

STRENGTHENING BUSINESS ADMINISTRATION AND DIGITAL MANAGEMENT CAPACITY FOR SUSTAINABLE LOCAL SMES: AN INTERNATIONAL COMMUNITY SERVICE AT NUTSAFIR COOKIES LOMBOK

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Abstract

Small and Medium Enterprises (SMEs) play a vital role in promoting local economic development; however, many still face challenges in business administration and digital transformation that limit their competitiveness and sustainability. This International Community Service (ICS) program aimed to strengthen the business administration and digital management capacity of NUTSAFIR Cookies, a local food-based SME in Mataram, Lombok, Indonesia. The program focused on developing Business Administration Standard Operating Procedures (SOPs) and enhancing digital business management to improve organizational governance and business performance. A participatory capacity-building approach was employed through needs assessment, training, workshops, mentoring, and evaluation. The program involved 20 participants, including the business owner and employees. Data were collected through observations, interviews, documentation, questionnaires, and pre- and post-training assessments and analyzed using descriptive qualitative and descriptive quantitative methods. The results showed improvements in participants' knowledge and skills in business administration, document management, administrative standardization, and digital business management. The implementation of SOPs established more systematic administrative procedures, while the adoption of digital administration improved document management and operational efficiency. The program also strengthened participants' readiness for digital transformation and encouraged the application of responsible business practices. This community service demonstrates that integrating business administration strengthening with digital management provides a practical and replicable model for improving SME competitiveness and supporting sustainable local economic development, contributing to the achievement of SDGs 8, 9, 12, and 17.

Keywords: Business Administration; Community Empowerment; Digital Business Management; Sustainable Local SMEs; Standard Operating Procedures.

INTRODUCTION

Micro, Small, and Medium Enterprises (MSMEs) have long been recognized as one of the most important pillars of economic development, particularly in developing countries. Their contribution extends beyond economic growth to encompass employment generation, poverty reduction, social inclusion, innovation, and regional development. According to the Organisation for Economic Co-operation and Development (OECD, 2023), MSMEs account for approximately 90% of businesses worldwide and contribute more than half of global employment. In emerging economies, MSMEs play an even more strategic role by fostering inclusive growth, strengthening local value chains, and improving community resilience against economic shocks. In Indonesia, MSMEs contribute approximately 61% of the national Gross Domestic Product (GDP) and absorb around 97% of the workforce, making them the backbone of the national economy. Consequently, strengthening MSME competitiveness has become one of the Indonesian government's strategic priorities to achieve sustainable economic development and improve national competitiveness (OECD, 2023).

In recent years, the global business environment has undergone unprecedented transformation driven by digitalization, technological innovation, globalization, and changing

consumer behavior. The rapid adoption of digital technologies has significantly altered how businesses create value, communicate with customers, manage internal operations, and compete in increasingly dynamic markets. Digital transformation is no longer viewed merely as technological adoption but as an organizational capability that enables firms to redesign business processes, improve operational efficiency, and develop new competitive advantages (Verhoef et al., 2021). Consequently, MSMEs are expected to integrate digital technologies into various business functions, including administration, marketing, customer relationship management, and strategic decision making.

Despite these opportunities, many MSMEs continue to face significant internal constraints that limit their ability to fully benefit from digital transformation. Previous studies consistently report that administrative weaknesses remain one of the most persistent challenges among small businesses. Ineffective document management, the absence of standardized operational procedures, inadequate record-keeping systems, poor information management, and limited managerial capabilities often reduce organizational efficiency and hinder business growth (Kraus et al., 2021). In addition, limited digital literacy, insufficient technological infrastructure, and financial constraints further impede the adoption of digital management practices among MSMEs, particularly those operating in rural and tourism-based local economies.

The concept of Sustainable Local Economy has emerged as an important framework for addressing these challenges by emphasizing the integration of economic growth, social inclusion, and environmental sustainability. Rather than focusing solely on increasing production and profits, sustainable local economic development promotes the utilization of local resources, community participation, institutional strengthening, and responsible business practices that generate long-term socio-economic benefits (United Nations, 2023). Within this framework, MSMEs are considered strategic actors because of their ability to mobilize local resources, create employment opportunities, preserve local culture, and strengthen regional economic resilience.

Community empowerment constitutes one of the fundamental approaches for achieving sustainable local economic development. Unlike conventional assistance programs that emphasize financial support, community empowerment focuses on enhancing the capacity, knowledge, skills, and self-reliance of local communities. Capacity-building initiatives enable entrepreneurs to improve managerial competence, strengthen organizational capability, and develop sustainable business practices that continue beyond the duration of external intervention (Ife, 2016). Therefore, effective community service programs should prioritize knowledge transfer, mentoring, and institutional strengthening rather than temporary financial assistance.

