

Analyzing Challenges, Opportunities, and Sustainable Strategies for Micro, Small, and Medium Enterprises in the MIMAROPA Region, Philippines

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Abstract

Micro, Small, and Medium Enterprises (MSMEs) serve as the backbone of local economies, particularly in the MIMAROPA Region of the Philippines, where they contribute significantly to employment, innovation, and regional development. Yet, many of these enterprises continue to face persistent obstacles—limited access to financial services, challenges in adopting new technologies, complex regulatory requirements, and difficulties in reaching broader markets. This study explores the lived realities of MSME owners in MIMAROPA by identifying the challenges they encounter, the opportunities available to them, and the sustainable strategies that support their growth. Using a quantitative research design, the study surveys 100 MSME owners and analyzes the data through descriptive statistics, correlation analysis, and regression models. Findings show that while MSMEs demonstrate adaptability and perseverance, they are hindered by burdensome loan processes (41%), cash flow issues (19%), and regulatory compliance demands (10%). Nevertheless, opportunities are present in digitalization (30%), market expansion through government programs (20%), and the formation of strategic partnerships (7%). The results highlight the need to invest in financial literacy, human capital, and technology to build more sustainable business practices. The study recommends practical and strategic interventions, such as simplifying financial procedures, enhancing digital infrastructure, expanding training programs, and increasing government support, to strengthen the resilience and competitiveness of MSMEs in the region. These insights offer meaningful guidance for policymakers, financial institutions, and MSME stakeholders working toward inclusive and sustainable regional growth.

Keywords: MSMEs, financial accessibility, digital transformation, sustainable strategies, MIMAROPA Region, technological adoption

Introduction

Micro, Small, and Medium Enterprises (MSMEs) drive economic growth, foster innovation, and create employment opportunities worldwide. In the Philippines, MSMEs account for 99.52% of all enterprises and contribute approximately 63.19% of total employment, underscoring their vital role in

economic sustainability (Philippine Statistics Authority, 2020). The MIMAROPA Region—comprising Mindoro (Occidental and Oriental), Marinduque, Romblon, and Palawan—presents a unique economic landscape where MSMEs serve as a primary engine for regional development. These enterprises operate across various industries, including agriculture, manufacturing, tourism, and services, making them essential drivers of local economic stability and growth. However, despite their significant contributions, MSMEs in MIMAROPA face multiple challenges that hinder their long-term sustainability and expansion.

One of the most pressing concerns for MSMEs in MIMAROPA is financial accessibility. Many enterprises struggle with complex loan application processes, high interest rates, and limited access to credit, making it difficult to sustain operations and fund expansion initiatives (Famela, 2024). Cash flow management remains a significant issue, with 19% of MSMEs in the region identifying it as a major challenge. Financial literacy and the ability to secure diverse funding sources also affect business resilience, as many MSMEs lack the financial management skills to optimize their operations (Desiyanti et al., 2023). In addition, limited market access and competitive pressure from larger firms restrict the ability of small businesses to scale and penetrate broader consumer segments (Prakash et al., 2021). While offering potential solutions, adopting digital technologies remains uneven due to infrastructure limitations and the high cost of technological investments (Khanzode et al., 2021).

Regulatory compliance also presents a significant challenge. Many MSMEs in MIMAROPA struggle with bureaucratic processes, licensing requirements, and tax policies that hinder operational efficiency (Sudarmanto, 2023). Government interventions and support programs exist to aid small enterprises, yet awareness and accessibility remain key concerns. A significant portion of MSMEs report difficulties in navigating government financial aid programs, further limiting their ability to utilize available resources effectively (Yanti, 2024). Moreover, human capital constraints, including high employee turnover and limited training opportunities, affect workforce productivity and business continuity (Husriadi et al., 2020). Addressing these issues through targeted training programs and workforce development initiatives is essential for enhancing MSME resilience in the region.

Despite these challenges, MIMAROPA presents substantial growth opportunities for MSMEs. The increasing shift toward digital transformation, ecommerce, and mobile transactions enables businesses to expand their reach beyond local markets, improving their competitiveness (Suharto, 2023). Government initiatives such as market expansion programs and digital literacy campaigns further empower MSMEs to leverage technology for growth. Building strategic alliances and partnerships with other businesses, government agencies, and private investors can also provide MSMEs access to new market opportunities, knowledge-sharing, and business support services (Metris, 2024). Strengthening collaboration within the sector is crucial for fostering sustainable business practices and long-term economic development.

