro-entrepreneurs in Tuban Regency, there are several key issues that need to be studied in depth. First, the effectiveness of the training programs currently provided to micro-entrepreneurs remains questionable. Is the training material provided truly aligned with the real needs of business owners, and to what extent does the training effectively enhance the managerial skills and capacity of micro-business owners? Second, in the current digital era, the digital aspect of marketing and the utilization of e-learning platforms are crucial, yet many micro-business owners still lack access and skills to optimally adopt digital technology. This raises questions about the extent of the readiness and support available to them to participate in this digital transformation. Third, various government programs and capital access schemes aimed at supporting the development of micro-entrepreneur human resources also need to be evaluated. Are these programs well-targeted, easily accessible, and able to reach business owners in areas like Tuban, which have different geographical and social characteristics compared to urban areas? These three issues are the focus of formulating a more contextual and sustainable approach to empowering micro-enterprises through human resource skills development.

This research will specifically identify the types of skills most needed by micro-entrepreneurs in Tuban, evaluate the effectiveness of existing training programs, and formulate a human resource empowerment model based on the socio-economic characteristics of the Tuban community. Therefore, the results of this research are expected to serve as a reference for stakeholders in designing more adaptive and impactful policies and programs for MSME development.

Empowering human resources in micro-enterprises is not only important for improving the well-being of business owners, but also serves as a strategic instrument in strengthening the local economic structure. When micro-entrepreneurs have adequate skills, they will be better equipped to face market challenges, innovate, and collaborate with various parties. This will encourage the formation of an inclusive and sustainable MSME ecosystem in Tuban Regency (Pandey & Mamentu, 2022).

In today's globalization and technological advancements, empowering micro-enterprises can no longer rely solely on conventional approaches. Digitalization, technological transformation, and innovation have become absolute necessities (Sunariani et al., 2017). Therefore, improving digital skills such as online marketing, using financial recording applications, and utilizing social media is an important part of the human resource empowerment process (Ivani et al., 2024). If this can be effectively implemented in Tuban, it will open up significant opportunities for micro-enterprises to upgrade and contribute more significantly to regional economic development.

This research aims to enhance the knowledge and skills of micro-entrepreneurs in managing culinary businesses and food products professionally. It is expected that the results of this research can serve as a reference for developing the entrepreneurial capabilities of micro-entrepreneurs, including business planning, financial management, marketing, and product development.

LITERATURE REVIEW

Micro-Enterprises

Micro-enterprises are part of the Micro, Small, and Medium Enterprises (MSMES) group, which is the backbone of the Indonesian economy. According to Law Number 20 of 2008, micro-enterprises are defined as productive businesses owned by individuals and/or individual business entities with net assets of no more than Rp50 million, excluding land and buildings used for business, or with annual sales of no more than Rp300 million (Badawi et al., 2022). The distinctive features of micro-enterprises are their very small operational scale, limited capital, and the fact that they are generally managed independently by the business owner and their family. The sectors they are involved in are also diverse, ranging from home-based food and beverages, handicrafts, laundry services, to grocery stores in their local communities (Sunariani et al., 2017).

The role of micro-enterprises is very important, especially in creating jobs and supporting the local economy, particularly in rural areas and small towns. This business also serves as a lifeline for the family economy, especially during crises, due to its high flexibility and resilience. However, micro-enterprises also face many challenges, such as limited access to capital, low financial and digital literacy, lack of business legality, and minimal managerial skills (Suwidiyanti et al., 2020). Therefore, intervention from the government and the private sector through training, mentoring, and facilitating market access is urgently needed.

With human resource (HR) capacity building and appropriate policy support, micro-enterprises have the potential to upgrade to small, or even medium-sized enterprises. In this way, it is not impossible for micro-enterprises to become a major force in realizing an inclusive, competitive, and sustainable national economy.

