

# ENTREPRENEURSHIP TRAINING FOR MSMEs TO INCREASE INCOME

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resa@stikestelogorejo.ac.id ABSTRACT

## **KEYWORDS** entrepreneurship;

MSMEs; increased; income

Micro, small and medium enterprises (MSMEs) are an important sector in the Indonesian economy, because they can create jobs and improve income distribution. However, many MSMEs experience difficulties in gaining access to markets and developing their businesses due to a lack of skills and knowledge in the field of entrepreneurship. This study aims to determine the effectiveness of entrepreneurship training for MSMEs in increasing income. This study used qualitative research methods. Data collection techniques were carried out by interviews and literature studies. The results of the study show that entrepreneurship training for Micro, Small and Medium Enterprises (MSMEs) is effective in increasing income. In the study, MSMEs who attended entrepreneurship training showed a significant increase in their income compared to MSMEs who did not attend training. This is because entrepreneurship training equips business actors with the skills and knowledge needed to increase the efficiency and productivity of their businesses, as well as opens opportunities to expand networks and markets. In addition, entrepreneurship training also helps increase the confidence and motivation of business actors, so that they are better prepared and able to face challenges in developing their businesses. Therefore, entrepreneurship training can be one of the key factors in increasing MSME income and supporting economic growth at the local and national levels.

#### **INTRODUCTION**

Micro, Small and Medium Enterprises (MSMEs) are an important sector in the Indonesian economy because they play an important role in creating jobs and improving income distribution. MSMEs in Indonesia play a significant role in economic development, especially as economic resources that can support sustainable economic growth (Resalawati, 2011). MSMEs are also an important part of the Indonesian economy, contributing around 60% of total gross domestic product (GDP) (Kemenko, 2022), and creating around 97% of jobs in the non-agricultural sector (Indonesia., 2015).

Apart from that, MSMEs also have a strategic role in improving income distribution, especially in rural and suburban areas. MSMEs can help reduce the economic gap between urban and rural areas, and can improve the welfare of people in less developed areas (Syahza & Suarman, 2014). Thus, developing MSMEs can be an important strategy for reducing poverty and improving community welfare.

Even though MSMEs have great potential in supporting economic growth and creating jobs, many MSMEs in Indonesia experience difficulties in gaining access to markets and developing their businesses. One of the main causes is a lack of skills and knowledge in the field of entrepreneurship. Many MSME business actors do not have sufficient experience or knowledge in managing a business, such as financial management, marketing, and production

and inventory management. Apart from that, MSMEs often lack access to the information, technology and markets needed to develop their businesses (Purba et al., 2021).

As a result, MSMEs find it difficult to increase their productivity and business efficiency, and find it difficult to compete in an increasingly competitive market. To overcome this problem, the government and various related parties have attempted to provide training and assistance for MSME entrepreneurs in improving their skills and knowledge in the field of entrepreneurship (Febriyantoro et al., 2019). Apart from that, the government has also strengthened market infrastructure and increased access to technology and information to support the development of MSMEs (Zaelani, 2019). With adequate support, it is hoped that MSMEs can continue to grow and develop, so that they can provide greater benefits to the Indonesian economy.

Research by (Tirtayasa et al., 2021) shows that entrepreneurship training can improve the performance of MSMEs, including increasing income, improving product quality and increasing production efficiency. Other research conducted by (Mahpuz et al., 2021) shows that entrepreneurship training can help MSMEs improve management capabilities and technical skills, thereby increasing productivity and income. The large benefits obtained by MSMEs who carry out training have made researchers interested in conducting research with the title "Entrepreneurship Training for MSMEs to Increase Income".

#### **RESEARCH METHOD**

The process of data collection techniques in this research was carried out using two methods, namely literature study and interviews. Literature study is the process of collecting data from various literature sources, such as books, journals, articles and documents related to the research topic (Sari & Asmendri, 2020). In this case, literature study is used to obtain information about entrepreneurship and entrepreneurship training that is relevant to the research.

Meanwhile, interviews were conducted with respondents before and after the implementation of entrepreneurship training. Interviews are a method of collecting data directly from sources, with the aim of obtaining more detailed and in-depth information about the respondents' experiences, attitudes and perceptions regarding the research topic (Edi, 2016). In this research, interviews were conducted to obtain data about the knowledge, skills, experience and income of respondents in managing entrepreneurial businesses before and after attending training. The population of this research is MSME entrepreneurship training participants in Semarang City, while the sample was selected using random sampling. So a sample of 30 resource persons was obtained. Thus, data from interviews can be used to compare changes that occur in respondents after attending entrepreneurship training.