Alongside community empowerment, the concept of Responsible Entrepreneurship has received increasing attention in entrepreneurship and sustainability literature. Responsible entrepreneurship extends the traditional objective of profit maximization by incorporating ethical behavior, stakeholder engagement, environmental responsibility, and social value creation into business operations (Vial, 2019). Responsible entrepreneurs are expected to balance economic performance with environmental stewardship and social responsibility while maintaining transparency, accountability, and good governance. Such an approach is highly consistent with the Sustainable Development Goals (SDGs), particularly SDG 8 (Decent Work and Economic Growth), SDG 9 (Industry, Innovation and Infrastructure), SDG 12 (Responsible Consumption and Production), and SDG 17 (Partnerships for the Goals).

Among the various determinants of MSME competitiveness, business administration has become increasingly important in supporting organizational sustainability. Business administration encompasses systematic planning, organizing, documentation, communication, information management, customer administration, and organizational control. Well-established administrative systems facilitate efficient business operations, reduce operational risks, improve accountability, and provide reliable information for managerial decision-making (Stephen P Robbins et al., 2021). Nevertheless, many MSMEs still perceive administration merely as routine paperwork

rather than as a strategic managerial function that supports business growth and organizational learning.

An essential component of effective business administration is the implementation of Standard Operating Procedures (SOPs). SOPs establish standardized work processes, clarify employee responsibilities, improve service consistency, and enhance organizational efficiency. For MSMEs, documented administrative procedures also simplify employee training, facilitate business expansion, and improve organizational resilience against operational disruptions. Previous research indicates that SMEs implementing standardized administrative procedures tend to exhibit higher organizational performance and better service quality than enterprises operating without formalized systems (ISO, 2015).

In addition to strengthening business administration, digital management has become another strategic capability required for MSME sustainability. Digital management refers to the integration of digital technologies into administrative processes, organizational communication, document management, marketing activities, customer engagement, and business decision-making. Previous studies have consistently demonstrated that digital capability significantly improves business performance by enhancing operational efficiency, innovation, customer satisfaction, and organizational flexibility (Nambisan et al., n.d.). Digital marketing, cloud-based document management, digital customer administration, and social media utilization have become essential instruments enabling MSMEs to compete in highly dynamic markets.

These issues are highly relevant to NUTSAFIR Cookies Mataram Lombok, a local MSME specializing in cookie production using locally sourced ingredients. The enterprise represents one of the growing food-based SMEs supporting Lombok's tourism industry by producing local specialty products for domestic and international visitors. Its strategic location within one of Indonesia's leading tourism destinations provides significant opportunities for business expansion through value-added local products. However, preliminary needs assessment conducted through observation and interviews revealed several managerial constraints limiting business development. (Dwivedi et al., 2021)

First, administrative activities are still conducted manually without standardized documentation procedures. Business records, customer administration, document filing, and operational workflows are managed based primarily on personal experience rather than written guidelines. Such conditions create inconsistencies in administrative practices, increase operational risks, and reduce organizational efficiency.

Second, although digital platforms such as social media have been introduced, their utilization remains limited to simple promotional activities. Digital marketing strategies, content planning, customer relationship management, digital document systems, and performance evaluation have not yet been systematically implemented. Consequently, the enterprise has not fully exploited digital technologies to strengthen market competitiveness and business sustainability.

These conditions demonstrate that strengthening both business administration and digital management represents a practical necessity rather than merely an organizational improvement. Addressing these issues requires an integrated capacity-building program combining managerial knowledge, practical skills, mentoring, and institutional development.

This International Community Service (ICS) program therefore adopts a participatory capacity-building approach aimed at empowering NUTSAFIR Cookies through two integrated interventions. The first intervention focuses on developing and implementing Business Administration Standard Operating Procedures (SOPs) that establish standardized administrative practices, improve document management, enhance customer administration, and strengthen organizational governance. The second intervention focuses on improving Digital Business Management competencies through practical training and mentoring covering digital administration, cloud-based document management, digital marketing, branding strategies, and customer communication. Rather than treating administration and digitalization as separate

activities, the program integrates both dimensions into a comprehensive organizational capacity development framework.