Human Resources Training

Human Resource (HR) training is one of the important strategies in efforts to improve the quality and competitiveness of micro-business actors. In the context of micro-businesses (Novi, 2025). HR training not only provides technical knowledge but also aims to shape an entrepreneurial mindset, strengthen managerial skills, and instill the importance of innovation and adaptation to changing times (Dimas, 2025). Many micro-business owners start their businesses self-taught, so they lack a strong foundation in financial management, product marketing, or understanding business legality. This is where the role of training becomes crucial (Yuliana et al., 2024).

HR training can cover various aspects, from production training (e.g., food processing or crafts), business management, digital marketing, customer service, to financial and technological literacy (Suwidiyanti et al., 2020). In Tuban Regency, for example, the training provided by the local government not only focuses on technical skills but is also aimed at fostering the independence of business owners and broadening their understanding of market opportunities. One innovative form of training is the “Entrepreneur School” for young people, which equips participants with entrepreneurial motivation and strategies for starting a business from scratch.

The benefits of human resource training cannot be felt instantly, but in the long run, it will have a significant impact on business sustainability (Badawi et al., 2022). Business owners who participate in training tend to be more confident, able to make better business decisions, and more prepared to face market challenges. Therefore, human resource training is not just a necessity, but a long-term investment in building a resilient, professional, and competitive micro-business ecosystem in the modern era.

Empowerment of MSMES

Empowering MSMES (Micro, Small, and Medium Enterprises) is an important step in strengthening the Indonesian economy, particularly in creating jobs and reducing poverty (Dimas, 2025). MSMES play a very significant role in the national economy, as they not only contribute to the gross domestic product (GDP) but also serve as a primary source of job creation (Novi, 2025). Empowering MSMES can be done in various ways, such as improving human resource skills, providing access to financing, and offering support from the government and the private sector (Ukkas, 2018).

Skills training for MSME actors is very important so they can manage their businesses more effectively and produce higher-quality products (Ivani et al., 2024). Additionally, empowerment also includes enhancing managerial capacity, marketing skills, and the use of appropriate technology to develop their businesses (Suwidiyanti et al., 2020). Easy and affordable financing is one of the biggest challenges faced by MSMES, so policies that support access to capital and ease procedures will be very helpful in accelerating MSME growth (Badawi et al., 2022). Equally important, the government’s role in providing adequate regulations and creating a conducive business climate is key to strengthening MSMES (Rochma et al., 2021). With optimal empowerment, MSMES will become increasingly able to compete, grow, and contribute more to the regional and national economy.

Theodore W. Schultz’s Human Capital Theory

In the context of empowering micro-enterprises by enhancing human resource skills through food entrepreneurship in Tuban Regency, Schultz’s theory can be used to emphasize the importance of training and education as an investment that improves the quality of human resources, making micro-entrepreneurs more competitive and better able to manage their businesses (Badawi et al., 2022).

More specifically, human capital according to Schultz includes aspects of education, training, experience, and skills that directly contribute to improving the performance of small and medium-sized enterprises (Rochma et al., 2021). Thus, food entrepreneurship programs aimed at improving human resource skills can be seen as a strategic form of human capital investment for empowering micro-enterprises in Tuban.

METHODS

This research uses a qualitative method aimed at deeply understanding the real

conditions of micro-business actors in Tuban Regency, specifically regarding human resource (HR) skills and empowerment efforts that have or have not been implemented. The qualitative approach was chosen because it was considered the most suitable for exploring complex social phenomena that cannot be explained solely by numbers or statistical data, but require an understanding of the context, experiences, and perspectives of the micro-business owners themselves (Haironi, 2025). This research places greater emphasis on the meaning, processes, and dynamics that occur in the lives of micro-business owners in the field.

The scope of this research is focused on micro-entrepreneurs in Tuban Regency, based on data from 2024 and 2025 provided by the Tuban Regency Cooperative and SME Service. The geographical focus of this research includes several sub-districts with a relatively high concentration of micro-enterprises, such as Tuban Sub-district, Semanding Sub-district, and Jenu Sub-district.

