

The Influence of Empowerment on the Entrepreneurial Ability of Micro Enterprises in Surabaya City

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ABSTRACT

The ability of micro enterprises to grow and adapt is important in advancing the national economy. Therefore, supporting the empowerment of micro enterprises by the government is a strategic step that needs to be taken. The Surabaya City Government supports the empowerment of micro enterprises by stipulating Surabaya City Regional Regulation No. 1 of 2021. The Culinary Tourism Center (SWK) is an empowerment facility spread across 51 locations in Surabaya City and has accommodated 1,217 micro enterprises. However, in its development, micro enterprises face the problem of SWK conditions that are empty of visitors and limited understanding of digital marketing. Therefore, the purpose of this study was to examine the influence of micro enterprise empowerment on the ability of micro enterprises in the Culinary Tourism Centers of Surabaya City. This study uses an associative quantitative method to measure the extent to which micro enterprise empowerment (X) affects micro enterprise abilities (Y). The sample included 100 micro enterprises from 51 SWK, chosen through simple random sampling. The data analysis technique used regression analysis with SPSS version 30. The research findings show that variable X significantly and positively affects variable Y, evidenced by a significance level below 0.001 ($p < 0.05$) and a t-value of 10.332, which exceeds the critical t-value of 1.66055. Additionally, the coefficient of determination (R^2) is 0.521, showing a strong relationship between the two variables. Despite the positive results, the Surabaya City Government still needs to design and implement a strategic empowerment concept with clear Standard Operating Procedures.

Keywords: Ability; Empowerment; Micro Enterprise

INTRODUCTION

Micro, small, and medium enterprises (MSMEs) help grow the Indonesian economy. MSMEs can serve as economic drivers, directly involving the community as both enterprise actors and consumers. To promote the sustainability of micro, small, and medium enterprises, the government has the responsibility to plan and enforce relevant policies. Accordingly, it established Law Number 20 of 2008 on MSMEs, which states that their purpose is "to grow and develop their businesses in order to build the national economy".

The existence of MSMEs involves the active participation of various stakeholders in their development. They also provide employment opportunities for the wider community through their local business activities. MSMEs are expected to minimize unemployment and poverty by absorbing labor through their business activities. According to data from Indonesia's Coordinating Ministry of Economic Affairs, MSMEs supported a gross domestic product (GDP) of IDR 9,580 trillion in 2023 and employed around 97% of Indonesia's total workforce. Spread across all regions, MSMEs number 65.5 million and are a sector that can survive and recover when the country experiences an economic crisis (Limanseto, 2023).

As we enter the era of economic globalization, MSMEs face obstacles, such as a limited ability to access productive resources for business development, including technology, information, and markets (Fajar, 2015). Therefore, micro enterprises have limitations in developing innovations. To strengthen the innovative abilities of MSMEs, government support is needed as the main driver in empowering the productive sector in order to address the limited access of MSMEs with policy support that can substantially improve abilities of micro enterprises, for the availability of resources such as capital, human resources, technology, and access to information and training (Oanh et al., 2020).

Recognizing the important role of the MSME sector, and the challenges posed by economic globalization, the government aims to ensure MSME sustainability through the enactment of Government Regulation Number 7 of 2021. This regulation addresses the facilitation, protection, and empowerment of cooperatives as well as micro, small, and medium enterprises. According to Articles 93 and 98, MSME empowerment policies are established and executed by both central and regional governments, with coordination occurring at national, provincial, and district/city levels. This means that each region has the authority to implement MSME empowerment policies to support its local MSMEs.

Surabaya City is one of the regions in Indonesia that supports and implements empowerment in the MSME sector. The urgency of implementing MSME empowerment policies in Surabaya City is based on the rapidly growing economy of Surabaya City and the contribution of MSMEs in the local economy. Based on data from the Surabaya City Statistics Agency, in 2024 the Surabaya city economy grew by 5.76%, which made the city the highest economic growth in East Java Province (BPS, 2025). This achievement is inseparable from the contribution of the MSME sector as a driver of the local economy, where in 2024 Surabaya City has around 150 thousand MSMEs (Dinas Kominfo Provinsi Jawa Timur, 2024). With the massive economic growth and the large number of MSMEs, the Surabaya City Government has focused its efforts on empowering micro enterprises as a step to increase the competitiveness of the local economy, with reference to Surabaya City Regional Regulation Number 1 of 2021 concerning micro enterprise empowerment. The purpose of micro enterprise empowerment is explained in article 5, namely "growing and developing the ability of micro enterprises to become resilient and independent".

