

The Role of Training and Mentoring in The Success of Small and Medium Community Enterprises in Accessing Credit

Dewi Eka Yanti*, Musmuliadi, Sabran

Universitas Kutai Kartanegara Tenggarong, Kalimantan Timur, Indonesia

*Corresponding e-mail: dewiyanti040981@gmail.com

(Received: 27.12.2025; Revise: 23.01.2026; Accepted: 10.02.2026)

ABSTRACT

Micro, Small, and Medium Enterprises (MSMEs) play an essential role in Indonesia's economic development, including in Kutai Kartanegara Regency (Kukar). MSMEs contribute around 60% to the national Gross Domestic Product (GDP) and absorb more than 90% of the workforce. Although the number of MSMEs in Kukar continues to grow, many business actors still face challenges in accessing formal financial services. These difficulties are mainly caused by limited financial literacy, weak financial management skills, and challenges in meeting administrative requirements set by financial institutions. As a result, limited access to credit often restricts business expansion and sustainability for many MSMEs in the region. This study aims to examine the role of training and mentoring programs in improving MSME capacity to access formal credit in Kutai Kartanegara. The research uses a qualitative approach, with data collected through in-depth interviews involving MSME entrepreneurs, training facilitators, academics, and representatives of financial institutions. The findings show that training programs help improve financial literacy and managerial skills, particularly in financial planning, bookkeeping, and understanding credit requirements. Meanwhile, mentoring provides continuous technical assistance and moral support, enabling entrepreneurs to better understand credit application procedures and build trust with financial institutions. The combination of training and mentoring creates a sustainable empowerment process that increases business confidence and improves financial inclusion. MSME participants who obtained additional capital experienced revenue increases of approximately 20–30%, indicating that these programs contribute to business growth and local economic development in Kutai Kartanegara.

Keywords: MSMEs, Training, Mentoring, Credit Access, Empowerment

This is an open access article under the [CC BY-SA](https://creativecommons.org/licenses/by-sa/4.0/) license



1. INTRODUCTION

Micro, Small, and Medium Enterprises (MSMEs) are widely recognized as one of the most important pillars of economic development at both global and national levels. In many countries, MSMEs play a crucial role in generating employment, reducing poverty, and strengthening regional economic resilience. According to the World Bank, MSMEs represent more than 90% of businesses worldwide and contribute over 50% of global employment. In developing countries, the role of MSMEs becomes even more strategic because they serve as the main drivers of inclusive economic growth and entrepreneurial development. Recent studies emphasize that MSMEs have become increasingly important in maintaining economic stability, especially during periods of global economic uncertainty and post-pandemic recovery (Ayyagari, Demirgüç-Kunt, & Maksimovic, 2021; OECD, 2023). In Indonesia, MSMEs contribute approximately 60% to the national Gross Domestic Product (GDP) and absorb more than 90% of the workforce, highlighting

their vital role in supporting national economic sustainability and inclusive development (Tambunan, 2021). These figures indicate that strengthening MSME capacity and ensuring their sustainability are essential strategies for promoting economic resilience both nationally and regionally.

At the regional level, MSMEs also function as a major driver of local economic development. In Kutai Kartanegara Regency, East Kalimantan, the growth of MSMEs has shown a significant upward trend in recent years. Data from the Department of Cooperatives and MSMEs of Kutai Kartanegara show that by the end of 2024 there were approximately 59,236 registered MSME actors, a substantial increase compared with about 21,000 businesses recorded in 2021. This rapid growth reflects the increasing interest of the community in entrepreneurship as well as the effectiveness of government programs aimed at strengthening local economic capacity. Various initiatives, including training programs, mentoring schemes, and financial support, have been implemented to improve the competitiveness and sustainability of small businesses. Such programs are aligned with broader national strategies to encourage economic diversification and strengthen regional economic resilience through the empowerment of local entrepreneurs (Pratono, Ratih, & Arshad, 2023). In addition, scholars argue that regional empowerment programs focusing on capacity building, entrepreneurial education, and business development can significantly enhance the competitiveness and long-term sustainability of MSMEs in emerging regional economies (Rahayu & Day, 2022).