This study analyzes the challenges, opportunities, and sustainable strategies for MSMEs in the MIMAROPA Region. By identifying key obstacles and growth prospects, this research proposes strategic interventions to enhance MSME resilience, improve financial accessibility, and promote sustainable business practices. The findings will serve as a valuable resource for policymakers, business owners, and stakeholders in formulating evidence-based policies and initiatives to support the development of MSMEs in the region. Fostering a more resilient and competitive MSME sector will contribute to inclusive economic growth, poverty alleviation, and long-term sustainability in the MIMAROPA Region.

Micro, Small, and Medium Enterprises (MSMEs) in the MIMAROPA Region play a significant role in economic development by contributing to employment generation, business innovation, and local

trade. However, despite their economic significance, MSMEs face numerous challenges that hinder their long-term sustainability and growth. These include limited financial accessibility, technological adoption barriers, regulatory compliance burdens, market constraints, and workforce-related challenges. Given these pressing concerns, it is essential to analyze the challenges, opportunities, and sustainable strategies that impact MSMEs in MIMAROPA.

This study examines the challenges, opportunities, and sustainable strategies for MSMEs in the MIMAROPA Region, focusing on financial accessibility, technological adoption, human capital development, government support programs, and market expansion initiatives.

Objectives of the Study

Specifically, it seeks to answer the following research questions:

1. Assess the level of credit access available to MSMEs in the MIMAROPA Region.
2. Evaluate MSME awareness of government support programs in terms of:
 - 2.1 accessibility,
 - 2.2 training programs, and
 - 2.3 financial aid.
3. Examine the extent to which MSMEs implement sustainable strategies in the following areas:
 - 3.1 financial resources,
 - 3.2 human capital,
 - 3.3 technological resources,
 - 3.4 3.4 organizational capabilities, and
 - 3.5 relational resources.
4. Analyze the challenges and opportunities experienced by MSMEs in the MIMAROPA region

Methodology

A comparative research design was utilized in this study. It aims to compare two or more groups, entities, or conditions to analyze similarities and differences (Siedlecki, 2020). This study examines the challenges, opportunities, and sustainable strategies for Micro, Small, and Medium Enterprises (MSMEs) in the MIMAROPA Region, focusing on financial accessibility, technological adoption, market expansion, human capital development, and regulatory challenges. The study compares MSMEs based on factors such as business sector, level of technological integration, financial access, and government support utilization.

Respondents and sampling. The study's target population consists of registered MSME owners and managers operating in the MIMAROPA Region, specifically in the provinces of Mindoro (Occidental and Oriental), Marinduque, Romblon, and Palawan. The Department of Trade and Industry (DTI) reports more than 32,000 registered MSMEs in the region, contributing significantly to local employment and economic activities.

A non-probability, purposive sampling technique was used to select respondents. Purposive sampling involves selecting participants who meet specific eligibility criteria relevant to the study (Cole, 2020). Given the scope of this study, the following criteria were used to select MSME respondents

For MSME Owners and Managers:

1. Must be a registered MSME in the MIMAROPA Region.
2. Must have been operating for at least three years to ensure familiarity with financial, technological, and market challenges.
3. Must have engaged in government support programs or financial assistance programs for MSMEs.
4. Must be willing to participate in the study by completing the survey and providing insights on business challenges and opportunities.

For Government and Private Support Agencies:

1. Must be directly involved in MSME development programs, financial aid distribution, or policy implementation.
2. Must have at least one year of experience working with MSMEs in the MIMAROPA Region.

The study applies a 5% margin of error, a 95% confidence level, and a .50 spread of variations to determine the appropriate sample size. Based on these statistical parameters, 100 MSME respondents were targeted, ensuring sufficient representation across different business sectors.

Research Instrument. The primary research tool for this study is a structured questionnaire designed to collect relevant data on the challenges, opportunities, and sustainability strategies of MSMEs in MIMAROPA. The questionnaire was distributed electronically via Google Forms and printed for respondents with limited internet access. The survey instrument consists of four major sections:

1. *Respondents' Profile:* Collects demographic and business-related information, including business size, industry sector, years in operation, and level of technology adoption.
2. *Challenges Encountered:* Assesses common difficulties MSMEs face, such as access to finance, market expansion constraints, government regulatory compliance, workforce skill gaps, and technological barriers. A 4-point Likert Scale (1 – Strongly Disagree, 2 – Disagree, 3 – Agree, 4 – Strongly Agree) was used to measure these challenges.