In recognition of effective performance in advancing the MSME sector in Surabaya, the Mayor of Surabaya was honored by the Ministry of Cooperatives and Small and Medium Enterprises of the Republic of Indonesia with the "Tanda Jasa Bakti Cooperatives and Small and Medium Enterprises" (Dinas Kominfo Provinsi Jawa Timur, 2024). In correlation with this achievement, the Surabaya City Government, as a key stakeholder, must continue to support the development of MSME ability by ensuring access to business opportunities, resources, and knowledge (Judijanto et al., 2024). Referring to the objectives of Surabaya City Regional Regulation Number 1 of 2021, the Surabaya City Government provides facilities for micro enterprises to enable them to operate independently. This empowerment initiative is outlined in the Strategic Plan of the Surabaya Office of Cooperatives, Micro and Small Enterprises (MSEs), and Trade for 2021–2026, specifically through the establishment of Culinary Tourism Centers.

The Culinary Tourism Center (SWK) is a facility for micro enterprises built by the Surabaya City Government. It has 51 locations throughout Surabaya and has accommodated 1,217 micro enterprises. SWK's function is to serve as a centralized location for culinary micro-enterprises, enabling them to sell products ranging from local to national specialties in an organized manner. This makes it easier for the Surabaya City Government to supervise. There is a high demand for culinary products among the community and tourists in Surabaya City.

However, local culinary traders are not well organized. Through the SWK, the Surabaya City Government empowers micro enterprises and provides booth facilities for those that do not yet have a place of business. The Surabaya Office of Cooperatives, MSEs, and Trade, as the implementer of empowerment, also initiates human resource competency development through mentoring, guidance, and various business management training programs.

The SWK micro enterprise empowerment program, supported by various facilities, should develop the potential of micro enterprise. However, the implementation of SWK micro enterprise empowerment has not been fully successful. The problem of SWK in Surabaya City were highlighted by a member of Commission B of the Surabaya City Regional House of Representatives (DPRD), in a news article published by JawaPos.com on August 28, 2022, that SWK micro enterprises need further guidance from the Surabaya City Government both in terms of packaging training, menu variations, and marketing strategies (Ginanjar, 2022). In connection with this, the Chairperson of the Surabaya SWK Harmony Forum (FOKUSWKS) and Deputy Chairperson of Commission B of the Surabaya City in the cakrawalanews.co news article on May 25, 2023, said that in its implementation, the existence of SWK, especially on the outskirts of Surabaya City, faced the obstacle of the lack of visitors. Based on FOKUSWKS records, only about 15 percent of the number of SWKs in Surabaya can be said to be alive (Hadi, 2023).

A previous study by (Ermawati et al., 2022) explained that the empowerment system implemented by the Surabaya Office of Cooperatives, MSEs, and Trade for micro enterprises in Culinary Tourism Centers has not yet met the empowerment index. This is due to several factors, including the inability of micro-enterprises to independently conduct marketing through e-commerce, the lack of capacity to meet their own commodity needs, and the fact that some micro enterprises still operate without legal business status. Therefore, motivational support is needed to encourage micro enterprises to improve their human resources, service quality, and commitment to empowerment. In line with this, a study by (Nabila & Nawangsari, 2022) stated that although empowerment strategies such as capacity building have been implemented, there are still complaints from SWK micro enterprises regarding the lack of optimal promotional support from the Surabaya City Government. Furthermore, a study by (Sari & Hardjati, 2024) suggested that further research is required to thoroughly evaluate the success of micro enterprise empowerment in SWK in Surabaya. Previous studies have not yet specifically discussed or tested the influence of empowerment on the ability of SWK micro enterprises in alignment with policy directives. Thus, a policy-driven quantitative analysis is needed to fill the research gap.

Based on Article 5 of Surabaya City Government Regulation No. 1 of 2021, that the process of empowering micro enterprise is carried out with data collection, business development, partnerships, ease of licensing, and coordination and control. In connection with this regulation, a policy should have an impact that can be felt by a group, in order to help achieve predetermined goals (Wibawani et al., 2021). Because basically empowerment emphasizes the process of providing encouragement and motivation for the ability of a group to become empowered (Suaib, 2023). Based on the background explanation presented earlier, the research problem in this study is extent which micro enterprise empowerment influence the ability of micro enterprises in the Culinary Tourism Centers of Surabaya City. Accordingly, the objective of this study is to examine the influence of micro enterprise empowerment on the ability of micro enterprises in the Culinary Tourism Centers of Surabaya City.