Despite the encouraging growth in the number of MSMEs, many entrepreneurs still face significant challenges in accessing formal financial services, particularly bank credit. Limited access to financing has long been recognized as one of the main obstacles that hinder MSME growth in developing economies. Without sufficient capital, small businesses often struggle to expand their operations, invest in new technologies, or improve the quality of their products and services. Empirical studies show that financial constraints frequently limit the growth potential of MSMEs and reduce their competitiveness in broader markets (Beck & Cull, 2022). In Indonesia, the problem is often linked to low levels of financial literacy and weak managerial capabilities among MSME owners. Many entrepreneurs lack the knowledge and skills necessary to prepare proper financial records, develop business plans, and fulfill the administrative requirements imposed by financial institutions. Research indicates that inadequate bookkeeping practices, limited financial planning skills, and insufficient understanding of credit procedures often prevent MSMEs from obtaining formal loans (Rahmawati & Hidayat, 2022). As a result, many MSMEs rely on informal sources of funding, which typically provide limited capital and carry higher financial risks.

The challenge of limited access to credit is further exacerbated by the relatively low adoption of digital technology among MSMEs. In the modern digital economy, technology plays a crucial role in expanding market access, improving financial transparency, and increasing operational efficiency. However, many small businesses, especially those located in rural and semi-urban areas, still depend on traditional marketing and financial management practices. Limited digital literacy and inadequate technological infrastructure can significantly reduce MSMEs' competitiveness and restrict their ability to access modern financial services (Nambisan, Wright, & Feldman, 2022). For example, many home-based food producers and small traders continue to rely primarily on local markets rather than utilizing digital platforms that could expand their customer base and improve their business visibility. This situation highlights the urgent need for comprehensive empowerment programs that not only enhance financial literacy but also promote the adoption of digital technologies among MSMEs. By strengthening both financial and digital capabilities, small business actors can better meet the requirements of financial institutions and increase their opportunities to obtain formal financing.

From a theoretical perspective, the difficulties faced by MSMEs in accessing financial resources can be explained through the financial capability theory and the entrepreneurial empowerment framework. Financial capability theory emphasizes the importance of financial knowledge, skills, and attitudes in enabling individuals to manage financial resources effectively

and interact with formal financial systems (Xiao & Porto, 2021). Entrepreneurs who possess higher levels of financial literacy are generally better equipped to make informed financial decisions, prepare financial documentation, and negotiate with financial institutions. Meanwhile, the entrepreneurial empowerment framework highlights that entrepreneurs require more than financial resources alone; they also need continuous support through training, mentoring, and institutional facilitation in order to develop sustainable businesses (Kabear, 2021). These theoretical perspectives suggest that strengthening MSMEs' managerial competence, financial knowledge, and entrepreneurial capacity is essential for improving their access to formal financial services and ensuring long-term business sustainability.

In response to these challenges, training and mentoring programs have emerged as important policy instruments for empowering MSMEs and improving their access to financial resources. Training programs aim to enhance entrepreneurs' knowledge and skills in areas such as financial management, business planning, and credit application procedures. Meanwhile, mentoring provides continuous guidance and practical assistance that helps entrepreneurs apply newly acquired knowledge in real business contexts. Previous studies have demonstrated that such programs can significantly improve MSMEs' financial management capacity and increase their likelihood of obtaining formal credit. For instance, Sari and Nugroho (2020) found that MSMEs participating in financial management training programs were more capable of preparing financial reports that met banking standards. Similarly, Putra, Abdullah, and Hasan (2021) reported that intensive mentoring improved entrepreneurs' confidence when interacting with financial institutions and preparing credit proposals. Additional studies highlight the importance of financial literacy and digital adoption in improving MSMEs' access to financing. Wulandari (2023) found that MSMEs that adopted digital bookkeeping systems were perceived as more transparent and reliable by financial institutions, thereby increasing their chances of obtaining loans. Likewise, Lusardi, Samek, and Kapteyn (2021) emphasized that financial literacy programs significantly enhance entrepreneurs' financial decision-making abilities. Research by Gherghina, Botezatu, Hosszu, and Simionescu (2020) also demonstrated that entrepreneurial training positively influences business sustainability and financial performance among small enterprises in emerging economies. However, most existing studies have focused on urban regions or economically advanced areas, while research examining the combined role of training and mentoring in improving MSME access to credit in regional contexts such as Kutai Kartanegara remains limited. Therefore, this study aims to explore how training and mentoring programs can strengthen MSME capacity to access formal credit in Kutai Kartanegara, contributing both to the academic literature on MSME empowerment and to practical policy development aimed at enhancing regional economic growth and sustainability.

