



OPTIMIZING MICRO-ENTERPRISE MANAGEMENT IN THE CANDI COMMUNITY TO IMPROVE WELL-BEING AND BUSINESS SUSTAINABILITY

¹Kuat Waluyo Jati, ²Richatul Jannah, ³Fitrarena Widhi Rizkyana, ⁴Meilani Intan Pratiwi, ⁵Tiara Saharani Fatimah

^{1,2,3,4,5} Faculty of Economics and Business, Universitas Negeri Semarang

¹kuatwaluyojati.unnes@mail.unnes.ac.id, ²richatuljannah@mail.unnes.ac.id, ³fitrarenarizkyana@mail.unnes.ac.id,

⁴intanmeilani05@mail.unnes.ac.id, ⁵stiaraf1456@students.unnes.ac.id

ARTICLE INFO

Article History:

Received Sep 18, 2025

Accepted Dec 6, 2025

Available Dec 10, 2025

Keywords:

Business Legality;
Community Service Program;
Financial Management;
Managerial Capabilities;
Product Branding;
UMi (Ultra-micro enterprises)

ABSTRAK

Usaha mikro ultra (UMi) di Kelurahan Candi menghadapi tantangan mendasar yang menghambat pertumbuhan bisnis mereka, termasuk kesulitan dalam menentukan harga pokok penjualan (HPP) yang akurat, manajemen keuangan yang lemah, kurangnya kesadaran akan pentingnya product branding, dan kepemilikan legalitas usaha yang terbatas. Program pengabdian masyarakat ini bertujuan untuk meningkatkan kemampuan manajerial pemilik usaha melalui pelatihan interaktif, pendampingan langsung, dan evaluasi berkelanjutan. Metode implementasi meliputi ceramah, diskusi, sesi tanya jawab, simulasi, dan pendampingan, yang dilaksanakan dalam tiga tahap: analisis kebutuhan, pelaksanaan pelatihan (HPP dan manajemen keuangan, personal branding, dan legalitas bisnis), serta evaluasi dan pendampingan tindak lanjut. Hasilnya menunjukkan peningkatan kemampuan peserta dalam menghitung HPP dengan mempertimbangkan seluruh biaya produksi, yang tercermin dari kenaikan pemahaman sebesar 20.6% berdasarkan pre-post test, serta penerapan manajemen keuangan sederhana melalui praktik pemisahan keuangan bisnis dan pribadi yang mulai diterapkan dari 35 peserta. Peserta juga dapat membangun identitas merek yang lebih profesional dengan mengembangkan logo, slogan, kemasan, dan strategi media sosial yang konsisten. Selain itu, ada peningkatan kesadaran akan pentingnya legalitas bisnis sebagai pintu gerbang menuju pembiayaan dan peluang pasar yang lebih luas. Program ini telah memberikan dampak positif pada profesionalisme, daya saing, dan keberlanjutan bisnis peserta, serta berpotensi menjadi model untuk memberdayakan komunitas bisnis sejenis.

ABSTRACT

Ultra-micro enterprises (UMi) in Candi Sub District face fundamental challenges that hinder their business growth, including difficulties in determining an accurate cost of goods sold (COGS), weak financial management, low awareness of the importance of product branding, and limited business legality ownership. This community service program aimed to enhance the managerial capabilities of business owners through interactive training, direct mentoring, and continuous evaluation. The implementation methods included lectures, discussions, QnA sessions, simulations, and mentoring, carried out in three stages: needs analysis, training implementation (COGS and financial management, personal branding, and business legality), and follow-up evaluation and mentoring. The results show an increase in participants' ability to calculate COGS by considering all production costs, which is reflected in a 20.6% increase in understanding based on the pre-post test, as well as the application of simple financial management through the practice of separating business and personal finances which has begun to be implemented by 35 participants. Participants were also able to build a more professional brand identity by developing logos, taglines, packaging, and consistent social media strategies. Additionally, there was an increased awareness of the importance of business legality as a gateway to financing and broader market opportunities. This program has had a positive impact on participants' professionalism, competitiveness, and business sustainability, and it has the potential to serve as a model for empowering similar business communities.