3. *Opportunities for MSMEs*: Evaluate opportunities for MSME growth, such as government incentives, digital transformation initiatives, export market potential, and strategic alliances.
4. *Sustainable Strategies*: Identifies strategies used by MSMEs to enhance business growth, financial resilience, workforce development, and long-term sustainability.

By using this structured questionnaire, the study ensures a comprehensive, data-driven analysis of the factors influencing MSME performance and sustainability in MIMAROPA.

Data Gathering. The research followed a systematic approach to ensure accurate and reliable data collection. A formal request for permission to conduct the study was submitted to the Department of Trade and Industry (DTI) - MIMAROPA, local government units, and relevant MSME organizations. The questionnaire was subjected to a validity and reliability test by MSME experts, business analysts, and policymakers to ensure clarity, relevance, and consistency. The validated survey was disseminated through Google Forms (for digitally connected MSMEs), printed questionnaires (for MSMEs in remote areas with limited access to technology), and Business associations and trade organizations (to ensure broader participation). All respondents were briefed on the study's objectives, the voluntary nature of participation, and data confidentiality. A consent form was included in the survey. The survey remained open for three weeks, with follow-ups via email, phone calls, and business group representatives to increase response rates. Once data collection was complete, responses were encoded, cleaned, and prepared for statistical analysis.

Data Analysis. The collected data were processed and analyzed using the Statistical Package for Social Sciences (SPSS) version 27 to ensure accuracy and reliability in interpreting the findings. Descriptive statistics, such as weighted mean and standard deviation, are computed to assess the perceptions of MSME owners and managers regarding the challenges, opportunities, and sustainability strategies they encounter in the MIMAROPA Region.

Results and Discussion

1. Level of credit access available to MSMEs' online businesses in MIMAROPA

Table 1
Level of credit access available to MSMEs' online businesses in MIMAROPA

Statement	M	SD	Interpretation
1. It is easy for my business to obtain loans from financial institutions.	2.75	1.08	High
2. The interest rates on available loans are affordable for my business.	2.84	0.95	High
3. My business has sufficient access to credit to fund its growth initiatives.	2.91	0.93	High
4. The application process for obtaining credit is straightforward and efficient	2.74	1.07	High
Overall	2.81	0.89	High

The findings suggest that while MSMEs in the MIMAROPA Region generally have access to credit, inefficiencies in securing and utilizing financial resources persist. Most MSMEs perceive adequate financial support for growth, as indicated by the highest-rated factor, but variations in experiences highlight challenges in the loan application process, with bureaucratic delays and complex documentation creating barriers. The inconsistent ease of access underscores the need for streamlining procedures, expanding digital financing solutions, and enhancing awareness of financial assistance programs to ensure MSMEs can efficiently access resources necessary for their long-term growth and sustainability.

2. Awareness of MSMEs' online business of the government support programs

2.1 In terms of Accessibility

Table 2

Awareness of MSMEs' online business of the government support in terms of accessibility

	Statement	M	SD	Interpretation
1.	The government support programs for MSMEs are easily accessible online.	2.70	0.86	
2.	Information about the government support programs is clearly communicated to MSMEs.	2.77	0.74	High
3.	I find it easy to apply for government support programs through online platforms.	2.84	0.72	High
4.	The process of availing government support programs is straightforward and user-friendly	2.93	0.78	High
5.	MSMEs in remote areas have equal access to government support programs as those in urban areas.	2.82	0.74	High
	Overall	2.81	0.89	High

The findings suggest that while MSMEs in the MIMAROPA Region generally perceive government support programs as accessible and beneficial ($M = 2.81$, $SD = 0.89$), variations in experiences highlight challenges in navigating online applications and obtaining relevant information. Most MSMEs find the application process straightforward ($M = 2.93$, $SD = 0.78$), reflecting improvements in digital accessibility, yet difficulties remain, particularly for businesses in remote areas struggling with digital literacy and internet connectivity ($M = 2.70$, $SD = 0.86$). While government efforts to digitalize MSME support are evident, further enhancements, such as strengthening technical support, expanding digital literacy initiatives, and improving internet infrastructure, are important to bridge accessibility gaps. Additionally, refining user interfaces and launching targeted awareness campaigns could encourage greater participation, ultimately fostering business growth and sustainability in the region.