The novelty of this community service lies in the integration of Business Administration Capacity and Digital Management Capacity within the framework of Responsible Entrepreneurship to strengthen Sustainable Local SMEs. Most previous community service programs addressing MSMEs have primarily concentrated on entrepreneurship training, financial literacy, or digital marketing independently. In contrast, this program proposes a holistic approach in which business administration serves as the organizational foundation supporting digital transformation and sustainable business development. This integrated perspective remains relatively underexplored within community service literature, particularly in tourism-based local SMEs.

The objectives of this International Community Service program are threefold. First, to develop and implement standardized Business Administration SOPs for NUTSAFIR Cookies. Second, to enhance the digital management competencies of business owners and employees through practical capacity-building activities. Third, to strengthen organizational competitiveness and contribute to sustainable local economic development by integrating professional administrative governance with digital business management.

Theoretically, this paper contributes to the growing body of knowledge on community empowerment by demonstrating the strategic role of business administration as an organizational capability supporting digital transformation in MSMEs. It also extends the application of responsible entrepreneurship within community service by integrating governance improvement and digital capacity building into a single intervention model.

Practically, this study provides an applicable framework for universities, policymakers, local governments, and community development practitioners seeking to strengthen MSME competitiveness through sustainable capacity-building initiatives. The outputs, including Business Administration Standard Operating Procedures and enhanced Digital Business Management competencies, may serve as replicable best practices for similar SMEs operating in tourism-based local economies.

Accordingly, this paper discusses the implementation of an International Community Service program that strengthens business administration and digital management capacity at NUTSAFIR Cookies Lombok as a strategic initiative to promote sustainable local SMEs through community empowerment and responsible entrepreneurship.

LITERATURE REVIEW

Sustainable Local SMEs

Small and Medium Enterprises (SMEs) are increasingly recognized not only as drivers of economic growth but also as key actors in promoting sustainable local development. Contemporary development literature argues that sustainable local economies depend on the ability of local enterprises to generate economic value while simultaneously creating social benefits and minimizing environmental impacts. Within this perspective, SMEs function as catalysts of inclusive growth because they mobilize local resources, create employment opportunities, stimulate innovation, and strengthen regional economic resilience.

The concept of **Sustainable Local SMEs** originates from the broader framework of sustainable development, which integrates three interrelated dimensions: economic viability, social inclusiveness, and environmental responsibility, commonly referred to as the Triple Bottom Line (TBL). Sustainable SMEs therefore pursue long-term competitiveness without sacrificing environmental quality or social welfare. Recent reviews highlight that sustainability-oriented SMEs demonstrate higher organizational resilience, stronger stakeholder trust, and better adaptability to changing market conditions than firms focusing solely on financial performance. (Wahyudi et al., 2025)

For tourism-oriented local economies such as Lombok, sustainable SMEs play an even more strategic role. Local food industries contribute not only to household income but also to destination branding by preserving culinary heritage and utilizing locally sourced raw materials. Strengthening managerial capabilities within these enterprises therefore contributes simultaneously to enterprise sustainability and regional economic development.

From the perspective of capacity development, sustainability cannot be achieved only through product innovation. Organizational capability—including administrative governance, digital capability, and institutional learning—is equally important. OECD emphasizes that SMEs with stronger managerial capabilities exhibit greater productivity, innovation performance, and long-term competitiveness than enterprises operating with informal management systems.(Xanthopoulou & Sahinidis, 2025)

Community Empowerment

Community empowerment constitutes one of the most widely adopted approaches in community development and public engagement. Rather than treating communities as passive beneficiaries, empowerment emphasizes strengthening people's capacities so they become active agents capable of identifying problems, mobilizing resources, making decisions, and sustaining development initiatives independently.

Contemporary empowerment theory identifies capacity building as the core mechanism through which empowerment occurs. Capacity building includes improving knowledge, managerial skills, institutional capability, technological competence, and organizational learning. These dimensions enable community members to adapt to socio-economic changes while enhancing collective resilience. (Harinurdin et al., 2025)

Recent systematic reviews indicate that successful empowerment programs integrate participatory learning, mentoring, organizational strengthening, and innovation. Programs focusing solely on financial assistance generally create short-term improvements, whereas initiatives emphasizing managerial capacity produce more sustainable outcomes. (Harinurdin et al., 2025)

Within the MSME context, empowerment extends beyond entrepreneurial motivation. It includes developing business administration competencies, financial literacy, digital capability, communication skills, and organizational governance. These competencies improve entrepreneurs' ability to manage uncertainty and compete in increasingly digital business environments.

Accordingly, the present International Community Service adopts a participatory capacity-building model where business owners actively participate throughout needs assessment, training, implementation, and evaluation. Such an approach enhances ownership, facilitates knowledge transfer, and increases the sustainability of intervention outcomes.