Address: L Building, Campus Sekaran, Gunungpati, Semarang,
Indonesia, 50229

Correspondent Address:

Fakultas Ekonomika dan Bisnis, Universitas Negeri Semarang

Email : kuatwaluyojati.unnes@mail.unnes.ac.id

INTRODUCTION

Micro, small, and medium enterprises (MSMEs), including ultra-micro businesses (UMi), are important in driving local and national economic growth. As of the end of December 2024, SMEs accounted for 99% of all registered business units (Indonesia, 2024). This sector also contributes approximately 61% to the Gross Domestic Product (GDP) and absorbs the majority of the domestic workforce. However, managerial and financial challenges often pose significant obstacles to managing these small-scale businesses. In fact, if implemented, both are very beneficial for the development of MSMEs (Hidayah et al., 2024). One of the frequent problems encountered is the lack of understanding regarding the calculation of the cost of goods sold (COGS) and financial record-keeping, which is still simple or not even done at all (Marini et al., 2024; Widiatmoko et al., 2020). This lack of mastery of this aspect has a direct impact on business sustainability, as determining the appropriate selling price for products and accurately evaluating financial conditions are key elements in maintaining competitiveness and business efficiency (Condro Widodo et al., 2024; Regita Kalia et al., 2024). This situation further emphasizes the importance of empowering ultra-micro business actors through needs-based training and mentoring (Yusuf et al., 2024). This was experienced by ultra-micro business (UMi) owners who are members of the Special Business Forum (FOKUS) in Candi Village, Semarang City.

Ultra-micro business actors (UMi) in Candi Village face several challenges in managing and developing their businesses, which impact the sustainability and well-being of these business actors. Most business owners in FOKUS (Special

Forum for Community Businesses) Candi have a limited understanding of accurately determining the cost of goods sold (COGS). This leads to a mismatch between the product's selling price and production costs, resulting in suboptimal profit margins. Additionally, business financial records are kept manually or not at all, making it difficult for business owners to evaluate their financial condition accurately.

On the other hand, a strong business identity through personal branding has not yet been a primary focus for UMi entrepreneurs. Most entrepreneurs do not yet have branding elements that can strengthen the appeal of their products or services in the market, such as a logo, tagline, or consistent image. This condition makes it difficult for their businesses to compete in an increasingly competitive market, especially with the growing use of digital platforms in marketing (Luthfiah Nur Fatikha & Mohamad Maftuh Fauzi, 2024; Octaviani et al., 2024). Weak product branding also makes their businesses less well-known and lacking a prominent differentiator than other businesses (Syarif et al., 2023).

The legal aspects of the business also need to be addressed as an important issue. Most businesses in FOKUS (Forum Khusus Usaha Masyarakat) Candi do not have the proper legal documentation, such as NIB, PIRT, Halal certification, or other business permits. Lack of knowledge about the importance of business legality and the process of managing it is a significant obstacle (Astuti et al., 2025). As a result, business actors are unable to access various opportunities such as financing from formal financial institutions, government assistance programs, or strategic partnerships that could support the development of UMi businesses

(Muhammad Ridwan et al., 2024; Purborini & Harsanty, 2024).

This community service program clearly differs from similar activities because it uses a Participatory Action Research (PAR) approach. This approach actively involves UMi stakeholders from problem identification through action planning, training implementation, and reflection. This method differs from most previous community service programs, which only provide one-time training without follow-up mentoring. The program also provides intensive mentoring for three months so that participants can consistently apply COGS calculations, branding strategies, and legal procedures. This approach results in changes in managerial behavior, not just increased knowledge.

This program also addresses gaps identified in previous research that has not employed participatory methods and emphasized the sustainability of interventions. This program analyzes needs directly with business stakeholders to ensure that solutions are relevant and appropriate to field conditions. The team provides structured mentoring that allows participants to implement the material gradually. Pre- and post-program evaluations demonstrate improvements in participants' abilities in three managerial aspects, demonstrating a more measurable impact than conventional outreach approaches.

The selection of Candi Village and FOKUS was based on a strong social urgency. This region has many UMi (Micro, Small, and Medium Enterprises) who rely on home-based businesses for their family income, but face fundamental barriers in pricing, financial record-keeping, branding, and legality. FOKUS members also have the commitment and organizational structure to

enable a more effective empowerment process. These conditions make Candi an ideal location for targeted managerial intervention. This program not only increases business capacity but also has the potential to strengthen the economic sustainability of families and communities.