2.2 In terms of training

Table 3
Awareness of MSMEs' online business of the government support as to training

	Statement	M	SD	Interpretation
1.	The training provided by government programs is relevant to the needs of MSMEs operating online businesses.	2.70	0.86	High
2.	Government training programs offer practical skills that help improve the operations of my MSME.	2.77	0.74	High
3.	The frequency of training provided by the government is sufficient to keep my business updated with industry trends.	2.84	0.72	High
4.	The training sessions are easily accessible and flexible to fit into the schedules of MSME owners.	2.93	0.78	High
5.	The quality of trainers and materials provided by government support programs meets my expectations.	2.82	0.74	High
	Overall	2.81	0.89	High

The findings indicate that MSMEs in the MIMAROPA Region generally find government-sponsored training programs accessible and beneficial ($M = 2.81$, $SD = 0.89$), particularly due to flexible scheduling that accommodates business owners ($M = 2.93$, $SD = 0.78$). However, disparities in experiences highlight concerns about content relevance, as some MSMEs feel the training does not fully address their specific needs ($M = 2.70$, $SD = 0.86$). While the government has made strides in supporting online business operations, enhancing training content, offering specialized courses, and incorporating participant feedback could improve effectiveness. Strengthening these programs would better equip MSMEs to navigate industry challenges, adapt to market trends, and sustain long-term business growth.

2.3 In terms of financial aid

The findings suggest that while MSMEs in the MIMAROPA Region generally view government financial aid programs as accessible and beneficial ($M = 2.64$, $SD = 0.73$), challenges remain in the application, approval, and distribution processes. Most MSMEs recognize the positive impact of financial assistance on their business operations ($M = 2.69$, $SD = 0.79$), but disparities in aid distribution and access persist, as indicated by lower ratings on equal opportunity and business growth impact ($M = 2.60$, $SD = 0.74$). These results underscore the need for more transparent, inclusive, and efficient financial aid mechanisms, such as streamlining processes, ensuring fair distribution, and increasing awareness to enhance accessibility and maximize benefits for MSMEs.

Table 4
Awareness of MSMEs' online business of the government support as to financial aid

	Statement	M	SD	Interpretation
1.	The financial aid programs provided by the government have significantly benefited my business.	2.69	0.79	High
2.	The process of applying for financial aid from government programs is simple and efficient.	2.67	0.79	High
3.	The approval of financial aid for MSMEs from government programs is timely.	2.64	0.72	High

4.	I feel that my MSME has an equal opportunity to receive financial aid compared to others in the sector.	2.60	0.74	High
5.	The financial aid received from government programs has had a positive impact on my business growth	2.60	0.74	High
Overall		2.64	0.73	High

3. Level of Sustainable Strategies of MSMEs as to Financial Resources

Table 5
Level of Sustainable Strategies of MSMEs as to Financial Resources

Statement	M	SD	Interpretation
1. Our MSME has sufficient access to financial resources to support its operations.	2.70	0.88	High
2. Our business can easily access loans or other financial support from banks or financial institutions.	2.87	0.75	High
3. The financial health of our MSME is stable and predictable.	2.99	0.67	High
4. We have diversified funding sources (e.g., loans, grants, investors, etc.) to maintain business growth.	3.07	0.80	High
5. Financial constraints limit our ability to expand our business.	2.88	0.66	High
Overall	2.90	0.71	High

The findings suggest that while many MSMEs in the MIMAROPA Region diversify their funding sources to support business growth ($M = 3.07$, $SD = 0.80$), access to financial resources remains inconsistent, particularly for operational expenses ($M = 2.70$, $SD = 0.88$). Variability in financial access indicates that smaller enterprises or those in remote areas face greater challenges in securing stable funding. Addressing these disparities through strengthened financial literacy, expanded alternative financing options, and improved loan accessibility can enhance business resilience and support long-term sustainability.

4. Level of Sustainable Strategies of MSMEs

4.1 In terms of Human Capital

Table 6
Level of Sustainable Strategies of MSMEs in terms of Human Capital

Statement	M	SD	Interpretation
1. Our employees possess the skills and knowledge necessary for the business's success.	3.09	0.71	High
2. We have sufficient human resources to meet our business demands	3.11	0.49	High
3. programs for employees are regularly provided	3.03	0.59	High
4. Employee turnover is a concern for our MSME.	3.11	0.53	High

5. Our business can attract and retain skilled workers in the competitive	3.13	0.49	High
Overall	3.90	0.51	High

The findings suggest that MSMEs in the MIMAROPA Region demonstrate strong sustainability in human capital management ($M = 3.90$, $SD = 0.51$), with businesses prioritizing workforce development and recognizing the importance of skilled employees for long-term growth. While many MSMEs effectively attract and retain skilled workers despite market competition ($M = 3.13$, $SD = 0.49$), some face challenges in consistently providing training and development programs ($M = 3.03$, $SD = 0.59$), likely due to resource constraints. To enhance human capital sustainability, continuous investment in training initiatives, competitive incentives, and employee engagement strategies is essential for strengthening workforce stability and business resilience.