#### **RESULTS AND DISCUSSION**

SME development efforts generally aim to reduce poverty and social inequality in society, as well as create jobs and increase exports. In this framework, the development of SMEs is considered a national development priority, which will make a significant contribution to job creation, increased exports and competitiveness. Meanwhile, the development of microscale businesses is directed at increasing the income of low-income communities (Supriadin & Ikhsan, 2022). Entrepreneurship training is a training program that aims to help prospective entrepreneurs and MSME owners understand and develop the skills and knowledge needed to manage businesses effectively and efficiently (Dewi, 2017). Some types of entrepreneurship training that are commonly carried out include:

1) Business management training

This training aims to help entrepreneurs manage their business better, including financial management, production, marketing and human resources (Rapini et al., 2020).

2) Marketing training

This training aims to help entrepreneurs market their products or services more effectively, including in terms of online marketing, branding and other marketing strategies (Werdani et al., 2020).

3) Financial training

This training aims to help entrepreneurs understand the financial aspects of their business, such as bookkeeping, financial planning and business financing (Fauzi, 2020).

4) Social entrepreneurship training

This training aims to help entrepreneurs develop businesses that have positive social and environmental impacts, in addition to seeking financial profits (Rustya & Zaini, 2020).

Entrepreneurship training can be carried out through various programs, such as training from the government, non-governmental organizations, educational institutions, and online training. Good and integrated entrepreneurship training can help MSMEs improve their skills and knowledge, so they can develop their business better and contribute to the local economy (Sudaryanto & Wijayanti, 2013).

In the city of Semarang, there are several entrepreneurship training programs offered by various institutions, both government and private. In the context of entrepreneurship training in the city of Semarang, the types of training taught include product development, financial management, marketing and operational management. Training participants will be equipped with knowledge and skills in these matters, so that they can manage their businesses better and more effectively.

Research on entrepreneurship training in Semarang City shows that MSMEs who take part in entrepreneurship training experience a significant increase in their income. In this research, there were significant differences between MSMEs that took part in entrepreneurship training and those that did not take part in training. Business actors who take part in training have a greater increase in income compared to those who do not take part in training. The results of a survey of entrepreneurship training participants in Semarang City showed that as many as 70% of participants experienced an increase in business income after attending the training. The factors that caused the increase in income were:

1) Knowledge and skills

Entrepreneurship training provides the knowledge and skills necessary to develop a business. Trainees are given training on marketing strategies, financial management, product development and others, so they can improve the quality and efficiency of their business.

2) Networks and relationships

Entrepreneurship training also provides opportunities for participants to expand networks and business relationships. In training, participants can meet people who have experience and deeper knowledge about business, so they can expand business opportunities and increase their income.

Entrepreneurship training not only helps participants to improve skills and knowledge in managing a business, but also helps increase the self-confidence and motivation of business actors (Mustofa et al., 2022). This is because entrepreneurship training provides insight into the potential and opportunities in developing a business and provides strategies for facing challenges in business. By having sufficient knowledge and skills, as well as high self-confidence and motivation, business people will be better prepared to face difficult situations in developing their business. Therefore, entrepreneurship training is very important in helping business people increase their business potential and face business challenges.

Entrepreneurship training participants successfully implemented the knowledge and skills gained during the training in their micro, small and medium enterprises (MSMEs). It can be seen that the training participants carried out better product development, financial management, marketing and operational management. One proof of the effectiveness of this training is the increase in income for MSMEs owned by training participants. Many MSME entrepreneurs are able to expand their networks and markets after attending entrepreneurship training. They can improve marketing strategies, improve product and service quality, and improve financial management and business operations. So that many customers are interested and buy their products. Therefore, entrepreneurship training is very important for MSMEs because it equips business actors with the necessary skills and knowledge to improve the efficiency and productivity of their businesses, as well as open opportunities to expand networks and markets.

#### **CONCLUSION**

Entrepreneurship training for Micro, Small and Medium Enterprises (MSMEs) is effective in increasing income. MSMEs that take part in entrepreneurship training show a significant increase in their income compared to MSMEs that do not take part in training. Entrepreneurship training equips business actors with the skills and knowledge needed to increase the efficiency and productivity of their businesses, as well as opening up opportunities to expand networks and markets. Therefore, entrepreneurship training is an important step for MSMEs to improve and improve their business performance. In facing increasingly tight global competition, entrepreneurship training can help MSMEs to be better prepared and able to face existing business challenges.

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