Through this service activity, these problems can be addressed gradually. Strengthening basic understanding of COGS and simple financial management will help owners run their businesses more efficiently and professionally. Introducing product branding will increase the competitiveness of their businesses in the market, while introducing the importance of business legality will open access to broader business development opportunities. The analysis of this situation serves as the primary basis for designing a business management strengthening program to improve the welfare and sustainability of ultra-micro businesses in Candi Village.

METHOD

This community service activity held on July 5, 2025, at Candi Village, Candi District, Semarang City, Central Java, located at Jl. Jomblang Perbalan, Selatan, Candi, is approximately 11.1 km from the activity venue. This program collaborates with key partners, namely ultra-micro business actors (UMi) who are part of the Special Forum for Community Businesses (FOKUS). Thirty-five microbusiness actors, primarily from the culinary, craft, and service sectors, participated in this activity. In this activity, the community explored important aspects of business sustainability more broadly and optimized their business management, particularly those related to the financial sectors.

The material provided focuses on the fundamental aspects of business sustainability, such as calculating the cost of goods sold, product marketing strategies to gain wider public recognition, and information on business legality, which allows them to compete in a broader market because they already have the necessary permits. In its implementation, this activity uses the Participatory Action Research (PAR) approach, which emphasizes the active involvement of the target community in every stage of the activity. This method was chosen for its ability to foster close collaboration between the implementing team and partners, ensuring that the resulting solutions are relevant to real-world needs in the field. The implementation stages of this service activity are reflected in Figure 1.

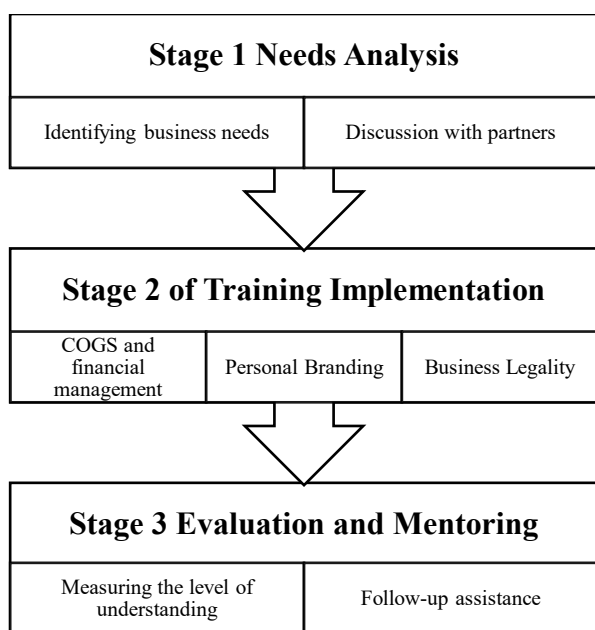


Figure 1. Step of service activities

The implementation step is divided into three main stages:

1. Needs and Problem Identification Stage

The team conducted an initial survey through interviews and observations of micro, small, and medium enterprises (UMi) in the Candi area to identify key issues in business

management. The data obtained was then analyzed to determine the focus of interventions. At this stage, the micro, small, and medium enterprises (UMi) were actively involved in the problem identification and prioritization of needs, ensuring they were not merely subjects of study but also partners in formulating action plans. This approach aligns with the planning principles of Participatory Action Research, which emphasizes collaboration between community members and the community to generate relevant and contextual solutions.

2. Training Implementation Phase

The main activities include business management training, digital marketing workshops, simple financial record-keeping simulations, and guidance on using financial applications. Implementation was carried out in stages over three months so that participants could apply the material continuously.

3. Evaluation and Reflection Stage

After all activities are completed, the team evaluates using questionnaires and group discussions to measure changes in participants' knowledge, skills, and attitudes. The evaluation results are used as the basis for improving the program and preparing the final activity report.

RESULTS AND DISCUSSION

The strategy for strengthening ultra-micro businesses (UMi) that are members of the Special Forum for Community Businesses (FOKUS) in Candi Village, Semarang City, based on Table 1, training activities were conducted in three main

sessions focusing on managerial aspects, namely increasing business managerial capacity through improved understanding of cost of goods sold (COGS) calculation, strengthening personal branding, and education on the importance of business legality.