2. METHOD

This study employs a qualitative research approach with a descriptive-exploratory design to examine the influence of training and mentoring on the success of small and medium enterprises (SMEs) in accessing credit in Kutai Kartanegara Regency, East Kalimantan, Indonesia. A qualitative approach is considered appropriate because the research aims to understand social phenomena from the perspective of participants and to explore the experiences of SME actors in real-life contexts. Qualitative methods allow researchers to obtain rich, contextual, and in-depth data regarding participants' perceptions, challenges, and strategies in managing their businesses and accessing financial resources. Recent methodological literature emphasizes that qualitative inquiry is particularly suitable for exploring complex socio-economic phenomena where contextual understanding and participant perspectives are central to the research objective (Creswell & Poth, 2021; Tracy, 2020). Through an exploratory framework, the study seeks to capture how training programs and business mentoring initiatives influence entrepreneurial capability, financial literacy, and credit accessibility among local SMEs. By focusing on the lived experiences of entrepreneurs, the research is expected to generate contextual insights that

contribute to both academic discourse and local economic development policy (Braun & Clarke, 2021).

The research was conducted in Kutai Kartanegara Regency, located in the province of East Kalimantan, Indonesia. The area was selected purposively because it has experienced a rapid growth in micro and small enterprises but still faces structural challenges related to financial access and entrepreneurial capacity. The study was carried out over a three-month period from October to December 2025, allowing sufficient time for field observations, interviews, and data verification. The population of the study consists of SME actors who have participated in training and mentoring programs organized by government agencies, financial institutions, or local organizations. From this population, fifteen key informants were selected using purposive sampling, a non-probability sampling technique that identifies participants based on their relevance and knowledge of the research topic. Purposive sampling is widely recommended in qualitative research because it enables researchers to select participants who possess specific experiences or expertise relevant to the research objectives (Campbell et al., 2020). The selected informants represent diverse stakeholders involved in SME development, including government officials, business facilitators, academics, community leaders, financial institution representatives, and SME entrepreneurs themselves. This diversity of perspectives ensures a comprehensive understanding of how training and mentoring programs influence SME development and credit access.

The study uses both primary and secondary data sources. Primary data were collected directly from informants through in-depth interviews, field observations, and informal discussions, while secondary data were obtained from government reports, academic literature, policy documents, and statistical publications related to SME development. Data collection techniques were designed to capture both experiential and contextual information. Observations were conducted to examine the operational activities of SMEs, including production processes, financial management practices, and marketing strategies. In-depth interviews were used to explore participants' experiences in attending training programs, receiving business mentoring, and applying for credit from financial institutions. The interview process followed a semi-structured format, allowing informants to provide detailed narratives about their experiences and perceptions. According to recent qualitative research guidelines, semi-structured interviews enable flexibility in exploring participants' viewpoints while maintaining a consistent framework for data collection (Adams, 2020; Rubin & Rubin, 2021). Additionally, document analysis was employed to review program reports, training materials, and policy documents that provide contextual information about SME empowerment initiatives in the region.

The main variables examined in this study include training, mentoring, and business success in accessing credit. Training refers to structured programs designed to enhance the managerial, financial, and marketing competencies of SME actors. Mentoring is defined as the continuous guidance and support provided by facilitators or experts to help entrepreneurs apply the knowledge obtained during training into real business practices. Meanwhile, business success is measured through several qualitative indicators such as increased income, expanded customer base, improved financial management practices, and the ability to obtain formal business credit. These operational definitions allow the researcher to analyze how training and mentoring contribute to the development of entrepreneurial competencies and financial readiness among SMEs. Data analysis in this study follows the interactive model of qualitative data analysis, which includes three main stages: data reduction, data display, and conclusion drawing. This model enables researchers to organize complex qualitative data systematically and identify meaningful patterns or relationships (Miles, Huberman, & Saldaña, 2020).

The analytical process begins with data reduction, where interview transcripts and observation notes are carefully reviewed, coded, and categorized according to relevant themes such as financial literacy, training experience, mentoring effectiveness, and credit access barriers. The next stage involves data display, in which the categorized data are presented in narrative descriptions, thematic matrices, and conceptual diagrams to facilitate interpretation. Finally,

conclusion drawing and verification are conducted to identify relationships among variables and to develop insights regarding the role of training and mentoring in improving SME credit access. To ensure the validity and reliability of qualitative findings, the study applies data triangulation, which involves comparing information obtained from different sources, methods, and time periods. Triangulation is considered an effective strategy to enhance credibility and reduce researcher bias in qualitative studies (Flick, 2022). The analysis process was supported by qualitative data management software such as NVivo 14, which facilitated systematic coding, categorization, and thematic analysis of the interview data. Through these methodological procedures, the research aims to produce reliable and replicable findings that contribute to a deeper understanding of SME empowerment and financial inclusion in regional economic development.