The population in this study consists of all micro-business owners in Tuban Regency who. Based on the latest data, there are approximately 52,550 micro-enterprises in this region. Because this research is qualitative and does not aim to statistically generalize the population, the sample size determination does not follow a quantitative formula (Suwidiyanti et al., 2020; Ningsih et al., 2022). Conversely, the number of informants in this study was determined using the principle of saturation, which is when interviews and data collection no longer yield new and relevant information (Ivani et al., 2024).

The sampling technique used was purposive sampling, which involves intentionally selecting informants based on specific criteria that align with the research objectives (Ningsih et al., 2022). The criteria used in selecting informants include micro-business owners who have been running their businesses for at least one year, have experience participating or not participating in training programs, and play an active role in running their own businesses (not just passive owners). In addition to business owners, informants also include representatives from the Department of Cooperatives and SMES, SME mentors, and community leaders who understand the conditions of micro-businesses in their area.

Data collection methods are carried out through several techniques. In-depth interviews are the primary technique for gathering direct information from micro-business owners and related parties. The interviews are conducted in a semi-structured manner with flexible question guides, allowing for the capture of informant perspectives freely while remaining aligned with the research direction (Ningsih et al., 2022). Additionally, field observations were also conducted, primarily to directly assess business conditions, the daily activities of business owners, and their interactions with customers or the surrounding community. In addition, the researchers also documented training materials, government program brochures, MSME activity records, and other secondary data.

The collected data was analyzed using thematic analysis techniques. The analysis process began with transcribing the interview results, followed by a coding process to identify important themes emerging from the data. Next, the researchers categorized the findings based on specific categories such as human resource challenges, training effectiveness, access to digital technology, and the role of government. This analysis process was conducted inductively, meaning the findings were built from field data, not based on a rigid theoretical framework (Ningsih et al., 2022).

By using this approach, it is hoped that the research will be able to provide a rich and contextual picture of how micro-entrepreneurs in Tuban interpret and experience

the empowerment process, and what they need to be able to move up the economic ladder and become more empowered. This method not only records data but also captures social realities that are often not apparent from numbers alone.

RESULTS AND DISCUSSION

Training Program for Micro Business Owners

Empowering micro-enterprises in Tuban Regency is not only focused on the capital aspect, but has moved towards a more strategic direction through various training programs. Local governments, particularly through the Department of Cooperatives, Small and Medium Enterprises, and Trade, have recognized that improving the quality of human resources (HR) for business owners is the key to upgrading micro-enterprises.

The training programs offered are very diverse and continue to evolve year after year according to local needs and potential. For example, in 2025, there is training focused on processing products based on local potential, such as training on processing seafood into frozen food products in Jenu District. This is a real example of utilizing local resource potential that has not been fully tapped.

Additionally, as the younger generation grows, the Department also organizes the "Entrepreneur School" program aimed at Generation Z. Participants in this training are generally young people who are currently studying, have recently graduated, or have not yet found employment. They were given training on the basic concepts of entrepreneurship, business motivation, and how to start a business from scratch. This program is expected to foster an entrepreneurial spirit from an early age so that in the future they will not only seek employment but also be able to create jobs.

In 2024, other forms of training also include aspects of business legality. For example, training on PIRT (Home Industry Product) permits is very important for food and beverage entrepreneurs. This was followed by training on product hygiene and sanitation, facilitated through the program for legal and cleanliness certification of products, as well as brand certification for products that do not yet have patents or trademark protection. This kind of training has a significant impact on consumer confidence and opens up opportunities for local products to enter wider markets.

Still in the same year, the Tuban District Government forged various strategic partnerships with third parties such as Bangibara to support the capital aspect, BPJS Ketenagakerjaan to provide social protection for business owners, and modern retail stores such as Indomaret, Alfamart, Bravo, and Samudra to open up marketing access for local products in these retail outlets. This form of partnership is implemented through a comprehensive series of business training and facilitation, not just focusing on the production aspect.