Method

This study uses an associative quantitative method, which aims to explain the association between two variables, namely the independent variable (influencing) on the dependent variable (influenced) (Sugiyono, 2017). This study uses indicators of variable X and variable Y taken from Surabaya City Regional Regulation Number 1 of 2021 concerning Micro Enterprise Empowerment. The micro enterprise empowerment variable (X) consists of 5 indicators, while the micro enterprise ability variable consists of 7 indicators. Each indicator of the independent variable (X) and the dependent variable (Y) is grouped in the following table:

Table 1. Classification of indicators of variable X and variable Y

Micro Enterprise Empowerment Variable (X)	Micro Enterprise Ability Variable (Y)
1. Data collection	1. Developing business networks and partnerships
2. Business development	2. Doing business efficiently
3. Partnerships	3. Developing innovations and market opportunities
4. Ease of licensing	4. Expanding marketing access
5. Coordination and control	5. Utilizing technology
	6. Improving product quality
	7. Seeking wider sources of business funding

Source: Surabaya City Regional Regulation Number 1 of 2021

The population in this study consists of all micro enterprise actors in the 51 Culinary Tourism Centers (SWK) across Surabaya City, totaling 1,217 micro enterprises. The sample was determined using the Slovin formula as developed by Sevilla (2007), cited in (Amelia et al., 2023), with a margin of error set at 10%. The calculation was carried out using the following formula $n = N / (1 + N (e)^2) = 1,217 / (1 + 1,217 (0.1)^2) = 1,217 / 13.17 = 92.40$. Based on the calculation results, the sample size was rounded to 100 to maintain the practicality and accuracy of the data collection process until data analysis, to ensure that the findings of this study are representative. Data were collected through observation and a questionnaire. Observation was carried out in a semi-participatory manner, involving direct interaction with research subjects to gain an accurate understanding of actual conditions. The questionnaire employed a Likert scale ranging from 1 to 5 for measurement (Sugiyono, 2017).

Prior to distributing the questionnaire to the 100 research samples, a preliminary instrument trial was conducted involving 30 respondents. Consequently, validity and reliability tests were carried out to ensure that the data collection tools used in this statistical study produce trustworthy and consistent measurements. The initial validity test with 30 respondents employed the Pearson Product-Moment Correlation, using an r-table value of 0.361. The calculation results indicated that the r-count values for each item of both variable X and variable Y exceeded 0.361, signifying that the research instrument was valid. Furthermore, the initial reliability test applied Cronbach's Alpha, with a reliability threshold set at 0.6 (Amelia et al., 2023). The test yielded a Cronbach's Alpha of 0.896 for variable X and 0.849 for variable Y, confirming that the research instrument is reliable and suitable for further data collection.

Respondents were selected using the simple random sampling technique. This study used simple linear regression analysis with the assistance of the SPSS version 30 analysis tool. The analysis of the data involved conducting prerequisite tests, namely validity and reliability tests. Then, the classic assumption test was performed, including the normality test, linearity test, and heteroscedasticity test. Lastly, the research hypothesis test was carried out, including the coefficient of determination and the t-test. The tests were conducted to test the hypothesis:

Ha: Micro enterprise empowerment has a significantly positive influence on the ability of micro enterprises in the Culinary Tourism Centers of Surabaya City.

Ho: Micro enterprise empowerment does not have a significant influence on the ability of micro enterprises in the Culinary Tourism Centers of Surabaya City.

Results And Discussion

Characteristics of Respondents

Table 2. Respondent Data Based on Age

Description (years old)	Frequency	Percent
21 – 30	7	7%
31 – 40	20	20%
41 – 50	31	31%
51 – 60	35	35%
≥ 60	7	7%
Total	100	100%

Source: Processed from primary data, 2025

Referring to the findings of respondent characteristics based on age, it is known that ages 51 – 60 years have the highest number because the average micro enterprise selling in SWK is an old trader or street vendor before the establishment of SWK. Respondents aged 21 – 30 years have the least percentage, because at this age there are still few who start entrepreneurship in SWK. In addition, there are also few respondents with an age of more than 60 years, due to entering pre-retirement age.