Business Administration Capacity

Business administration has evolved from traditional clerical work into a strategic managerial capability supporting organizational performance. Modern business administration encompasses document management, information systems, customer administration, communication management, records management, workflow coordination, and organizational control.

Within SMEs, administrative capability contributes directly to operational efficiency by establishing standardized procedures, reducing information asymmetry, improving accountability, and supporting managerial decision-making. Administrative governance also provides the institutional infrastructure necessary for business continuity and organizational learning.(Nagar & Ed, 2023)

One important instrument for strengthening administrative governance is the implementation of **Standard Operating Procedures (SOPs)**. SOPs define standardized workflows, assign responsibilities, clarify operational standards, and ensure consistency across organizational activities. Previous studies consistently demonstrate that organizations implementing documented

procedures experience lower operational errors, improved service quality, and higher organizational efficiency.

Business administration also plays a strategic role in supporting digital transformation. Digital technologies cannot be effectively implemented without standardized administrative processes. Consequently, strengthening administrative capability should precede or accompany digitalization initiatives.(Annisa, 2026)

For small enterprises such as NUTSAFIR Cookies, administrative capacity includes several interconnected dimensions such as document administration, customer administration, records management, digital archiving, communication management, administrative workflow management. Strengthening these dimensions improves organizational professionalism and creates a solid managerial foundation for sustainable growth.

Digital Business Management

Digital transformation represents one of the most influential developments affecting contemporary SMEs. Rather than simply adopting new technologies, digital transformation requires organizations to redesign business processes, organizational structures, managerial capabilities, and customer interactions.

Digital Business Management refers to the integration of digital technologies into business administration, communication, customer relationship management, marketing, and strategic decision-making. Previous studies indicate that digital capability positively influences productivity, innovation, customer satisfaction, organizational flexibility, and business resilience. (Sachithra Lokuge & Sophia Duan, 2023)

Digital management within SMEs generally consists of five dimensions Digital administration, Digital document management, Digital marketing, Customer relationship management and Digital business analytics.

Among these dimensions, digital marketing has received considerable attention because social media, online marketplaces, and digital content enable SMEs to reach broader markets at relatively low cost. Nevertheless, recent literature argues that digital marketing alone is insufficient. Sustainable digital transformation requires integration between marketing activities and internal administrative systems.(Isnaini et al., n.d.)

Cloud-based document management, collaborative digital platforms, and integrated customer databases enhance organizational efficiency while facilitating information sharing and organizational learning. Consequently, digital management should be viewed as an organizational capability rather than merely technological adoption.

Responsible Entrepreneurship

Responsible Entrepreneurship has emerged as an extension of sustainable entrepreneurship by integrating economic, social, ethical, and environmental objectives into business decision-making. Unlike traditional entrepreneurship, which primarily emphasizes profit maximization, responsible entrepreneurship seeks to create long-term value for multiple stakeholders.

The literature identifies several principles characterizing responsible entrepreneurs : ethical business conduct, stakeholder engagement, transparency and accountability, environmental stewardship, social value creation and sustainable innovation. (Nurwulan et al., n.d.; Sakinah L et al., 2026)

Responsible entrepreneurship is closely linked to Sustainable Development Goals (SDGs), particularly SDG 8, SDG 9, SDG 12, and SDG 17. Through responsible governance, SMEs improve legitimacy, customer trust, and long-term competitiveness.

For community service programs, responsible entrepreneurship provides an appropriate conceptual foundation because capacity-building interventions should not merely improve business performance but also strengthen governance, transparency, and sustainability.

Accordingly, the present program emphasizes responsible entrepreneurship through improved administrative governance and digital capability rather than focusing exclusively on marketing performance.

Conceptual Framework

Based on the reviewed literature, strengthening **Business Administration Capacity** and **Digital Business Management** constitutes an integrated strategy for improving SME competitiveness and supporting sustainable local economic development.

Community empowerment serves as the implementation approach through participatory capacity building, while responsible entrepreneurship provides the normative framework ensuring that organizational improvements remain socially and environmentally responsible.

The conceptual relationship underpinning this International Community Service program can be summarized as follows:

Community Empowerment → Business Administration Capacity Building → Digital Business Management → Responsible Entrepreneurship → Sustainable Local SMEs

This framework indicates that improvements in administrative governance create the organizational foundation necessary for successful digital transformation. Enhanced digital capability subsequently strengthens organizational competitiveness, improves service quality, expands market access, and contributes to sustainable local economic development.