In 2025, there is a much broader and more strategic training program, as outlined in the DAK (Special Allocation Fund) activity plan document. The local government is designing new and more varied training programs such as managerial training, technical skills training, and information technology training for product branding. Some of the training types that will be held include batik accessory making and frozen food processing, which not only highlight local potential but also add value to the products produced.

Management training is designed to equip business owners with the skills to manage their businesses comprehensively: from financial management and decision-making to business planning. Meanwhile, technical skills training focuses on improving production quality, work efficiency, and product innovation. Information technology training will be directed towards the ability to market products online, use social media

professionally, and build a digital brand identity.

In addition to general training, the Cooperative and SME Service also facilitates competency certification based on SKKNI (Indonesian National Work Competency Standards) as a form of formal competency recognition for business actors. This certification is important for business actors who want to upgrade and gain wider market access, both nationally and internationally (Haironi, 2025).

From an implementation perspective, the data shows that training activities in 2024 cover areas such as Rengel, Kerek, Bancar, and Tuban city. The volume of activities reached hundreds of empowered business owners with a total fund of billions of rupiah. The training plan for 2025 is also becoming more widespread and reaching various sub-districts, indicating efforts to equalize the development of micro-enterprises.

However, despite the wide and ever-expanding range of training, the main challenges remain active participation and the sustainability of training impact. Not all business owners consciously and actively participate in training. Many of them still think pragmatically, focusing on daily sales without seeing the importance of long-term capacity building. Therefore, future training approaches need to be more contextual, interactive, and sustainable. Training materials should also be tailored to the participants' level of understanding, and if necessary, presented in a simple, practical, and applicable format.

Training programs also need to be accompanied by post-training monitoring and mentoring so that business owners can truly apply what they have learned. One-day training without supervision often only leaves documentation without real implementation. Therefore, collaboration between local governments, the entrepreneurial community, universities, and the private sector is crucial in building an effective and impactful training ecosystem.

Therefore, the training program for micro-business owners in Tuban Regency has shown a positive direction of development. Local governments have taken concrete steps to link training with the real needs of business owners, partner with strategic partners, and make training a means of empowerment, not just a ceremonial activity. Looking ahead, with strengthened evaluation, integration of technology-based training, and active community involvement, these trainings will become an important foundation in realizing more resilient, professional, and competitive micro-entrepreneurs amidst the ever-evolving economic dynamics.

Digitalization of Marketing and Access to E-Learning

Amidst the flow of globalization and the development of information technology, digitalization has become an urgent need for micro, small, and medium-sized enterprises (MSMEs) in Indonesia, including in Tuban Regency. This digital transformation encompasses various aspects, from product marketing to access to education and training through e-learning platforms. Marketing Digitalization Opens Up Wider Market Access: One strategic step taken by the government to support the digitalization of MSMEs is through the implementation of the e-Katalog P3DN (Increased Use of Domestic Products). This platform was developed by the Government Procurement Policy Institute (LKPP) as a means for MSMEs to market their products digitally to government agencies. By joining the e-Katalog, MSME products can be accessed and purchased by various government agencies, thus opening up wider and more sustainable market opportunities.

In Tuban Regency, the local government is actively socializing the importance of the e-catalog to MSME actors. Training and mentoring are provided so that MSMEs can meet the requirements and procedures for registering their products on the platform.

This step not only increases the visibility of local products but also encourages MSMES to improve the quality and standards of their products in line with the needs of the government market.

In addition to the e-catalog, MSME actors in Tuban are also encouraged to utilize various other digital platforms, such as social media and marketplaces, to market their products. Digital marketing training is provided to improve MSME'S ability to manage business accounts, create engaging content, and understand effective digital marketing strategies.