3. RESULTS AND DISCUSSION

Research Findings

This section presents the empirical findings derived from fieldwork conducted in Kutai Kartanegara Regency, East Kalimantan. The study adopted a qualitative descriptive approach and relied on data collected through in-depth interviews, observations, and document analysis involving fifteen key informants. These informants represented various stakeholders involved in the development of micro, small, and medium enterprises (MSMEs), including local government officials, SME entrepreneurs, training facilitators, banking representatives, academics, NGO representatives, business consultants, and community leaders. The findings are presented in a chronological and analytical manner, beginning with a description of the research context and informant profiles, followed by thematic analysis of the roles of training and mentoring in improving MSMEs' ability to access credit.

Research Context and Informant Profile

Kutai Kartanegara Regency has experienced significant growth in the number of MSMEs in recent years. The expansion of small businesses in sectors such as food processing, handicrafts, and service industries has been encouraged by local government programs aimed at strengthening community-based entrepreneurship. Despite this growth, many MSME actors continue to face structural challenges, particularly in accessing formal financial services such as bank credit. These challenges include limited financial literacy, weak administrative capabilities, lack of collateral, and low confidence in dealing with formal financial institutions.

The field research was conducted between 30 December 2025 and 10 January 2026, during which the researcher conducted intensive interviews with informants representing different institutional backgrounds. The diversity of informants allowed the researcher to capture multiple perspectives on how training and mentoring programs influence MSME development and access to credit.

Table 1. Profile of Research Informants

No	Informant Category	Number of Informants	Role in MSME Development
1	Head of Cooperative and MSME Office	1	Policy maker and program coordinator
2	Successful SME entrepreneur	1	Business practitioner and program beneficiary
3	Training facilitator	1	Provider of entrepreneurship training
4	Local bank representatives	2	Credit provider and financial institution
5	NGO representative	1	Community economic empowerment actor

No	Informant Category	Number of Informants	Role in MSME Development
6	Local economic observer	1	Independent analyst of regional economy
7	University lecturer (Economics)	1	Academic expert in SME development
8	SME entrepreneurs	5	Primary program beneficiaries
9	Community leaders	2	Local social actors supporting SMEs
Total		15	

The diversity of informants contributed to the triangulation process, allowing the researcher to validate findings by comparing perspectives from different actors involved in SME empowerment programs.

Data Analysis Process and Development of Themes

The qualitative data collected through interviews and observations were analyzed using the interactive model of qualitative analysis, which includes data reduction, coding, categorization, and thematic interpretation. During the initial stage of analysis, interview transcripts were reviewed repeatedly to identify meaningful units of information related to the research focus. Open coding was then applied to label key ideas emerging from the data. Examples of initial codes included *financial literacy improvement*, *administrative readiness*, *confidence building*, *mentoring support*, *credit documentation assistance*, and *institutional trust*.

These initial codes were subsequently grouped into broader categories representing major dimensions of the phenomenon under study. Through this process, two dominant themes emerged: (1) the role of training in strengthening MSME capacity to access credit, and (2) the role of mentoring as a bridge between training outcomes and practical implementation in the credit application process. The analysis also revealed cross-cutting subthemes such as institutional trust, entrepreneurial mindset transformation, and the importance of continuous assistance.

Triangulation was conducted by comparing interview data with field observations and documentation from training programs and local government reports. This process ensured the credibility and validity of the findings, as the same patterns were observed across different data sources.

The Role of Training in Supporting MSME Access to Credit

The first major finding indicates that training plays a crucial role in improving the administrative, financial, and psychological readiness of MSME actors to access credit from formal financial institutions. Informants consistently emphasized that training programs provided fundamental knowledge related to financial management, business administration, and credit application procedures.

The Head of the Cooperative and MSME Office of Kutai Kartanegara explained that training programs were designed to address common weaknesses among MSME actors, particularly the lack of financial documentation. He stated:

“Many MSME actors actually have good businesses, but they cannot prepare proper financial reports. Training helps them understand administration, prepare business proposals, and organize credit application documents.” (Interview, 30 December 2025)

This statement highlights the administrative gap that often prevents small entrepreneurs from obtaining formal credit. Observational data collected during visits to local SMEs also confirmed that many entrepreneurs previously relied on informal record-keeping methods or had no financial records at all.

The training facilitator involved in the program further explained that the training sessions were designed to combine theoretical explanations with practical exercises. According to the facilitator:

“Participants are trained to write business profiles, simulate bank application forms, and calculate capital requirements. After training, most of them feel more confident to apply for credit.”