This program aims to help business owners determine more competitive selling prices, build a

Table 1. Training Implementation Methods

No	Aspect	Method	Number of Participants
1	Cost of Goods Sold (COGS) Calculation and Financial Management	Lecture, simulation, discussion	35
2	Product Branding for Business Image Enhancement	Lecture, case study, practical application	35
3	The Importance of Business Legalities	Lecture, Q&A, administrative assistance	35

Strengthening the Capacity of Cost of Goods Sold Calculation and Financial Management

The earliest stage is training on production cost calculation and its application in business products. Before the training, most business owners set selling prices based on estimates or followed market prices without detailed cost calculations. After training and mentoring, participants are starting to be able to calculate the cost of goods sold (COGS) by considering all production costs. They also implemented the results of this calculation into the product, while the service team checked to ensure its accuracy. Regarding financial management, the service team provided a simple understanding of the importance of managing business finances separately from personal finances. This separation helps business owners control cash flow, monitor performance,

strong business image, and obtain clear information regarding the formal legal requirements needed to expand business development access. Thus, UMi entrepreneurs at the Candi FOKUS can increase business efficiency while strengthening their local, national, and global competitiveness.

and plan business development more accurately. Figure 2 shows the activity of delivering the material presented by the presenter. The participants were also active in implementing the material in calculating COGS for their business.



Figure 2. Implementation of activities

Branding and Business Identity Development

The next step was for the service team to assist the participants in creating logos, taglines, and product packaging that reflected the business's character and aligned with the target market. This training teaches the philosophy behind visual elements so that participants can build a consistent business image. The service team also introduced strategies for utilizing social media to upload engaging, consistent content that aligns with the brand message. Branding mentorship encourages participants to adopt new packaging designs, high-quality product photos, and consistent color and typography choices. This step increases product appeal and builds consumer trust. A more professional brand identity provides business owners with opportunities to expand their offline

and online market. This effort strengthens the foundation of UMi businesses, ensuring greater business sustainability.

Increasing Awareness and Business Legality Initiatives

The last step is to improve business owners' knowledge of business legality. Although some business owners have obtained PIRT, the majority still do not. The increase in legal ownership initiatives, obtained from direct discussions with UMi (FOKUS) business owners in Candi, shows that they are beginning to understand the benefits of legal ownership in accessing financing and participating in official exhibitions. This process takes time because it involves bureaucracy and the cost of processing.

Program Evaluation and Impact on Business Sustainability

Table 2. Program Evaluation

No	Aspect	Average Pretest Score	Average Posttest Score
1	Cost of Goods Sold (COGS) Calculation and Financial Management	74	86
2	Product Branding for Business Image Enhancement	65	80
3	The Importance of Business Legalities	60	74
Average		66.34	80
Increasing participant understanding			20.6%

Regarding the calculation of Cost of Goods Sold (COGS) and financial management, pre-training conditions indicated that participants had a weak basic understanding. Most UMi operators were unable to calculate COGS accurately and lacked a grasp of simple financial management.

After attending the training and mentoring sessions, participants demonstrated significant improvements in their skills. They correctly understood the COGS concept and were able to apply it to calculate production costs, thereby determining product selling prices more

accurately. Furthermore, participants began to apply basic financial management principles, including separating personal and business finances.

Regarding branding and strengthening business identity, initial conditions indicated that most participants lacked a clear brand identity. Their products lacked attractive and consistent branding elements, such as logos, taglines, or visual displays that could enhance market appeal. After the program, participants began to understand how to create brand identity elements that align with their business characteristics and market needs. They were able to design more attractive logos, slogans, and product images, thereby supporting increased professionalism and business competitiveness.

Regarding business legality, prior to the training, most participants had not yet processed the legal documents crucial for business sustainability, such as the Business Identification Number (BIN), PIRT (Perusahaan Identification Number), or halal certification. A lack of knowledge about the benefits and procedures for document processing made them reluctant or led them to feel that they did not need to complete them. However, after attending the educational session, participants began to understand the importance of business legality as a requirement for expanding market access, obtaining formal financing, and participating in various business development programs. Awareness and initiative in managing legality increased, and participants demonstrated a commitment to completing the required documents.