Access to e-learning can enhance the capacity and competence of MSME actors. In addition to marketing digitalization, access to education and training through e-learning platforms is an important aspect of MSME empowerment. The central government, through the Ministry of Cooperatives and SMES, has developed various e-learning platforms such as EDUKUMKM, SMEsta, and Entrepreneur Hub. These platforms provide various training materials that can be accessed online by MSME actors throughout Indonesia.

In Tuban Regency, efforts to improve access to e-learning for MSMES are also being made through collaboration with various parties. For example, students from IAINU Tuban provided digital marketing training and halal certification assistance to MSME actors in Margorejo Village, Kerek District. This activity demonstrates the importance of collaboration between educational institutions and MSME actors in enhancing capacity and competence through online learning. However, challenges in e-learning implementation still exist, particularly regarding digital literacy and access to technological devices. Therefore, sustained efforts are needed to improve the understanding and capabilities of MSME actors in utilizing information technology, as well as to provide infrastructure that supports equitable access to e-learning (Badawi & Nugroho, 2022).

Despite various efforts, the digital transformation of MSMES in Tuban Regency still faces several challenges. Uneven levels of digital literacy, limited access to technological devices, and a lack of understanding of the benefits of digitalization are obstacles that need to be overcome. However, with strong commitment from all parties and a continuously developing spirit of innovation, the digital transformation of MSMES in Tuban has bright prospects. The digitalization of marketing and access to e-learning are not only tools for enhancing the competitiveness of MSMES, but also a means of strengthening the local economy and creating broader employment opportunities (Mualim et al., 2024).

Government Programs and Capital Assessments Supporting Human Resource Development

The Tuban District Government continues to strive to increase the capacity of micro-business actors through various strategic programs that are not only technical and training-based, but also through access to capital and permit facilitation. The main focus of this effort is to develop independent, professional, and upwardly mobile human resources (HR) for business actors.

Based on the 2023 data collection results from the Ministry of Cooperatives and Small and Medium Enterprises, there are 52,550 micro-business actors in Tuban Regency (Rochma et al., 2021). This number indicates that the micro-business sector remains the main pillar of the local economy. However, many of them are still at the ultra-micro level, meaning they are business owners who run their businesses solely to meet daily needs, without a long-term or expansion orientation. The problems that have arisen are quite

complex. Besides skill limitations, many business owners have not yet accessed business capital, lack legal documentation, and are not even aware of the importance of product certification and standards. Therefore, active government involvement is needed to bridge these needs through integrated programs.

Human resource development programs don't stop at general training alone. The Tuban District Government is also actively providing door-to-door legal assistance to sub-districts. This assistance helps small business owners obtain permits such as the Business Identification Number (NIB) and the Small and Medium Business Permit (IUKM), allowing micro-enterprises to operate legally and access more government programs and facilities. Overall, the Tuban government's program combines human resource training, door-to-door legal assistance, and access to capital as the main strategies to empower small businesses, making them more competitive, adaptable, and sustainable at the district and city levels.

The training program has four main stages: Management Training, which improves business management; Technical Skills Training, focusing on making batik accessories and frozen food; Information Technology Training for business and marketing, to maximize digital marketing; and Product Standardization and Certification Training, so that MSME products meet quality standards. This training was officially opened by the Regional Secretary of Tuban Regency and is a manifestation of the government's commitment to building competitive and sustainable MSMEs. This program is expected to provide new knowledge and enthusiasm for entrepreneurship, and to make a significant contribution to the region's economic growth. Additionally, this training demonstrates the synergy between skills and management to enhance the competitiveness of MSMEs in local and national markets.

The Tuban district government also utilizes festivals and Car Free Day events to support skills development for small and medium-sized enterprises (SMEs), focusing on branding and product promotion training. Car Free Day, which is held regularly in Tuban, serves as a platform for SMEs to sell, showcase their products, and improve their communication and marketing skills directly to the public. This helps practical skills development through real-world field experience. This program is supported by the Tuban Cooperative, Micro, Small, and Medium Enterprises (MSME) and Trade Service, which actively conducts socialization and support to enhance MSME capacity, including digital marketing and product branding training during this event.