4.2 In terms of Technological Resources

The findings suggest that MSMEs in the MIMAROPA Region effectively leverage technology to enhance operational efficiency, competitiveness, and workforce capability, as reflected in the overall high rating ($M = 3.90$). While access to technological resources for scaling operations registers as the lowest-rated factor, it still falls within a "High" level, indicating room for improvement but not a critical barrier to growth.

Table 7
Level of Sustainable Strategies of MSMEs in terms of Technological Resources

Statement	M	SD	Interpretation
1. Our MSME utilizes modern technology to improve operational efficiency	3.09	0.71	High
2. We invest in new technologies to remain competitive in our industry	3.11	0.49	High
3. Our business has access to the technological resources needed to scale up operations	3.03	0.59	High
4. The lack of technological resources hinders the growth of our MSME	3.11	0.53	High
5. Employees are well trained in the use of available technology	3.13	0.49	High
Overall	3.90	0.51	High

Additionally, the consistency in responses suggests a stable adoption of technology across businesses, reinforcing the positive assessment of technological integration as a key driver of sustainability in the region's MSMEs.

4.3 In terms of Organizational Capabilities

Table 8
Level of Sustainable Strategies of MSMEs as to Organizational Capabilities

Proceedings of the International Conference on Robotics, Education, and Automation (ICREA), 29 - 30 March 2025, Hilton Tokyo Hotel, Tokyo, Japan
Mendoza, L.N., Sario, J.A., *Analyzing Challenges, Opportunities, and Sustainable Strategies for Micro, Small, and Medium Enterprises in the MIMAROPA Region, Philippines*, pp. 22 - 34

	Statement	M	SD	Interpretation
1.	Our MSME has a clear and effective organizational structure.	3.12	0.57	High
2.	We are flexible and can quickly adapt to changes in the market or industry.	2.83	0.78	High
3.	Our leadership team possesses the necessary skills to steer the company toward success.	2.90	0.73	High
4.	We can effectively manage our resources (human, financial, and technological) to meet business goals.	2.77	0.65	High
5.	Strategic planning and decision-making processes are well-implemented in our organization.	2.85	0.81	High
	Overall	2.89	0.67	High

The findings suggest that MSMEs in the MIMAROPA Region demonstrate strong sustainability in organizational capabilities ($M = 2.89$, $SD = 0.67$), characterized by structured operations, effective leadership, and adaptability to market changes. While most businesses have clear and efficient organizational frameworks ($M = 3.12$, $SD = 0.57$), challenges remain in optimizing financial, human, and technological resources ($M = 2.77$, $SD = 0.65$), potentially affecting operational efficiency and growth. Enhancing resource management through improved financial planning, workforce development, and technological integration can further strengthen MSMEs' organizational resilience and long-term sustainability.

4.4 In terms of Relational Resources

Table 9
Level of Sustainable Strategies of MSMEs as to Relational Resources

	Statement	M	SD	Interpretation
1.	Our company maintains strong relationships with suppliers.	3.18	0.63	High
2.	We have established effective partnerships with other businesses or organizations.	2.94	0.75	High
3.	Customer relationships are strong and contribute to our business success.	3.04	0.71	High
4.	We actively engage with the local community to strengthen our business presence.	2.92	0.79	High
5.	Our business has built a solid network of support from stakeholders and partners.	2.82	0.82	High
	Overall	2.98	0.67	High

The findings suggest that MSMEs in the MIMAROPA Region demonstrate strong sustainability in relational resources ($M = 2.98$, $SD = 0.67$), with well-established relationships with suppliers, customers, and stakeholders contributing to long-term success. Supplier relationships emerge as a key strength ($M = 3.18$, $SD = 0.63$), ensuring business continuity and operational stability, while challenges persist in building broader stakeholder networks ($M = 2.82$, $SD = 0.82$), indicating variability in engagement levels. Strengthening partnerships, fostering industry collaborations, and enhancing community involvement can further improve business credibility, market reach, and long-term sustainability for MSMEs.