Overall, the community service activity titled "Optimizing Micro-Enterprise Management In The Candi Community to Improve Well-Being

and Business Sustainability" was carried out according to plan. Based on the results presented in Table 2, the UMi business strengthening activities in Candi Village have a positive and significant impact on improving participants' managerial skills in three main aspects: finance, marketing, and legality. This event increased understanding, and these initiatives demonstrate that the interventions implemented successfully enhanced the capacity of business owners and strengthened their business foundations, ultimately leading to potential improvements in well-being and business sustainability.

Field findings on financial management also align with behavioural financial theory, which explains that business owners' financial decisions are influenced by their level of financial literacy, habits, and perceptions of financial risks and rewards (Lusardi & Mitchell, 2014). Pre-training conditions indicated that microfinance (UMi) entrepreneurs tended to rely on intuition in determining selling prices and mixed personal and business finances, reflecting heuristic bias and a lack of financial literacy as explained in behavioural financial theory. After the intervention, changes in financial behaviour began to be observed through the implementation of simple financial record-keeping and cash flow separation. These findings support previous research suggesting that participatory training can reduce behavioural bias and help entrepreneurs make more rational financial decisions, thereby improving business efficiency and sustainability. Thus, the increased capabilities of participants reflect not only technical understanding but also changes in financial behaviour, which are an important foundation for microbusiness management (Dahmen & Rodríguez, 2014).

CONCLUSION

The community service activity in Candi Village, Semarang City, aims to strengthen the managerial capacity of ultra-micro businesses (UMi) that are members of the Special Forum for Community Businesses (FOKUS). Through the Participatory Action Research (PAR) approach, this program focuses on three main aspects: financial management, brand strengthening, and business legality.

This activity successfully increased the participants' understanding and initiative. Training on the cost of goods sold (COGS) and financial management helps business owners set more accurate selling prices and manage their business finances professionally. In terms of marketing, product branding mentorship encourages participants to create a stronger visual identity, such as logos and packaging, which can enhance competitiveness in the market, including through digital platforms. Finally, education about business legality successfully increased awareness of the importance of having formal permits, which opened access to wider funding and partnership opportunities.

To ensure the sustainability of the program's impact, the community service team has planned several sustainable steps to ensure the program's impact continues to grow. First, regular follow-up mentoring will be provided, particularly regarding the implementation of financial recording and calculating COGS (Cost of Goods Sold), to ensure that UMi actors can consistently implement these practices. Second, the team will assist FOKUS in establishing a stronger brand identity through a design clinic and digital marketing support. Third, coordination with the sub-district government and related agencies will

be strengthened to facilitate the acceleration of business legality processing, including NIB registration and relevant certifications. With this follow-up plan, community service activities are expected to extend beyond training alone, continuing to encourage sustainable business capacity building.

REFERENCES

- Astuti, T. P., Wulandari, R., & Hidayati, N. (2025). Community Empowerment Through Assistance in The Creation of Business Identification Numbers in Laweyan Village. *Indonesian Journal of Devotion and Empowerment*, 6(2), 97–104. <https://doi.org/10.15294/amsx5d05>
- Condro Widodo, Aliya Murthi Arifah, Anggi Krisnawati, Lila Amelia Safitri, Wanda Ayu Oktavia, & Yuanita Belva Chatlina. (2024). Sosialisasi Perhitungan Harga Pokok Penjualan Bagi UMKM Kelurahan Kalijudan. *Panggung Kebajikan: Jurnal Pengabdian Sosial*, 1(3), 27–39. <https://doi.org/10.62951/panggungkebaikann.v1i3.369>
- Dahmen, P., & Rodríguez, E. (2014). Financial Literacy and the Success of Small Businesses: An Observation from a Small Business Development Center. *Numeracy*, 7(1). <https://doi.org/10.5038/1936-4660.7.1.3>
- Hidayah, R., Suryarini, T., Suryandari, D., Kayati, I. N., & Islamiatun, M. B. (2024). The Implementation Of Discretionary Fixed Costs For Textile Waste Craftsman. *Indonesian Journal of Devotion and*