One important aspect of developing human resources for MSMEs is their ability to manage and utilize business capital. The Tuban District Government records that as of May 31, 2024, a total of 13,865 micro-enterprises have been facilitated with access to financing through collaboration with banks (Suwidiyanti et al., 2020). The total value of financing successfully disbursed reached Rp857.6 billion. For example, Bank Jatim financed 2,621 MSMEs with a total financing of Rp476 billion, Bank BRI financed 9,851 MSMEs with a total financing of Rp302 billion, Bank UMKM financed 1,263 MSMEs with a total financing of Rp56 billion, and Bank BNI financed 130 MSMEs with a total financing of Rp22 billion (Badawi et al., 2022). This data shows that the banking sector has become a strategic partner in driving capital for MSMEs in Tuban. However, the challenge is not only the availability of funds, but also the ability of human resources to manage the loan wisely. Therefore, the government is not only providing access to capital, but also accompanying it with financial literacy training and business mentoring.

One smart strategy implemented by the local government is to partner with modern stores like Indomaret, Alfamart, Bravo, and Samudra. The goal is to open market access for local products so they can be marketed more widely and consistently. For example,

Indomaret (60 stores) has partnered with 15 MSMES, with an average monthly turnover of Rp28 million. Alfamart (45 stores) has partnered with 11 MSMES, with an average monthly turnover of Rp12 million. Bravo and Samudra Supermarket have partnered with a total of 343 MSMES, the majority of which are in the wet snacks and food and beverage processing sectors (Sumodiningrat, 1996).

This partnership not only opens up marketing opportunities but also forces businesses to raise their product standards in terms of quality, quantity, and supply consistency. This is the real form of human resource development based on direct practice in the field. With these various efforts, it is evident that the Tuban District Government already has a fairly solid framework for developing human resources for micro-business actors. It not only focuses on technical training but also provides access to funding, legalities, and markets. However, the challenges ahead remain significant. Unreached business owners, limited digital literacy, and a lack of program sustainability are important points to note. Therefore, continuous, monitoring, evaluation, and innovation are needed in designing MSME empowerment programs, so that they not only change statistical figures but also transform the mindset and capacity of business actors comprehensively.

CONCLUSION AND SUGGESTIONS

Efforts to empower micro-enterprises in Tuban Regency show significant progress, particularly in terms of increasing human resource capacity through various training programs, legal facilitation, and support for market access and capital. The local government not only provides training based on local potential and the younger generation but also establishes strategic partnerships with the private sector to open market access and enhance the competitiveness of MSME products. Digital marketing and e-learning serve as drivers for the transformation of micro-enterprises towards a more modern and adaptive level. On the other hand, government-facilitated capital access programs, in collaboration with banks, also opened up opportunities for thousands of business owners to move up the ladder, provided they are accompanied by proper literacy and business management training.

To ensure a more even and sustainable impact of empowerment programs, the training provided needs to be contextually designed and practical, tailored to the needs and characteristics of business owners in each region. Additionally, it's important to strengthen post-training monitoring and mentoring so that the knowledge gained is truly applied in daily business practice. The government is also advised to expand access to technology and strengthen the digital literacy of business owners. and strengthen collaboration with communities, universities, and the private sector. Thus, the MSME empowerment ecosystem in Tuban Regency can grow stronger, be more inclusive, and become a resilient foundation for the region's economy in the future.

Further research is recommended to examine the long-term effectiveness of the food entrepreneurship program by involving a larger number of respondents and a wider range of variables, such as digital marketing, access to capital, product innovation, and business mentoring. Additionally, research is needed to measure the program's impact on revenue growth, business sustainability, and the welfare of micro-entrepreneurs in Tuban Regency.

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