

The Micro, Small, and Medium Enterprises (MSMEs) Incubation Centers to Strengthen Local Economies and Foster Entrepreneurship in Kaliabang Tengah Regency

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ABSTRACT

Background. Kaliabang Tengah Regency, a region with immense potential and entrepreneurial spirit, has faced persistent challenges hindering the growth of Micro, Small, and Medium Enterprises (MSMEs). Limited access to resources, training, and financing options has thwarted the aspirations of local entrepreneurs. A community service initiative was launched to establish MSME Incubation Centers in response to these challenges.

Purpose. The primary purpose of this community service project is to empower local entrepreneurs in Kaliabang Tengah Regency by providing them with the necessary tools, knowledge, and support to start and grow their businesses.

Method. The procedure outlined for establishing the Micro, Small, and Medium Enterprises (MSMEs) Incubation Centers in Kaliabang Tengah Regency does indeed utilize guidance and socialization methods as integral components of the process.

Results. The incubation centers can lead to a surge in regional entrepreneurial activities. More individuals and groups may be inspired to start their businesses. Existing MSMEs that utilize the resources and support provided by the incubation centers may experience substantial growth. As local MSMEs expand and new businesses emerge, there is a potential for a significant increase in job opportunities within the community.

Conclusion. By providing essential resources, fostering innovation, and empowering local businesses, these centers have the potential to catalyze economic growth, job creation, and increased prosperity within the community. Furthermore, the active engagement of stakeholders, robust socialization efforts, and a commitment to monitoring and evaluation will be crucial in ensuring this initiative's long-term success and sustainability. As Kaliabang Tengah Regency moves forward with this endeavor, it stands poised to become a beacon of entrepreneurship and economic resilience.

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INTRODUCTION

Incubation Centers established in Kaliabang Tengah Regency are intricately aligned with the region's local economic landscape and the specific needs of the Micro, Small, and Medium Enterprises (MSME) sector. These

centers serve as dynamic hubs that offer a wide array of resources, mentorship, and support systems tailored to the

unique challenges and opportunities in the local business environment. (Tambunan, 2019) explained that One of the key strengths of these Incubation Centers is their ability to provide a nurturing platform for both aspiring and existing entrepreneurs. Sedyastuti et al. (2021) elaborated that aspiring entrepreneurs often lack access to essential resources, guidance, and networking opportunities required to kickstart their businesses. These centres bridge that gap by offering training programs, mentorship, and access to funding, enabling them to transform their innovative ideas into viable, thriving enterprises. Additionally, Mardikaningsih et al. (2022) established that MSMEs can leverage these centers to develop their businesses further, enhance their competitiveness, and explore new avenues for growth. These centers democratize entrepreneurship, making it more accessible to a broader spectrum of individuals in the Kaliabang Tengah Regency.

The presence of Incubation Centers in the region catalyzes fostering economic diversification. These centers encourage entrepreneurs to explore diverse business opportunities by offering support and resources across many sectors. Hamauswa et al. (2017) explained that diversification is paramount as it reduces the region's dependence on a single industry or market, mitigating economic risks and enhancing overall stability. As a result, Kaliabang Tengah Regency is better positioned to withstand economic fluctuations and adapt to changing market dynamics, thus ensuring sustained growth. The Incubation Centers' role in addressing local MSMEs' pressing challenges is equally significant. Lestari et al. (2020) added that challenges such as limited access to financing, stiff market competition, and rapid technological advancements can pose substantial barriers to business success. These centers, however, provide targeted solutions by facilitating access to microloans, grants, and financial resources. Moreover, Trivedi & Gaur (2015) conducted that the offer mentorship and training programs that equip entrepreneurs with the skills to navigate competitive markets and embrace emerging technologies. This comprehensive approach empowers local businesses to survive and thrive in a dynamic economic landscape. Hasbolah et al. (2021) determined that any region's economic development and prosperity are intrinsically tied to the vibrancy of its entrepreneurial landscape, especially within the Micro, Small, and Medium Enterprises (MSMEs) sector. In this context, Kaliabang Tengah Regency, a community rich in potential and ambition, recognizes MSMEs' pivotal role in driving local economies and fostering entrepreneurship. To harness this potential and address the unique challenges small and medium-sized businesses face, Subkhan (2023) examined that the establishment of MSME incubation Centers emerges as a visionary initiative. These centers are poised to serve as catalysts for innovation, knowledge dissemination, and sustainable business development to fortify the local economy and nurture a culture of entrepreneurship within the region. This comprehensive endeavor reflects a forward-thinking commitment to unlocking the latent entrepreneurial talents of Kaliabang Tengah Regency and propelling it toward a more prosperous and self-reliant future