Table 3. Respondent Data Based on Gender

Description	Frequency	Percent
Female	75	75%
Male	25	25%
Total	100	100%

Source: Processed from primary data, 2025

According to the qualifications of the respondents through the table above, the majority of respondents are women. This is because the majority of culinary cooking skills in SWK are mastered by women compared to men. The findings show that the involvement of female respondents in this study is more dominant than male respondents.

Table 4. Respondent Data Based on Length of Business

Description (years)	Frequency	Percent
1 – 5	48	48%
6 – 10	34	34%
11 – 15	14	14%
16 – 20	4	4%
Total	100	100%

Source: Processed from primary data, 2025

Based on the classification results above, the majority of respondents have been in business for 1 – 5 or 6 – 10 years. This is caused by several factors, namely there are micro enterprises that have just started culinary trading in SWK, there is a change of micro enterprises actors in SWK, and micro enterprises that start trading according to the time of the establishment of SWK. The longest business is 16-20 years, because these micro enterprise actors have been active entrepreneurs in the culinary field since the establishment of SWK in 2008.

Validity Test

Table 5. Validity Test of Micro Enterprise Empowerment Variables (X)

Item	r-count	r-table (5%)
X1	0.6136	0.1654
X2	0.4786	0.1654
X3	0.6146	0.1654
X4	0.6568	0.1654
X5	0.6293	0.1654
X6	0.7049	0.1654
X7	0.6778	0.1654
X8	0.7180	0.1654
X9	0.5532	0.1654
X10	0.5935	0.1654
X11	0.6503	0.1654
X12	0.7166	0.1654
X13	0.6413	0.1654
X14	0.6609	0.1654
X15	0.7052	0.1654
X16	0.6005	0.1654
X17	0.5769	0.1654

Source: Processed from primary data, 2025

According to the validity test results, it is evident that 17 items from the micro enterprise empowerment variable (X) have a value $r\text{-count} > r\text{-table}$. Each item variable X item shows a correlation coefficient value above 0.1654. Therefore, based on these results, the research instrument can be considered valid.

Table 6. Validity Test of Micro Enterprise Ability Variables (Y)

Item	r-count	r-table (5%)
Y1	0.6551	0.1654
Y2	0.7251	0.1654
Y3	0.8173	0.1654
Y4	0.8169	0.1654
Y5	0.7015	0.1654
Y6	0.6807	0.1654
Y7	0.6058	0.1654

Source: Processed from primary data, 2025

According to the validity test results, it is evident that 7 statement items from the micro enterprise ability variable (Y) have a value of $r\text{-count} > r\text{-table}$. Each item variable Y shows a correlation coefficient value above 0.1654. Therefore, the instrument used in this study is regarded as valid according to the outcomes.

Reliability Test

Table 7. Reliability Test

Variables	Cronbach's <i>alpha</i>	Coefficient <i>alpha</i>
X	0.905	0.6
Y	0.841	0.6

Source: Processed from primary data, 2025

The outcome of the reliability test indicate that each variable of micro enterprise empowerment (X) and the variable of micro enterprise ability (Y) has a Cronbach's alpha value exceeding 0.6 With these results, the instrument used in this study is reliable, which can be used consistently and stably as a measuring instrument to each different respondent.

Descriptive Analysis of Variables

Table 8. Category of Interval Value of X and Y Variable Indicators

Class Sequence	Mean Interval Class	Description
1	1.00 - 1.80	Strongly Disagree
2	1.81 - 2.60	Disagree
3	2.61 - 3.40	Disagree Less
4	3.41 - 4.20	Agree
5	4.21 - 5.00	Strongly Agree

Source: Sugiyono, 2017

The range of values shown in the table above are the results of calculating the class intervals of variables X and Y, which use a 1-5 measurement scale. This is done by subtracting the lowest answer value from the highest answer value and then dividing by the number of intervals. This produces a class interval of 0.8, which measures the distance between each class on a scale of 1 – 5.

Table 9. Results of Interval Value of Micro Enterprise Empowerment Variables (X)

Variable Indicators	Average Value of Answers
X1	4.17
X2	4.08
X3	4.01
X4	4.25
X5	4.00

Source: Processed from primary data, 2025

The highest value of variable X is the ease of licensing indicator (X4), at 4.25. This value is in the high interval category. The lowest value of variable X is 4.01 for the coordination and control indicator (X5), which is also in the high interval value category.