Unlike many previous community service programs that focus exclusively on entrepreneurship motivation or digital marketing, the present program integrates administrative governance and digital transformation into a unified capacity-building model. Such integration is expected to generate more sustainable organizational improvements because digital capability is supported by standardized administrative systems and responsible business practices. (Kartika et al., 2026; Xanthopoulou & Sahinidis, 2025)

METHODS

This International Community Service (ICS) adopted a **Participatory Capacity Building Approach**, emphasizing community empowerment through active involvement of the MSME partner throughout all stages of the program. Unlike conventional training programs that primarily transfer knowledge, participatory capacity building encourages business owners to actively identify organizational challenges, formulate solutions, implement improvement strategies, and evaluate outcomes collaboratively. This approach has been widely recognized as an effective model for enhancing managerial competencies and ensuring the sustainability of community development interventions.

The program integrated the principles of **Community Empowerment, Responsible Entrepreneurship, and Business Capacity Development**. Community empowerment served as the primary implementation framework by strengthening the partner's knowledge, administrative capability, and digital competence. Responsible entrepreneurship guided the intervention toward improving organizational governance, accountability, and sustainable business practices. Meanwhile, business capacity development focused on enhancing managerial capability through administrative standardization and digital business management.

The service activities were designed not only to solve immediate managerial problems but also to strengthen the internal organizational capability of NUTSAFIR Cookies so that continuous business improvement could be sustained after the completion of the program.

The community partner of this International Community Service program was **NUTSAFIR Cookies**, a local food-based Micro, Small, and Medium Enterprise (MSME) located in Mataram, Lombok, West Nusa Tenggara, Indonesia. The enterprise specializes in producing cookies made from locally sourced ingredients and serves both local consumers and the tourism market.

A preliminary needs assessment identified several managerial challenges affecting business development. Administrative activities, including document management, customer administration, business records, and filing systems, were conducted manually without standardized procedures. Furthermore, digital technology utilization remained limited to social media promotion without structured digital marketing strategies, digital document management, or customer database management.

Considering these conditions, NUTSAFIR Cookies was selected as the community partner because it demonstrates substantial growth potential while requiring managerial strengthening to improve organizational effectiveness and long-term competitiveness.

The International Community Service program was designed around two integrated capacity-building interventions:

1. Development and implementation of Business Administration Standard Operating Procedures (SOPs).
2. Capacity building in Digital Business Management.

Both interventions were interconnected. Administrative standardization established the organizational foundation required for digital transformation, while digital management strengthened operational efficiency, marketing capability, and customer engagement.

The program emphasized practical learning through workshops, demonstrations, mentoring, and direct implementation rather than classroom-based instruction. The implementation consisted of five sequential stages.

1. Stage 1. Preliminary Assessment

The first stage aimed to identify the actual conditions of the enterprise and determine priority problems requiring intervention. Activities included: field observation, semi-structured interviews with the business owner, document review, business process observation, administrative workflow analysis. The assessment focused on : business administration, document management, customer administration, digital marketing practices and organizational governance. The findings served as the basis for designing the intervention program.

2. Stage 2. Program Planning

Based on the needs assessment, the community service team developed an intervention plan consisting of learning materials, mentoring strategies, implementation schedules, evaluation instruments, and expected outputs. Learning modules were prepared for two major topics: Business Administration such as document management, filing system, customer administration, business correspondence, administrative workflow, and Standard Operating Procedures. Digital Business Management such as digital administration, cloud document management, digital marketing, social media optimization, digital branding, customer communication.

3. Stage 3. Capacity Building Activities

Capacity building represented the core activity of the program. The learning process combined several instructional methods:

- a. Interactive Lecture

Fundamental concepts regarding business administration and digital management were introduced using practical examples.

- b. Workshop

Participants practiced developing administrative documents, filing systems, and Standard Operating Procedures.

- c. Demonstration

The facilitators demonstrated digital document management, cloud storage, social media management, and digital marketing techniques.

d. Hands-on Practice

Participants directly implemented administrative procedures and digital applications using their own business documents.

e. Business Coaching

Individual mentoring sessions assisted participants in adapting the training materials to the specific characteristics of their enterprise.

4. Stage 4. Mentoring

Following the training sessions, continuous mentoring was conducted to ensure the practical implementation of newly acquired competencies. The mentoring covered: implementation of Business Administration SOPs, digital filing practices, social media content planning, digital customer administration, digital communication, monitoring implementation challenges. This stage emphasized experiential learning and problem-solving through direct consultation.