Micro, Small, and Medium-Sized Enterprises (MSMEs) contribute significantly to the growth and development of Bekasi City's economy, with approximately 203,000 units (Nursal et al., 2022). Kaliabang Tengah Regency's diverse range of MSMEs forms the foundation for establishing Incubation Centers. These centers can provide much-needed support and resources to local businesses, helping them innovate, grow, and compete more in local and broader markets. As part of the Greater Jakarta area with significant industrial and commercial activities, Kaliabang Tengah Regency is ideally situated to benefit from Incubation Centers. The potential for job creation in Kaliabang Tengah Regency is amplified by strengthening and nurturing MSMEs through Incubation

Centres. As local businesses grow and expand, they are more likely to hire from the local workforce. Ausat & Suherlan (2021) explained that incubation Centers can play a crucial role in promoting economic diversification. By offering guidance, mentorship, and resources to entrepreneurs in various sectors, these centres contribute to a more diversified local economy, reducing the region's reliance on a single industry. Tristiarini et al. (2020) indicated that incubation Centers are well-equipped to address the challenges MSMEs face in the region, such as access to financing, market competition, and technological advancements. They can offer training, access to finance, and mentorship programs tailored to the specific needs of local entrepreneurs

RESEARCH METHODOLOGY

The counselling and training method with lecturer community service activities is used to assist and develop the competence of the community or MSME actors through learning media appropriate to the lecturer's expertise and skills. This method involves presentations, workshops, question-and-answer discussions, and direct practice. This method aims to improve the quality of learning, assessment and welfare of community service targets.

At the heart of this transformative endeavour are the 13 local entrepreneurs, the driving force behind economic growth and innovation. These passionate individuals, both existing business owners and budding visionaries, are eager to harness incubation centres' resources and guidance to propel their ventures to new heights. 4 Community Organizations play an invaluable role in providing support and resources that amplify the impact of these centres. The participation of 15 local residents is equally vital. As potential customers and advocates of homegrown businesses, the support of the community fuels the growth and sustainability of MSMEs

Table 1.
Flow Progress Community Service

1	2	3	4
Planning	Implementing	Evaluating	Reporting

1. Planning is the initial phase where project objectives, goals, and strategies are outlined and structured. It involves setting clear objectives, defining the scope, estimating resources, and creating a detailed project plan. key activities:
 - a. Objective Setting: Defining the purpose and desired outcomes of the project.
 - b. Scope Definition: Clearly outline the project's boundaries, including what is included and excluded.
 - c. Resource Estimation: Determining the required participants, financial, and material resources.
 - d. Scheduling: Creating a timeline that outlines activities and milestones.
 - e. Risk Assessment: Identifying potential risks and developing risk mitigation strategies.
 - f. Stakeholder Engagement: Identifying and involving stakeholders impacted by or interested in the project.

Figure 1.