Table 10. Results of Interval Value of Micro Enterprise Ability Variables (Y)

Variable Indicators	Average Value of Answers
Y1	3.94
Y2	4.00
Y3	3.84
Y4	3.94
Y5	4.02
Y6	4.15
Y7	3.96

Source: Processed from primary data, 2025

The highest value indicator for variable Y is the ability to improve product quality (Y6), at 4.15, which is in the high interval value category. Meanwhile, the lowest indicator value is for developing innovations and market opportunities (Y3), at 3.84. This value is also in the high interval category.

Normality Test

Table 11. Normality Test

		Unstandardized Residual
N		100
Normal Parameters	Mean	.0000000
	Std. Deviation	2.15295469
	Absolute	0.68
	Positive	0.62
	Negative	-.068
Test Statistic		.068
Asymp. Sig. (2-tailed)		.200
Monte Carlo Sig. (2-tailed)	Sig.	.293
	99% Confidence Interval Lower Bound	.281
	Upper Bound	.305

Source: Processed from primary data, 2025

The outcomes of the normality assessment employing the One-Sample Kolmogorov-Smirnov method indicate whether the data distribution aligns with a normal distribution. Unstandardized residual produces a p-value > 0.05. The micro ability empowerment (X) and micro enterprise ability (Y) variables obtained results of 0.2 > 0.05. This indicates that the distribution of the data is normal.

Linearity Test

Table 12. Linearity Test

			Sum of Squares	df	Mean Square	F	Sig.
Y*	Between Groups	(Combined)	640.228	25	25.609	5.950	<.001
X		Linearity	499.864	1	499.864	116.130	<.001
		Deviation from Linearity	140.364	24	5.849	1.359	.159
	Within Groups		318.522	74	4.304		
	Total		958.750	99			

Source: Processed from primary data, 2025

Referring to the linearity test result, the Sig. Linearity column shows a value of 0.001. These results indicate that the data for variables X and Y in this study meet the linearity test criteria. This is because the linear significance value is less than 0.05. Thus, the micro enterprise empowerment variable (X) to the micro enterprise ability variable (Y) has a linear relationship.

Heteroscedasticity Test

Tabel 13. Heteroscedasticity Test

Model		Unstandardized Coefficients		Standardized Coefficients Beta	t	Sig.
		B	Std. Error			
1	(Constant)	.068	1.527		.044	.965
	X	.023	.022	.105	1.050	.296

Source: Processed from primary data, 2025

As indicated by the Glejser test findings, the micro enterprise empowerment variable (X) has a significance level of 0.296. This value exceeds the standard threshold of 0.05, indicating that the independent variable satisfies the requirements for the heteroscedasticity test. Thus, it can be inferred that the regression model does not experience heteroscedasticity issues.

Coefficient of Determination Test (R^2)

Table 14. Coefficient of Determination Test (R)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.722	.521	.516	2.16391

a. Predictors: (Constant), Y

Source: Processed from primary data, 2025

The R-squared value obtained from the coefficient of determination results is 0.521. The test value shows that the micro enterprise empowerment variable (X) explains 52.1% of the micro enterprise ability variable (Y). However, the remaining 47.9% is affected by variables outside the scope of this study. Additionally, a regression value of 0.722 was obtained, indicating that 72.2% of micro enterprise empowerment can influence changes in the ability of SWK micro enterprise in Surabaya City.

T-test

Table 15. T-test

Model		Unstandardized Coefficients B	Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	2.729	2.441		1.118	.266
	X	.362	.035	.105	10.332	<.001

b. Dependent Variable: Y

Source: Processed from primary data, 2025

Using SPSS version 30 to perform the t-test, the analysis of the simple linear regression and hypothesis testing revealed that the calculated t-value (10.332) exceeds the critical t-value (1.66055), while the p-value (0.001) is below the significance level of 0.05. This leads to the rejection of the null hypothesis (H_0) and the acceptance of the alternative hypothesis (H_a), indicating that micro enterprise empowerment (X) has a statistically significant positive effect on micro enterprise ability (Y).