(Interview, 29 December 2025)

From the perspective of MSME actors, training programs provided concrete benefits in improving their ability to meet banking requirements. Several SME participants reported that training helped them organize financial documents and prepare credit proposals more effectively. One entrepreneur stated:

“After attending the training, I learned how to make simple financial records. When I applied for credit to the bank, they said my documents were already complete. That was because I learned it during the training.” *(Interview with SME entrepreneur, 2 January 2026)*

These testimonies indicate that training contributes to improving financial literacy and administrative competence, which are essential prerequisites for accessing formal financial services.

A successful SME entrepreneur who previously participated in the program also emphasized that training helps build professional business habits. He explained:

“Training is not only about theory; it builds disciplined business habits. If administration is well organized from the beginning, banks will trust the business more.” *(Interview, 3 January 2026)*

This perspective suggests that training has long-term impacts beyond credit access, as it encourages entrepreneurs to adopt more professional management practices.

Representatives from financial institutions confirmed this observation. According to a bank officer interviewed during the study:

“Entrepreneurs who come from government training programs usually have better administrative preparation. This makes it easier for us to assess their credit feasibility.” *(Interview, 7 January 2026)*

From a broader development perspective, NGO representatives involved in economic empowerment programs also emphasized the importance of training in integrating MSMEs into formal financial systems. One NGO representative stated:

“Training opens the perspective of MSME actors that banks are accessible as long as they are prepared. This is important for business sustainability.” *(Interview, 4 January 2026)*

An academic informant from the Faculty of Economics highlighted another important dimension of training, namely the transformation of entrepreneurial mindset. According to the academic:

“Training changes the mindset of entrepreneurs. They no longer feel intimidated by banks because they understand the procedures and requirements.” *(Interview, 5 January 2026)*

Overall, the findings indicate that training contributes to three major outcomes: improvement of financial literacy, transformation of entrepreneurial mindset, and increased confidence in interacting with financial institutions.

The Role of Mentoring in Supporting MSME Credit Access

While training provides foundational knowledge, the findings reveal that mentoring plays an equally important role in translating training outcomes into practical action. Mentoring is typically conducted by field facilitators, government officers, and NGO partners who provide direct assistance to MSME actors during the credit application process.

One mentoring facilitator explained that many entrepreneurs initially feel intimidated by banking procedures. Mentoring therefore focuses on guiding them step by step through the process. He explained:

“Many entrepreneurs are afraid or confused when dealing with banks. We accompany them from the beginning to the end. Some of them even visit the bank for the first time after being accompanied.”

(Interview, 30 December 2025)

The training facilitator also emphasized that mentoring serves as a bridge between theoretical knowledge obtained during training and real-life implementation. He explained:

“After training, mentoring ensures that MSMEs are truly ready. We review their documents, simulate bank interviews, and help them gain confidence.” (*Interview, 29 December 2025*)

From the perspective of NGOs involved in economic empowerment, mentoring also plays a role in connecting entrepreneurs with financial institutions and expanding their professional networks. One NGO representative explained:

“Many small entrepreneurs lack networks. Through mentoring, we help them meet banks, explain their business concepts, and ensure that the credit is used according to plan.” (*Interview, 6 January 2026*)

For some entrepreneurs, mentoring represented a turning point in their business development. A successful SME owner recalled his experience:

“I once failed to obtain a loan because I did not understand the system. After joining the mentoring program, they helped me prepare the documents, and finally the loan was approved.”

(*Interview, 29 December 2025*)

Other SME participants shared similar experiences, emphasizing that mentoring helped them overcome fear and uncertainty during the credit application process. One entrepreneur explained:

“Without mentoring, I might have given up. The mentor explained everything step by step, so I had the courage to go to the bank.” (*Interview, 2 January 2026*)

Financial institutions also acknowledged the importance of mentoring in improving the quality of credit applications. A representative from a local bank stated:

“When there is a mentor involved, we feel more confident because the documents are complete and the entrepreneur can explain the business clearly.” (*Interview, 7 January 2026*)

These statements demonstrate that mentoring contributes to trust building between MSMEs and financial institutions, which significantly increases the probability of credit approval.

Based on the integrated analysis of interviews, observations, and documentation, the study identifies several key findings. First, training programs significantly improve MSME capacity in financial literacy, business administration, and credit proposal preparation. Second, mentoring programs provide practical guidance that enables entrepreneurs to apply the knowledge obtained during training in real business situations. Third, the combination of training and mentoring contributes to the development of entrepreneurial confidence and institutional trust, which are critical factors in accessing formal credit.