5. Stage 5. Evaluation

Program evaluation aimed to assess the effectiveness of the intervention and identify opportunities for further improvement. Evaluation consisted of both qualitative and quantitative approaches. Qualitative evaluation included observation, interviews, effective discussions. Quantitative evaluation employed: participant satisfaction questionnaire, knowledge assessment, implementation checklist. Several complementary data collection techniques were employed. Observation was conducted before, during, and after the intervention to identify administrative practices and organizational changes. Semi-structured interviews explored business management practices, digital utilization, and perceived training needs. Documentation included business records, photographs, administrative documents, digital content, and implementation evidence. Questionnaires measured participant satisfaction and perceived improvements in managerial competence.

Program effectiveness was measured using four dimensions

Dimension	Indicator
Knowledge	Increased understanding of business administration and digital management
Skills	Ability to develop SOPs and implement digital administration
Organizational Change	Adoption of standardized administrative procedures
Sustainability	Continued utilization of SOPs and digital management after the program

Two primary outputs were targeted. Output 1 Business Administration Standard Operating Procedures (SOPs). The SOP package included: correspondence administration, document filing, customer administration, administrative workflow and business record management. Output 2 Digital Business Management Capacity. The training enhanced competencies related to: digital administration, cloud document management, digital marketing, digital branding, customer communication and digital content management. The evaluation data were analyzed using descriptive qualitative and descriptive quantitative approaches. Qualitative data obtained from observations, interviews, mentoring notes, and documentation were analyzed through three stages:

1. Data reduction, by organizing and selecting information related to administrative practices, digital management adoption, and organizational changes.
2. Data display, by categorizing findings into themes corresponding to the objectives of the community service program.
3. Conclusion drawing and verification, by interpreting changes in participants' knowledge, skills, and organizational practices following the intervention.

Quantitative data derived from participant questionnaires and implementation checklists were analyzed using descriptive statistics, including frequencies, percentages, means, and graphical summaries where appropriate. These analyses were used to assess participant satisfaction, perceived competency improvement, and the level of implementation of Business Administration SOPs and Digital Business Management practices.

Prior to implementation, the objectives and procedures of the community service program were explained to the business owner and participants. Participation was voluntary, and all information collected during observations, interviews, and evaluations was used solely for academic purposes and program improvement. Confidential business information was treated responsibly, and findings are reported in aggregate to respect the partner's privacy and maintain professional ethics.

RESULTS AND DISCUSSION

The International Community Service (ICS) entitled "Strengthening Business Administration and Digital Management Capacity for Sustainable Local SMEs: An International Community Service at NUTSAFIR Cookies Lombok" was successfully conducted on 15 July 2026 at the production site of NUTSAFIR Cookies, Mataram, West Nusa Tenggara, Indonesia.

The activity involved 20 participants, consisting of the business owner and employees responsible for administration, production, packaging, and marketing. The community service program was implemented using a participatory approach that combined lectures, workshops, demonstrations, mentoring, and direct practice. Participants actively engaged in identifying administrative challenges, developing Standard Operating Procedures (SOPs), and practicing digital business management techniques.

The implementation consisted of five stages: Needs assessment, Business administration training, SOP development workshop, Digital Business Management training and mentoring, Evaluation and follow-up planning.

The overall implementation was completed successfully with active participation from all participants.

Table 1. Characteristics of Participants

Characteristics	Number	Percentage
Business Owner	1	5%
Administrative Staff	5	25%
Production Staff	8	40%
Marketing Staff	4	20%
Packaging Staff	2	10%
Total	20	100%

The composition of participants indicates that the program involved all functional units within the enterprise, enabling organizational changes to be implemented comprehensively. The first intervention emphasized strengthening business administration capacity. Preliminary observations revealed that administrative activities were performed manually without standardized documentation. Several weaknesses were identified: absence of written SOPs, manual filing system, inconsistent document management, limited customer administration, non-standardized workflow, paper-based business records.

Training sessions introduced participants to the concept of administrative governance, emphasizing that administration functions as a strategic organizational system rather than merely clerical work. Participants were subsequently guided to develop administrative documents tailored to their operational needs. The Business Administration SOP package developed during the workshop covered: Incoming and outgoing correspondence, Customer administration, Document filing, Digital archiving, Administrative workflow, Business record management.

The collaborative preparation of SOPs encouraged participants to analyze their own business processes and convert tacit knowledge into standardized organizational procedures.