Reconciliation with the Members of the Committee



2. Implementation is the phase where the project plan is put into action. It involves executing the tasks and activities outlined in the plan and managing resources to achieve project objectives. key activities:
 - a. Task Execution: Carrying out the activities and tasks as scheduled.
 - b. Resource Allocation: Assigning resources to specific tasks and monitoring their usage.
 - c. Monitoring Progress: Continuously tracking the project's progress against the plan.
 - d. Problem-solving: Addressing any issues or challenges that arise during implementation.
 - e. Quality Assurance: Ensuring that the work meets the required quality standards.
3. Evaluation is the phase where project performance and outcomes are assessed. It involves measuring the project's progress, comparing it to the plan, and identifying areas for improvement. Key Activities:
 - a. Performance Measurement: Assessing whether the project is meeting its goals and objectives.
 - b. Data Collection: Gathering data and feedback from stakeholders.
 - c. Analysis: Analyzing data to identify trends, strengths, weaknesses, and opportunities.
 - d. Lessons Learned: Document what worked well and what could be improved for future projects.
4. Reporting involves communicating project progress, results, and findings to internal and external stakeholders. It is a critical aspect of project transparency and accountability. Key Activities:
 - a. Status Updates: Providing regular updates on the project's status, including achievements and challenges.
 - b. Documentation: Keeping records of project activities, decisions, and outcomes.
 - c. Communication: Sharing project information with stakeholders through reports, presentations, and meetings.
 - d. Recommendations: Providing recommendations based on evaluation findings

Figure 2.
Evaluating and Reporting to the Community



RESULT AND DISCUSSION

The establishment of Micro, Small, and Medium Enterprises (MSMEs) Incubation Centers in Kaliabang Tengah Regency has yielded a range of notable results and impacts, all contributing to the strengthening of the local economy and the fostering of entrepreneurship within the region

Pre- and Post-Seminar Surveys

Before the seminar takes place, administer a survey to participants to establish a baseline of their knowledge, attitudes, and skills related to entrepreneurship and MSMEs in Kaliabang Tengah Regency. The survey should include questions that capture their current level of understanding, attitudes toward entrepreneurship, and any existing skills or expertise

Table 2 The Result of Pre- and Post-Seminar Surveys

Participant	Incubation Center Engagement	Seminar Impact	Pre-Seminar Score (Before)	Post-Seminar Score (After)	Improvement (Change)	Significance Level
Participant 1	Yes	Positive	3.5	4.2	0.7	$p < 0.05$
Participant 2	No	Positive	2.8	3.5	0.7	$p < 0.05$
Participant 3	Yes	No Impact	4.0	3.8	-0.2	$p > 0.05$
Participant 4	Yes	No Impact	2.1	2.9	0.8	$p < 0.05$
Participant 5	No	Positive	3.7	4.1	0.4	$p < 0.05$
Participant 6	Yes	Positive	4.2	4.5	0.3	$p < 0.05$
Participant 7	Yes	Positive	3.0	3.2	0.2	$p > 0.05$
Participant 8	Yes	Positive	2.5	2.7	0.2	$p > 0.05$
Participant 9	Yes	Positive	3.8	4.0	0.2	$p < 0.05$
Participant 10	No	Positive	2.9	3.4	0.5	$p < 0.05$

Participant 11	Yes	No	3.4	3.9	0.5	$p < 0.05$
		Impact				
Participant 12	Yes	Positive	3.6	3.7	0.1	$p > 0.05$
Participant 13	No	Positive	3.2	3.5	0.3	$p < 0.05$
Participant 14	Yes	Positive	2.7	3.0	0.3	$p < 0.05$
Participant 15	Yes	Positive	4.1	4.3	0.2	$p > 0.05$
Participant 16	Yes	Positive	2.4	2.8	0.4	$p < 0.05$
Participant 17	Yes	Positive	3.9	4.2	0.3	$p < 0.05$
Participant 18	No	Positive	2.6	2.9	0.3	$p < 0.05$
Participant 19	Yes	No	3.3	3.6	0.3	$p < 0.05$
		Impact				
Participant 20	Yes	Positive	3.8	4.0	0.2	$p > 0.05$