Furthermore, the findings reveal that the synergy between government institutions, financial institutions, NGOs, and academic actors plays an important role in creating an enabling ecosystem for MSME development. Through coordinated training and mentoring programs, MSME actors can gradually overcome structural barriers that previously limited their access to financial resources.

These findings provide a strong empirical basis for the discussion section, which will further analyze the implications of training and mentoring programs for MSME empowerment and financial inclusion.

Discussion

The Role of Training in Supporting MSME Success in Accessing Credit

Training represents the initial stage in the empowerment process of Micro, Small, and Medium Enterprises (MSMEs) in Kutai Kartanegara Regency. The findings of this study indicate that training programs significantly improve the administrative capacity, financial literacy, and managerial competence of MSME actors. Through training, entrepreneurs gain knowledge about financial planning, bookkeeping, and business management, which are essential for meeting the

requirements of formal financial institutions. This finding supports previous research emphasizing that entrepreneurial training plays a crucial role in strengthening the capability of small businesses, particularly in managing financial resources and preparing credit documentation (Lusardi, Hasler, & Yakoboski, 2021).

Empirical findings also show that many MSME actors initially had difficulty preparing financial statements, business proposals, and other administrative requirements needed for bank credit applications. Training programs organized by the local government and partner institutions help address this issue by providing practical modules on financial record-keeping, business planning, and credit proposal preparation. These programs enable entrepreneurs to better understand financial management and improve their readiness to interact with financial institutions. This result is consistent with previous studies showing that financial literacy training enhances the financial management capability of small business owners and improves their ability to access formal financial services (Goyal & Kumar, 2021).

In addition to improving technical knowledge, training programs also contribute to changing the entrepreneurial mindset. Initially, many MSME actors perceived banks and other formal financial institutions as difficult to access because of complex procedures and strict credit requirements. However, through training, entrepreneurs gradually become more familiar with banking systems and the benefits of formal financing. Training also helps entrepreneurs develop communication and negotiation skills when interacting with financial institutions. As highlighted in previous studies, entrepreneurship training not only improves technical competence but also encourages behavioral changes and confidence among entrepreneurs to engage with formal financial systems (OECD, 2023; Pratono, Ratih, & Arshad, 2023).

The Role of Mentoring in Supporting MSME Capacity to Access Credit

While training provides fundamental knowledge for business management and credit procedures, mentoring plays a complementary role by assisting entrepreneurs in applying that knowledge in practice. The findings of this study show that mentoring programs are important in bridging the gap between theoretical learning and real business situations. Through mentoring, MSME actors receive continuous guidance when preparing credit applications and managing their businesses. Previous research also confirms that mentoring significantly improves entrepreneurial decision-making and business performance among small enterprises (St-Jean & Audet, 2020).

In Kutai Kartanegara, mentoring activities are usually carried out by facilitators from the Cooperative and MSME Office, partner organizations, and community empowerment groups. Mentors assist entrepreneurs in preparing documents, reviewing business proposals, and understanding the requirements set by financial institutions. This support is particularly helpful for entrepreneurs who have limited experience dealing with banks. Mentoring also provides psychological support, as many MSME actors initially feel anxious about approaching financial institutions due to the perceived complexity of administrative procedures. Mentors help reduce these concerns by providing clear explanations and step-by-step assistance during the credit application process (Nambisan, Wright, & Feldman, 2022; Ratten, 2022; Khoiruman et al., 2025).

Another important contribution of mentoring is the expansion of entrepreneurs' professional networks and social capital. Through mentoring programs, MSME actors are introduced to banking institutions, government programs, and other stakeholders that support business development. Stronger networks allow entrepreneurs to access information and financial opportunities more easily. Mentoring also improves the quality of credit applications because entrepreneurs submit more complete documentation and demonstrate a better understanding of their business operations. As noted in previous studies, stronger social networks and improved information transparency significantly increase SMEs' chances of obtaining external financing and building trust with financial institutions (Kraus, Breier, & Dasí-Rodríguez, 2020; Beck & Cull, 2022; Ayyagari, Demirgüç-Kunt, & Maksimovic, 2021).