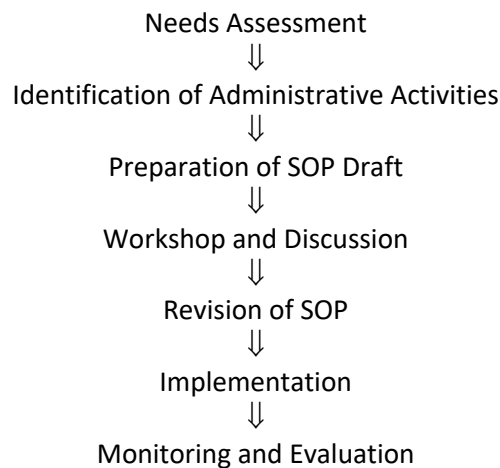


Figure 1. Development Process of Business Administration SOP

Following administrative strengthening, participants attended Digital Business Management training. The training covered: Digital document management, Google Drive utilization, Digital filing, Customer database management, Digital marketing, Content planning, Digital branding, Customer communication.

Participants practiced organizing administrative documents using cloud storage and digital folders while simultaneously learning to manage promotional content through social media platforms.

The mentoring process demonstrated how administrative records could be integrated with digital communication and customer management.

This integration represents an important step toward digital transformation because organizational capability develops alongside technological adoption.

Table 2. Summary of Community Service Activities

Activity	Output
Observation	Identification of administrative problems
Interview	Identification of digital management needs
Business Administration Training	Improved participant knowledge
SOP Workshop	Business Administration SOP developed
Digital Management Training	Improved digital competencies
Mentoring	Practical implementation of SOP and digital administration
Evaluation	Participant feedback and follow-up recommendations

One of the most significant outcomes was the improvement of organizational practices. Before the intervention, administrative management relied heavily on handwritten records and personal experience. Following the implementation, several organizational improvements were observed.

Table 3. Comparison Before and After the Program

Aspect	Before Program	After Program
Administrative Procedures	No written SOP	SOP developed and implemented
Document Filing	Manual	Digital filing introduced
Customer Administration	Simple notebook	Digital customer records
Business Documentation	Scattered	Organized digital folders
Marketing	Social media only	Structured digital marketing planning
Administrative Workflow	Informal	Standardized workflow

The transition from manual administration to digital administration reflects the enterprise's initial stage of organizational digital transformation. Although digital transformation remains ongoing, the establishment of standardized administrative procedures provides an essential organizational foundation for future technological adoption.

Evaluation was conducted through observations, discussions, practical assignments, and pre-test and post-test assessments. The results indicate an overall improvement in participants' understanding of: Business administration, Administrative governance, Standard Operating Procedures, Digital document management, Digital marketing, Customer communication.

Participants also demonstrated increased confidence in applying administrative procedures within their daily business activities. Practical exercises were particularly effective because participants immediately practiced the newly introduced concepts using their own business documents.

Table 4. Summary of Evaluation Results

Evaluation Component	Result
Participant Attendance	All participants attended the full program
Participant Participation	Active
Knowledge Improvement	Improved based on pre- and post-training assessments
Administrative Skills	Improved
Digital Skills	Improved
Participant Satisfaction	Positive
Willingness to Continue Implementation	High

Following the training sessions, participants implemented the newly developed Business Administration Standard Operating Procedures (SOPs) in their daily business activities. The implementation process was carried out under the guidance of the community service team to ensure that each procedure was aligned with the operational characteristics of NUTSAFIR Cookies.

Several administrative improvements were successfully introduced during the implementation phase, including: standardized customer registration forms, digital filing folders for business documents, administrative checklists for routine operational activities, standardized correspondence templates, document coding and classification systems, digital customer databases for improved record management.

The mentoring process enabled participants to practice these procedures directly within their workplace. Continuous guidance also allowed participants to identify implementation challenges and adapt the administrative system according to business needs.

Overall, the implementation of Business Administration SOPs contributed to more systematic administrative practices, improved document accessibility, enhanced workflow consistency, and better organizational coordination. The transition from manual administration to digital-based administrative management represents an important milestone in strengthening organizational governance and supporting sustainable business development.

Discussion

The findings demonstrate that strengthening Business Administration Capacity and Digital Business Management simultaneously provides an effective strategy for improving the organizational capability of local SMEs. The implementation of standardized administrative procedures enabled NUTSAFIR Cookies to establish a more structured management system, thereby reducing inconsistencies in administrative practices and improving operational efficiency.

The introduction of Business Administration SOPs also encouraged participants to recognize administration as a strategic managerial function rather than merely clerical work. Standardized procedures facilitated document management, customer administration, business communication, and information retrieval, all of which support more informed managerial decision-making. These findings are consistent with previous studies emphasizing that administrative standardization enhances organizational effectiveness, accountability, and business continuity.