Analysis of the Effect of Micro Enterprise Empowerment on Micro Enterprise Ability

The regression analysis findings indicate that micro enterprise empowerment has a significant impact on micro enterprise abilities. The coefficient of determination (R-square) is 0.521, meaning 52.1% of the variation in micro enterprise abilities can be explained by the provided empowerment variables. Therefore, the intervention of micro enterprise empowerment carried out by the Surabaya City Government is considerably effective in driving changes in micro enterprise abilities. With a regression value (R) of 0.722, the relationship between the two variables can be categorized as strong. Additionally, the test shows a strong correlation between micro enterprise empowerment (X) and micro enterprise abilities (Y). This is indicated by a calculated t-value of 10.332 (greater than the t-table value of 1.66055) and a significance level of less than 0.001 ($p < 0.05$). These findings show that the higher the intensity and quality of the empowerment efforts, the greater the ability of micro enterprises to manage their businesses and become resilient and independent. Thus, targeted empowerment efforts by the Surabaya City Government will directly impact the ability of SWK Surabaya City micro enterprises. In line with this, empowerment should be a primary focus in efforts to improve the performance of micro enterprises (Surjanti et al., 2023).

There are findings on the average respondent scores for the indicators of variable X and variable Y, which refer to Surabaya City Regional Regulation Number 1 of 2021 concerning the empowerment of micro enterprises. Among the five indicators of micro enterprise empowerment outlined in Article 5, the indicator 'ease of licensing' (X4) recorded the highest average score of 4.25. This high score can be attributed to the efforts of the Surabaya Office of Cooperatives, MSEs, and Trade in facilitating business licensing processes and streamlining administrative procedures, such as the renewal of business license contracts at SWK, Business Identification Numbers (NIB), and halal certification. These conveniences have helped SWK micro enterprises in Surabaya obtain legal business status, thereby giving them a sense of security in conducting their businesses. Possessing an NIB also facilitates access to business capital loans from partners or banks. Additionally, halal certification enhances public trust as consumers when visiting SWK culinary centers in Surabaya. On the other side, the indicator with the lowest score for variable X was 'Coordination and Supervision' (X5), with an average of 4.00. The relatively lower score of X5 compared to other indicators of variable X is due to the fact that, although most micro enterprises acknowledged the responsiveness of field facilitator from the Surabaya Office of Cooperatives, MSEs, and Trade assigned to their SWKs, there are still micro enterprises in other SWK locations that feel the field facilitator have not performed optimally in terms of coordination and supervision. This is due to the absence of a fixed monitoring schedule and unprofessional behavior exhibited by some field facilitators. As a result, micro enterprises in several SWKs perceive that the field facilitators are still lacking in communication skills and responsiveness to the actual conditions of micro enterprises in their respective SWKs.

The next finding concerns the average respondent scores for the micro enterprise ability variable (Y). Among the seven indicators of variable Y outlined in Article 9, the highest-scoring indicator was the ability to 'improve product quality' (Y5), with an average score of 4.15. This result is attributed to the empowerment efforts carried out in the SWK areas of Surabaya City, which include training, mentoring, facilities, and business certifications. These forms of support have enabled most micro enterprises to maintain and enhance their culinary quality through sufficient knowledge, skills, and resources. In contrast, the lowest average score among the indicators of variable Y was for the ability to 'develop innovation and seize market opportunities' (Y3), which scored 3.84. This lower score is due to several factors, including the fact that, although training and business mentoring programs are provided, their implementation in some SWK areas remains irregular, imprecise, and uneven. In addition, the characteristics of micro enterprises themselves may affect their entrepreneurial mindset and understanding of innovation and market opportunity concepts. Although the analysis shows a strong influence, and the interval values of the average responses on a 1–5 scale indicate a positive tendency, the reality remains that some micro entrepreneurs still experience limitations in innovating and have yet to recognize emerging market opportunities in today's modern culinary landscape.

In line with the findings above, it can be understood that the ability of micro enterprises are influenced not only by the implementation of empowerment policies but also by internal factors from the micro enterprises themselves, particularly their ability to innovate and respond to market opportunities. One contributing factor is the lack of a strategic approach in the empowerment concept, which fails to fully consider the limitations faced by certain segments of micro entrepreneurs. For example, micro entrepreneurs aged 50 and above are often reluctant to innovate or utilize technology due to difficulties in applying the digital literacy knowledge provided to them. Referring to the objectives of Surabaya City Regional Regulation Number 1 of 2021, micro-enterprise empowerment is intended to foster entrepreneurial resilience and independence. This is aimed at enabling micro enterprises to remain competitive in the era of

modern culinary trends, which are particularly appealing to Generation Z as a demographic known for following culinary trends and being drawn to something new. Therefore, culinary innovation that appeals to Gen Z is essential. The prevailing mindset among many micro enterprises who are unwilling to innovate contributes to recurring challenges, as they lack the motivation to develop their businesses and often remain within their comfort zones (Zelvianagita & Prathama, 2023). Moreover, the mismatch between training content and the actual needs of micro enterprises also poses a barrier. For instance, some micro entrepreneurs struggling with marketing and branding are instead assigned to participate in traditional culinary training, which does not address their immediate concerns. From this analysis, it can be concluded that although empowerment efforts show significant influence, the current approach is not yet effective across all segments of micro enterprises.