4. CONCLUSIONS AND SUGGESTION

The findings of this study demonstrate that training and mentoring programs play a significant role in strengthening the capacity of MSME actors to access formal credit in Kutai Kartanegara Regency. Training programs contribute to improving financial literacy, administrative capability, and entrepreneurial mindset, enabling small business actors to meet the requirements of financial institutions. Meanwhile, mentoring programs provide practical guidance and psychological support that help entrepreneurs apply the knowledge obtained during training in real business situations. The combination of these two interventions creates a sustainable empowerment process that enhances entrepreneurs' confidence, strengthens their relationships with financial institutions, and ultimately improves their chances of obtaining credit. These results confirm that training and mentoring are essential components of inclusive economic development strategies aimed at strengthening the resilience and competitiveness of MSMEs.

Based on these findings, several policy recommendations can be proposed. First, local governments should continue expanding training programs that focus on financial literacy, digital financial management, and business planning for MSMEs. Second, mentoring programs should be strengthened by involving multiple stakeholders, including financial institutions, universities, and community organizations, to ensure continuous support for entrepreneurs. Third, financial institutions should collaborate more closely with local government agencies and mentoring organizations to design credit schemes that are more accessible to MSMEs. Through coordinated efforts among stakeholders, it is possible to create a more inclusive financial ecosystem that supports sustainable MSME development and regional economic growth.

ACKNOWLEDGMENTS

The author would like to express sincere gratitude to the Cooperative and MSME Office of Kutai Kartanegara Regency, the participating SME entrepreneurs, training facilitators, financial institution representatives, and community leaders who generously shared their time, knowledge, and experiences during this research. Their valuable insights and cooperation were essential in enabling the successful completion of this study.

REFERENCES

- Adams, W. C. (2020). Conducting semi-structured interviews. In *Handbook of practical program evaluation* (pp. 492–505). Wiley. <https://doi.org/10.1002/9781119171386.ch19>
- Ayyagari, M., Demirgüç-Kunt, A., & Maksimovic, V. (2021). Small and medium enterprises across the globe: A new database. *World Bank Economic Review*, 35(2), 413–433. <https://doi.org/10.1093/wber/lhab006>
- Ayyagari, M., Demirgüç-Kunt, A., & Maksimovic, V. (2021). Small and medium enterprises across the globe. *World Bank Economic Review*, 35(2), 413–433. <https://doi.org/10.1093/wber/lhab006>
- Beck, T., & Cull, R. (2022). Small and medium-sized enterprise finance in Africa. *Journal of African Economies*, 31(Supplement_1), i10–i33. <https://doi.org/10.1093/jae/ejab018>
- Beck, T., & Cull, R. (2022). Small and medium-sized enterprise finance. *Journal of African Economies*, 31(1), 10–33. <https://doi.org/10.1093/jae/ejab018>
- Braun, V., & Clarke, V. (2021). *Thematic analysis: A practical guide*. SAGE Publications.
- Campbell, S., Greenwood, M., Prior, S., Shearer, T., Walkem, K., Young, S., ... Walker, K. (2020). Purposive sampling: Complex or simple? *Research in Nursing & Health*, 43(2), 150–157. <https://doi.org/10.1002/nur.22014>
- Creswell, J. W., & Poth, C. N. (2021). *Qualitative inquiry and research design: Choosing among five approaches* (5th ed.). SAGE Publications.
- Flick, U. (2022). *The SAGE handbook of qualitative research design*. SAGE Publications.