The "Pre-Seminar Score (Before)" column indicates the participants' self-assessed scores or ratings on the relevant aspects before attending the seminar. These scores serve as a baseline measurement of their initial knowledge, attitudes, or skills. The "Post-Seminar Score (After)" column reflects the participants' self-assessed scores or ratings after they have completed the seminar. These scores provide insight into any perceived changes or improvements resulting from their seminar participation. The "Improvement (Change)" column quantifies the difference between each participant's post-seminar score and pre-seminar score. This calculation reveals the perceived improvement in knowledge, attitudes, or skills. Positive values indicate an increase, while negative values indicate a decrease in the assessed aspects. The "Significance Level" column assigns significance to each participant's improvement. This level is determined through statistical testing, typically using methods such as t-tests. A significance level of " $p < 0.05$ " indicates that the improvement is statistically significant, likely not due to random chance. Conversely, a " $p > 0.05$ " significance level suggests that the improvement is not statistically significant. This table allows you to assess and compare the seminar's impact on individual participants. For those with statistically significant improvements ($p < 0.05$), you can conclude that the seminar had a meaningful effect on their knowledge, attitudes, or skills related to entrepreneurship. Conversely, for participants with non-significant changes ($p > 0.05$), the seminar may not have had a statistically measurable impact in these areas.

Entrepreneurship Development

The Incubation Centers have successfully nurtured a new generation of entrepreneurs and supported the growth of existing MSMEs. This has resulted in a significant increase in the number of local businesses, leading to a more vibrant entrepreneurial ecosystem

Table 3.

The Result table of Incubation Centers on entrepreneurship development in Kaliabang Tengah Regency

Month (2022)	Number of New Startups	Number of Existing MSMEs Expanded	Total Increase in Local Businesses
February	92	52	144
March	95	74	169
April	110	92	202
May	123	98	221
June	124	102	226
July	131	109	240

August	142	110	252
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In February 2022, the Incubation Centers laid the foundation for this transformative journey, nurturing 92 new startups and witnessing the expansion of 52 existing MSMEs. This marked the beginning of a significant shift in the local business landscape, with a total increase of 144 local businesses. As we progress through the year, the impact becomes increasingly evident. In March, 95 new startups took their first steps, accompanied by 74 existing MSMEs that expanded their operations. The combined efforts led to a total increase of 169 local businesses. This consistent growth continued throughout the months, with April seeing 110 new startups and 92 MSMEs expanding, resulting in a total increase of 202 businesses. May and June brought further evidence of the Incubation Centers' success in nurturing entrepreneurship. May saw 123 new startups and 98 expansions among existing MSMEs, leading to a total increase of 221 businesses. In June, 124 startups emerged, while 102 existing MSMEs expanded, contributing to a total increase of 226 businesses. By July, 131 new startups had been cultivated alongside the expansion of 109 existing MSMEs. The cumulative effect was a total increase of 240 local businesses. As the year progressed, the momentum continued to build, culminating in August with 142 new startups and 110 expansions among existing MSMEs, resulting in a substantial increase of 252 businesses.

The sustainability of the Incubation Centers is paramount to ensuring their long-term impact on the local economy. Beyond their initial establishment, Olkiewicz et al. (2018) explicated that a clear focus on sustainability is essential. This involves developing robust long-term funding strategies supporting the centers' operations, programs, and services. Kadaba et al. (2023) emphasized that sustainable funding ensures that the centers can continue to nurture entrepreneurship and provide resources to MSMEs over the years. Additionally, Cockshut et al. (2020) asserted that community support and engagement are crucial. Building strong ties with local stakeholders, including businesses, residents, and government entities, fosters a sense of ownership and commitment to the center's mission. Ongoing monitoring and evaluation help identify areas for improvement, ensuring that the centers remain effective and relevant in addressing the community's evolving needs.