- Empowerment*, 6(1), 1–8. <https://doi.org/10.15294/hv0m7846>
- Indonesia, K. (2024). *UMKM Indonesia*. <https://kadin.id/data-dan-statistik/umkm-indonesia/>
- Lusardi, A., & Mitchell, O. S. (2014). The Economic Importance of Financial Literacy: Theory and Evidence. *Journal of Economic Literature*, 52(1), 5–44. <https://doi.org/10.1257/jel.52.1.5>
- Luthfiah Nur Fatikha, & Mohamad Maftuh Fauzi. (2024). Penerapan Strategi Digital Marketing Melalui Platform Media Sosial Facebook Ads. *SANTRI: Jurnal Ekonomi Dan Keuangan Islam*, 2(4), 198–206. <https://doi.org/10.61132/santri.v2i4.819>
- Marini, M., Yusmaniarti, Y., Bahrin, K., & Ratnawili, R. (2024). Peningkatan Kapasitas Bisnis Melalui Pelatihan Perhitungan Harga Pokok Produksi Untuk Menentukan Harga Jual Yang Tepat Dan Strategi Pemasaran Usaha Makanan Tradisional Cucur Pandan. *Jurnal Pengabdian Kolaborasi Dan Inovasi IPTEKS*, 2(3), 905–913. <https://doi.org/10.59407/jpki2.v2i3.757>
- Muhammad Ridwan, Tristan Rokhmawan, Homsah Homsah, Rani Sugiyanti, & Izza Afkarina. (2024). Pendampingan Legalitas Usaha NIB (Nomor Izin Berusaha) dan Sertifikat Halal Bagi Pelaku UMKM di Kelurahan Gentong. *Karya Nyata: Jurnal Pengabdian Kepada Masyarakat*, 1(3), 92–113. <https://doi.org/10.62951/karyanyata.v1i3.561>
- Octaviani, C. C., Pradanti, A. P., Salsabila, M. T., Cahyaningrum, Z. R., Febrianto, R., & Febrianita, R. (2024). Sosialisasi Digital Marketing dan Branding Produk sebagai Pemberdayaan UMKM Era Digital di Desa Gondek. *Media Pengabdian Kepada Masyarakat (MPKM)*, 3(1), 2962–8164.
- Purborini, V. S., & Harsanty, T. D. (2024). Sosialisasi Pentingnya Legalitas Umkm Dalam Berwirausaha Di Kabupaten Sukoharjo. *Communnity Development Journal*, 5(4), 6627–6634.
- Regita Kalia, N. A., Hadawiah, H., & Amir, I. F. (2024). Strategi Komunikasi Pemasaran Digital Dalam Meningkatkan Brand Loyalty Pada Perusahaan Benelli Makassar. *Respon Jurnal Ilmiah Mahasiswa Ilmu Komunikasi*, 5(2), 1–10. <https://doi.org/10.33096/respon.v5i2.198>
- Syarif, A., Arip, G., Dhafa, D. A., Rahman, Y., Azizah, A. N., Zuraida, A., Muhammad, N. Z., & Aprilliani, N. K. (2023). Peningkatan Potensi Desa Dengan Personal Branding Produk. *Jurnal Pengabdian Kepada Masyarakat (JPKM) TABIKPUN*, 4(1), 29–38. <https://doi.org/10.23960/jpkmt.v4i1.108>
- Widiatmoko, J., Indarti, M. G. K., Puspitasari, E., & Hadi, S. S. (2020). Pendampingan Penyusunan Harga Pokok Produksi bagi Pelaku UMKM di Kota Semarang. *Jurnal PkM Pengabdian Kepada Masyarakat*, 3(2), 206. <https://doi.org/10.30998/jurnalpkm.v3i2.6324>

Yusuf, N., Niswatin, N., & Hulopi, T. U. K.
(2024). Penguatan Edukasi Akuntansi bagi
Pelaku Usaha Mikro di Desa Sipayo.
*PengabdianMu: Jurnal Ilmiah Pengabdian
Kepada Masyarakat*, 9(4), 676–681.
[https://doi.org/10.33084/pengabdianmu.v9
i4.7059](https://doi.org/10.33084/pengabdianmu.v9i4.7059)