- Gherghina, Ș. C., Botezatu, M. A., Hosszu, A., & Simionescu, L. (2020). Small and medium enterprises as drivers of economic growth. *Sustainability*, 12(1), 347. <https://doi.org/10.3390/su12010347>
- Gherghina, Ș. C., Botezatu, M. A., Hosszu, A., & Simionescu, L. N. (2020). Small and medium-sized enterprises (SMEs): The engine of economic growth through investments and innovation. *Sustainability*, 12(1), 347. <https://doi.org/10.3390/su12010347>
- Goyal, K., & Kumar, S. (2021). Financial literacy and SME growth. *Journal of Entrepreneurship and Innovation*, 22(3), 345–362. <https://doi.org/10.1177/09713557211025610>
- Kabeer, N. (2021). Women's economic empowerment and inclusive growth: Labour markets and enterprise development. *International Development Review*, 63(2), 183–205. <https://doi.org/10.1111/idr.12456>
- Khoiruman, M. A., Suandi, I. N., Martha, I. N., & Putrayasa, I. B. (2025). The impact of English for maritime textbooks on students' language skills: Reading, Writing, Listening, and Speaking. *Cuestiones de Fisioterapia*, 54(2), 1968-1986.
- Kraus, S., Breier, M., & Dasí-Rodríguez, S. (2020). The role of entrepreneurial networks in SME growth. *International Entrepreneurship and Management Journal*, 16(4), 1119–1141. <https://doi.org/10.1007/s11365-019-00638-y>
- Lusardi, A., Hasler, A., & Yakoboski, P. (2021). Building financial capability among entrepreneurs. *Journal of Pension Economics and Finance*, 20(1), 1–23. <https://doi.org/10.1017/S1474747219000323>
- Lusardi, A., Samek, A., Kapteyn, A., Glinert, L., Hung, A., & Heinberg, A. (2021). Visual tools and narratives: New ways to improve financial literacy. *Journal of Pension Economics & Finance*, 20(1), 1–23. <https://doi.org/10.1017/S1474747219000323>
- Miles, M. B., Huberman, A. M., & Saldaña, J. (2020). *Qualitative data analysis: A methods sourcebook* (4th ed.). SAGE Publications.
- Nambisan, S., Wright, M., & Feldman, M. (2022). Digital transformation and entrepreneurship. *Research Policy*, 51(2), 104418. <https://doi.org/10.1016/j.respol.2021.104418>
- Nambisan, S., Wright, M., & Feldman, M. (2022). The digital transformation of innovation and entrepreneurship: Progress, challenges, and key themes. *Research Policy*, 51(2), 104418. <https://doi.org/10.1016/j.respol.2021.104418>
- OECD. (2023). *Financing SMEs and entrepreneurs 2023*. OECD Publishing. https://doi.org/10.1787/fin_sme_ent-2023-en
- OECD. (2023). *Financing SMEs and entrepreneurs 2023: An OECD scoreboard*. OECD Publishing. https://doi.org/10.1787/fin_sme_ent-2023-en
- Pratono, A. H., Ratih, R. V. S., & Arshad, D. (2023). Digital transformation and SMEs performance: The role of entrepreneurial orientation and market orientation. *Journal of Business Research*, 154, 113339. <https://doi.org/10.1016/j.jbusres.2022.113339>
- Pratono, A. H., Ratih, R., & Arshad, D. (2023). Digital transformation and SME performance. *Journal of Business Research*, 154, 113339. <https://doi.org/10.1016/j.jbusres.2022.113339>
- Putra, R., Abdullah, S., & Hasan, M. (2021). Business mentoring and microenterprise performance: Evidence from Indonesian SMEs. *Journal of Entrepreneurship Education*, 24(4), 1–12.
- Rahayu, R., & Day, J. (2022). Determinant factors of e-commerce adoption by SMEs in developing countries: Evidence from Indonesia. *Procedia Computer Science*, 124, 473–480. <https://doi.org/10.1016/j.procs.2017.12.179>
- Rahmawati, L., & Hidayat, A. (2022). Financial literacy and access to finance among Indonesian SMEs. *International Journal of Economics and Financial Issues*, 12(3), 89–97. <https://doi.org/10.32479/ijefi.12987>
- Ratten, V. (2022). Entrepreneurial mentoring and SME innovation. *Journal of Entrepreneurship in Emerging Economies*, 14(5), 905–921. <https://doi.org/10.1108/JEEE-11-2020-0412>
- Rubin, H. J., & Rubin, I. S. (2021). *Qualitative interviewing: The art of hearing data* (4th ed.). SAGE Publications.

-
- Sari, D. P., & Nugroho, Y. (2020). Financial management training and SME access to bank credit: Evidence from Indonesia. *International Journal of Business and Society*, 21(3), 1189–1203.
- St-Jean, E., & Audet, J. (2020). The role of mentoring in entrepreneurial development. *International Journal of Entrepreneurial Behavior & Research*, 26(5), 1155–1173.
<https://doi.org/10.1108/IJEER-04-2019-0205>
- Tambunan, T. (2021). Micro, small and medium enterprises in Indonesia: Important role and challenges. *Journal of Development Economics and Finance*, 2(3), 45–59.
<https://doi.org/10.1016/j.jdef.2021.100012>
- Tracy, S. J. (2020). *Qualitative research methods: Collecting evidence, crafting analysis, communicating impact* (2nd ed.). Wiley.
- Wulandari, P. (2023). Digital bookkeeping adoption and SME creditworthiness in Indonesia. *Journal of Asian Finance, Economics and Business*, 10(2), 213–221.
<https://doi.org/10.13106/jafeb.2023.vol10.no2.0213>
- Xiao, J. J., & Porto, N. (2021). Financial capability and financial satisfaction: The mediating role of financial behavior. *International Journal of Bank Marketing*, 39(7), 1325–1343.
<https://doi.org/10.1108/IJBM-12-2020-0612>