In addition, the observed transition from manual administrative systems to digital administration reflects an initial stage of digital transformation. Rather than focusing exclusively on technology adoption, this program integrated administrative governance with digital capability development. Such integration strengthens organizational readiness for broader digital transformation by ensuring that digital tools are supported by standardized business processes.

The participatory capacity-building approach also proved effective in encouraging participant engagement throughout the program. Active involvement in identifying problems, developing SOPs, and practicing digital administration increased participants' sense of ownership over the organizational changes introduced during the program. This finding supports community empowerment theory, which argues that sustainable organizational change is more likely when beneficiaries actively participate in planning, implementation, and evaluation.

Furthermore, integrating Business Administration Capacity with Digital Business Management reflects the principles of Responsible Entrepreneurship, which emphasize transparency, accountability, innovation, and sustainable business practices. Improved administrative governance and digital capability not only strengthen organizational performance but also enhance business resilience and competitiveness within the local economy.

The outcomes of this International Community Service program also contribute to the achievement of several Sustainable Development Goals (SDGs), particularly SDG 8 (Decent Work and Economic Growth) through improved business productivity, SDG 9 (Industry, Innovation and Infrastructure) through organizational innovation and digital adoption, SDG 12 (Responsible Consumption and Production) through better business governance, and SDG 17 (Partnerships for the Goals) through collaboration between higher education institutions and local SMEs.

The implementation of this community service program provides several practical implications for different stakeholders. For higher education institutions, the integration of Business Administration SOP development with Digital Business Management training offers a replicable model for community engagement that aligns academic expertise with the practical needs of MSMEs.

For local governments and MSME development agencies, the program demonstrates that strengthening administrative governance should accompany digital transformation initiatives. Improving administrative capability enables SMEs to adopt digital technologies more effectively and sustainably.

For MSMEs, the program highlights that organizational competitiveness depends not only on product quality but also on professional administrative management and digital capability. The adoption of standardized administrative procedures, supported by digital management practices, enhances operational efficiency, improves customer service, and strengthens long-term business sustainability.

Finally, this community service model can be replicated in other local SMEs operating in tourism, creative industries, and food processing sectors that experience similar managerial challenges. By combining business administration strengthening with digital management capacity building, the

model offers a practical pathway for promoting sustainable local economic development through community empowerment and responsible entrepreneurship.

CONCLUSION

This International Community Service program successfully strengthened the business administration and digital management capacity of NUTSAFIR Cookies, a local SME in Mataram, Lombok, through a participatory capacity-building approach. The implementation focused on two integrated interventions: (1) the development and implementation of Business Administration Standard Operating Procedures (SOPs) and (2) capacity building in Digital Business Management, including digital document management and digital marketing practices. These interventions addressed the partner's primary challenges related to non-standardized administrative procedures and the limited use of digital technologies in daily business operations.

The implementation results indicate that the program contributed to improving participants' knowledge and practical skills in business administration, document management, administrative standardization, and digital business practices. The introduction of standardized SOPs enhanced administrative consistency, improved document organization, and established a more systematic workflow. At the same time, the transition from manual administrative practices to digital-based management strengthened the enterprise's readiness for digital transformation and supported more efficient business operations. Active participation throughout the training, workshops, and mentoring sessions further demonstrated that participatory learning effectively enhances organizational capacity and encourages sustainable implementation of newly acquired competencies.

The findings suggest that strengthening administrative governance should be considered a fundamental component of SME development, complementing digital transformation initiatives rather than being treated as a separate activity. Integrating Business Administration Capacity with Digital Business Management provides a practical and replicable community empowerment model that enhances organizational professionalism, operational efficiency, and long-term business sustainability. This integrated approach also supports the achievement of the Sustainable Development Goals (SDGs), particularly SDG 8 (Decent Work and Economic Growth), SDG 9 (Industry, Innovation and Infrastructure), SDG 12 (Responsible Consumption and Production), and SDG 17 (Partnerships for the Goals).

Despite these positive outcomes, this community service was conducted within a single SME and over a relatively short implementation period. Consequently, the long-term sustainability of the intervention and its broader organizational and economic impacts have not yet been comprehensively evaluated. Future community service programs are therefore recommended to involve a larger number of SMEs from different sectors, extend the mentoring period, and incorporate digital performance indicators—such as online customer engagement, digital sales growth, and administrative efficiency—to assess the long-term effectiveness of integrated business administration and digital management interventions. Such efforts will contribute to developing more sustainable, resilient, and competitive local SMEs while strengthening collaboration between higher education institutions and local communities.

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