6. Challenges experienced by MSMEs in the MIMAROPA Region

Table 10

Challenges experienced by MSMEs in the MIMAROPA Region

Challenges	F	%
1. Complying with government regulations is a significant challenge for my business.	10	10
2. High employee turnover affects the performance of my business	5	5
3. High interest rates hinder the growth of my business	14	14
4. It is challenging to maintain a competitive edge in the market.	1	1
5. My business struggles with managing cash flow effectively.	19	19
6. The application process for loans is complex and time-consuming.	41	41
7. There are limited opportunities for employee training and development.	10	10
Overall	100	100

The findings highlight that MSMEs in the MIMAROPA Region primarily struggle with financial constraints, with 41% citing the complex loan application process as a major barrier to accessing funds, while 19% face difficulties in managing cash flow, impacting daily operations and stability. In contrast, only 1% consider market competition a significant concern, indicating that businesses feel confident in their market positioning but require better financial management support. These results emphasize the need for streamlined loan application procedures, enhanced financial literacy programs, and improved cash flow management training to empower MSMEs. By addressing these challenges through accessible funding platforms and regulatory simplifications, policymakers and financial institutions can help strengthen business resilience and ensure sustainable growth in the region.

7. Opportunities experienced by MSMEs in the MIMAROPA Region

Table 11

Opportunities experienced by MSMEs in the MIMAROPA Region

Challenges	F	%
1. Building strategic alliances has benefited my business.	7	7
2. Digital platforms have improved customer engagement and satisfaction.	30	30
3. Government financial aid programs provide significant support to my business.	7	7
4. Government initiatives help my business access new markets	20	20
5. My business has opportunities to expand into new markets.	16	16
6. New technologies have improved the efficiency of my business operations.	10	10
7. Training programs offered by the government enhance the skills of my employees.	10	10
Overall	100	100

The findings highlight that MSMEs in the MIMAROPA Region have significant opportunities in digital transformation, government support, and market expansion, with 30% of respondents recognizing the benefits of digital platforms in enhancing customer engagement and business growth. Additionally, 20% acknowledge the role of government initiatives in facilitating market access, particularly through trade fairs and export programs. However, strategic alliances and government financial aid remain underutilized, with only 7% identifying them as beneficial. To maximize these opportunities, investing in digital infrastructure, expanding market access programs, and promoting collaborations and financial aid initiatives can further strengthen MSMEs' growth, sustainability, and competitiveness in the region.

Conclusion

This study examines the challenges, opportunities, and sustainable strategies faced by Micro, Small, and Medium Enterprises (MSMEs) in the MIMAROPA Region, with a focus on financial access, government support, human capital, technological adoption, and organizational capabilities. Findings indicate that while MSMEs benefit from financial assistance, government programs, and ongoing digital transformation efforts, they continue to encounter barriers that limit their ability to fully leverage these resources. Complex loan application procedures hinder financial access, and cash flow management emerges as a persistent concern that threatens operational stability. Moreover, financial aid opportunities often remain underutilized, pointing to gaps in awareness and accessibility among MSME owners.

Despite these constraints, MSMEs exhibit notable resilience. They adapt to shifting market demands, maintain strong supplier networks, and engage proactively with their customers—factors that collectively support long-term business sustainability. To reinforce their growth and promote continued success, it is essential to address financial and operational inefficiencies. Strategic, tailored interventions that expand financing access, enhance capacity-building initiatives, and encourage collaborative partnerships offer meaningful pathways to help MSMEs overcome limitations and realize their full development potential.

Recommendation

To enhance MSME sustainability and accelerate growth, several strategic interventions are necessary. First, financial institutions and policymakers must simplify loan application processes by reducing bureaucratic hurdles and expanding digital financing platforms to improve accessibility. MSMEs require targeted support in cash flow management through financial literacy programs, advisory services, and structured training in budgeting and expense tracking. Government support programs must be expanded by strengthening awareness campaigns and increasing outreach efforts, particularly for MSMEs in remote areas with limited access to information and resources.

To strengthen competitiveness and ensure long-term success, it is essential to invest in digital and technological adoption by providing access to modern tools that improve operational efficiency and support market expansion. To foster innovation and business development, it is important to encourage collaboration between MSMEs and larger enterprises through strategic alliances. To build a capable and

adaptive workforce, efforts must focus on improving training programs, offering leadership development courses, and implementing employee retention strategies. By addressing these key areas, stakeholders can support MSMEs in overcoming challenges, seizing opportunities, and achieving sustainable growth in the MIMAROPA Region.

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