Given the challenges identified in the previous research findings, special attention is required from the Surabaya Office of Cooperatives, MSEs, and Trade as the policy implementer to design more structured, responsive, and professional mentoring programs that address the needs and aspirations of micro enterprises in the Culinary Tourism Centers (SWK). Proper mentoring can serve as a source of motivation for micro entrepreneurs, encouraging them to grow and innovate (Anaqi et al., 2023). In order to foster an entrepreneurial mindset among micro enterprises that drives innovation and competitiveness in the current era of culinary modernization, the Surabaya City Government must formulate a more strategic and effective empowerment program. This should aim to significantly enhance micro enterprise ability in areas such as partnership networks, innovation, marketing, technology utilization, and access to funding sources. In this regard, active involvement from various sectors including government, private institutions, and other organizations is essential to continuously support the micro enterprise sector through motivational efforts and by facilitating business development via empowerment policies. Collaborative initiatives among stakeholders are intended to ensure that implemented programs generate a lasting and sustainable transformation in the ability of micro enterprises over the long term (Judijanto et al., 2024).

CONCLUSION

Overall, the Surabaya City Government, through Surabaya Office of Cooperatives, MSEs, and Trade, has implemented a micro enterprise empowerment policy. The analysis of respondent data reveals that the empowerment initiative exerts a significantly positive influence on micro enterprises in Surabaya City's SWK. Hypothesis testing yields a t-score of 10.332, which surpasses the critical t-value of 1.66055, and a significance level under 0.001 ($p < 0.05$). The coefficient of determination (R^2) is found to be 0.521, while the regression coefficient (R) reaches 0.722. These results indicate that the effect of the micro enterprise empowerment (X) on the micro enterprise ability (Y) is strong. In the context of micro enterprise empowerment, ease of licensing emerged as the strongest aspect, primarily due to the availability of legal business administration services at the Culinary Tourism Centers (SWK) in Surabaya City. In contrast, coordination and supervision were identified as the weakest aspect, attributed to the lack of clear Standard Operating Procedures, such as the absence of a regular monitoring schedule and insufficient responsiveness from some field facilitators.

These results correlate with aspects of micro enterprise ability, in which the ability to improve product quality stood out as the strongest, partly due to the ease of obtaining business legality. Meanwhile, the ability to develop innovation and seize market opportunities ranked lowest, due to the lack of a strategic empowerment concept and the weakness of Standard Operating Procedures. Thus, although the analysis indicates a strong influence of variable X on

variable Y, as well as relatively positive average response intervals, in reality, there are still micro entrepreneurs who perceive themselves as having limited innovation abilities. This is largely due to empowerment strategies that are not yet effectively designed to accommodate the diverse characteristics of micro enterprise actors. Based on these findings, it can be concluded that the current implementation of empowerment still requires a more strategic concept in order to effectively realize the objectives outlined in Surabaya City Regional Regulation Number 1 of 2021.

From these conclusions, there are recommendations that can be used as input for the Surabaya City Government, especially the Surabaya Office of Cooperatives, MSEs, and Trade as the implementer of the empowerment policy, which is the need for the implementation of empowerment accompanied by Standard Operating Procedures (SOPs), as well as a more strategic empowerment concept to be applied to micro businesses that have various characteristics and different needs. Training programs also need to be carried out regularly, appropriately, and thoroughly in order to foster knowledge, skills, and motivation from micro enterprises. Field facilitators must also be responsive and professional in carrying out their duties, so that when obstacles arise or micro enterprises express their aspirations, these can be communicated effectively. In the future, the Surabaya City Government needs to review in depth whether the SWK location is strategic for micro enterprises and makes it easier for the public to know its existence. In addition, for SWK Surabaya City micro enterprises, to always take an active role in various empowerment programs and apply the knowledge gained to the fullest.

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