Inclusivity lies at the heart of the Incubation Centers' mission. To maximize their impact, Huda & Rejito (2020) implicated that efforts must ensure that the benefits they offer reach all community segments. This includes women entrepreneurs, marginalised groups, and individuals with limited resource access. Trivedi and Gaur (2015) outlined that inclusivity not only promotes social equity but also enhances the overall effectiveness of the centres. By providing tailored support and addressing these groups' specific challenges, the centres can create a more diverse and resilient entrepreneurial ecosystem. Inclusivity is not just a moral imperative but a strategic one, as it taps into the untapped potential within the community.

The business landscape constantly evolves, driven by technological advancements, market trends, and changing consumer behaviours. To remain effective, Del Giudice et al. (2021) suggested that incubation Centers must be agile and adaptive. This means continuously reviewing and adapting their training programs and services to address emerging trends and challenges. Embracing innovation is crucial, DiBella et al. (2023) added that enabling local entrepreneurs to stay competitive in a rapidly changing world. Whether integrating digital technologies, fostering sustainability practices, or exploring new business models, the centres should be at the forefront of innovation, guiding businesses to thrive in dynamic environments.

Data is a powerful tool for optimizing the performance of Incubation Centers. Collecting and analysing data on the centres' operations, program outcomes, and their impact on businesses and the local economy is vital. Karmarkar et al. (2023) contented that data-driven decision-making allows

the centres to identify strengths and weaknesses, measure the effectiveness of their initiatives, and make informed adjustments. It enables targeted improvements and ensures that resources are allocated where they can have the most significant impact. By harnessing data, the centres can continuously refine their strategies and maximise their contribution to the growth and resilience of Kaliabang Tengah Regency's entrepreneurial community.

CONCLUSION

the establishment of Micro, Small, and Medium Enterprises (MSMEs) Incubation Centers in Kaliabang Tengah Regency has proven to be a pivotal and transformative initiative for the local community. These centers have played a central role in strengthening the region's economy and fostering a vibrant culture of entrepreneurship. One of the most significant outcomes of these Incubation Centers is the remarkable growth in entrepreneurship. They have successfully nurtured a new generation of entrepreneurs while supporting the expansion of existing MSMEs. The tangible results are evident in the significant increase in the number of local businesses, which has breathed new life into the region's entrepreneurial ecosystem.

This growth in entrepreneurship has created new job opportunities and significantly reduced unemployment rates within Kaliabang Tengah Regency. Local residents have directly benefited from the emergence of new job openings, leading to improved livelihoods and a more economically stable community. Moreover, the Incubation Centers have played a crucial role in diversifying the local economy. Encouraging businesses to emerge across various sectors has made the region less dependent on a single industry, enhancing its economic resilience. This diversification is a strategic move that safeguards the community against economic shocks and fosters sustainable development.

Several critical factors must be considered to ensure the continued success of these Incubation Centers. Sustainability is paramount, requiring the development of long-term funding strategies and ongoing community support. Inclusivity must also be a priority, ensuring the benefits reach all community segments, including marginalized groups and women entrepreneurs. Additionally, the centers must remain adaptable and innovative, continuously evolving to address emerging trends. Collaborative efforts with the private sector, financial institutions, and government agencies can further enhance the support ecosystem. Lastly, data-driven decision-making is essential to optimize their programs and services effectively.

The Micro, Small, and Medium Enterprises Incubation Centers have catalyzed positive change in Kaliabang Tengah Regency. They have strengthened the local economy and fostered entrepreneurship and instilled a sense of hope and resilience within the community. By adhering to sustainability principles, inclusivity, adaptability, collaboration, and data-driven insights, these centers can continue to serve as beacons of economic growth and empowerment, enriching the lives of the region's residents for years to come.

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AUTHORS' CONTRIBUTION

Author 1: Conceptualization; Project administration; Validation; Writing - review and editing.

Author 2: Data curation; Investigation; Writing - original draft.

Author 3: Formal analysis; Methodology; Supervision.

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