



A comprehensive analysis of resilience processes in three MSMEs responding to accelerated digital transformation and operational challenges during the COVID-19 pandemic

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ABSTRACT

Background: This study focuses on the resilience of Micro, Small, and Medium Enterprises (MSMEs) in Tanjung Duren Utara, West Jakarta, in facing the challenges of the COVID-19 pandemic and the acceleration of digitalization. **Methods:** This study employs a qualitative and descriptive approach, focusing on three local MSMEs: Bakso Malang, Ayam Tulang Lunak 3 Saudara Cemara, and Mie Ayam Barokah. Through this approach, the research aims to identify and analyze the resilience processes demonstrated by MSMEs during the pandemic. **Findings:** The findings reveal that MSMEs undergo four stages of resilience: surrender, survival, recovery, and rapid growth. These stages involve adjustments to economic and psychological pressures, operational efficiency strategies, utilization of online delivery services, innovations in online marketing and customer service, and adaptation to digital technology. These findings are significant in highlighting how social support, personal strength, and the ability to act contribute to the success of MSMEs in facing the pandemic. **Conclusion:** Given the strategic role of MSMEs in the national economy, particularly in terms of labor absorption and contribution to the Gross Domestic Product, an analysis of their adaptation in this crisis situation is essential. **Novelty/Originality of this article:** The study underscores the importance of adaptation, innovation, and community support in building business resilience amidst uncertainty and challenges, demonstrating effective social functioning during the pandemic and avoiding social maladaptation.

KEYWORDS: COVID-19 pandemic; MSME adaptation; MSME resilience; social functioning; social support.

1. Introduction

In the era of high technology implementation, the business world, which is actually developing and changing rapidly, is getting a boost in transformation acceleration through applied technologies to streamline business processes (Achlis, 1992). The total transaction value (GMV) of the digital economy in Indonesia, especially in the e-commerce sector, is estimated to reach 62 billion US dollars in 2023. This amount is 75.6% of the total GMV of the digital economy in Indonesia, which amounted to 82 billion US dollars for the same year. This shows that Indonesia is a country that adopts technological acceleration to business processes quickly, this can be interpreted as two attitudes, an achievement for Indonesia and also a challenge to be able to maintain and direct the development of this technology inclusively to all levels of business (Adi, 2014). Micro, small, and medium enterprises or

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what we usually call MSMEs are one of the important pillars in the Indonesian economy, this can be seen from the aspect of economic and social benefits in general (Adi, 2015).

According to data from the Ministry of Cooperatives and Small and Medium Enterprises (Kemenkop), the majority of businesses in Indonesia, or around 99%, are included in the category of Micro, Small and Medium Enterprises (MSMEs). These MSMEs contribute significantly to the economy, contributing 61.9% to Indonesia's total Gross Domestic Product (GDP) and absorbing around 97% of the local workforce. In detail, in 2019, micro businesses contributed 37.4% to GDP, which is almost equivalent to the contribution of large-scale companies, which reached 39.5% in the same year. Meanwhile, small businesses contributed 9.5% and medium businesses 13.6% to GDP (Aminy & Fithriasari, 2020). During the COVID-19 pandemic that affected Indonesia and the implementation of PSBB at the beginning of the pandemic, MSMEs faced challenges to be able to survive running their businesses, especially for those who make their businesses their main source of income. In this case, to survive the pandemic, MSMEs need to adopt digital transformation (Apulu & Latham, 2011). However, most MSMEs experience a lack of resources such as knowledge and funds, especially during the COVID-19 pandemic. The main obstacles faced by MSMEs include limited funds, human resources, and business knowledge (Brennen & Kreiss, 2016). Especially MSMEs that usually rely on direct interaction or face-to-face meetings in selling their products, due to the implementation of PSBB to PPKM, have experienced a very significant decline in sales and shaken the stability of their daily lives (Dewi et al., 2023).

On the other hand, a small number of MSMEs such as wholesalers, health supplies, cleaning supplies, cleaning services, laundry services and several similar businesses were able to reap results and profits amid the pandemic. However, there was a drastic change in the marketing system, namely from a conventional marketing system to online (Friedlander, 1961). Several digital media in the form of applications such as Gojek, Grab and others greatly help MSMEs to market their products online. Not only marketing, but also in terms of product distribution to consumers is also helped (Grotberg, 1996). From this, there is an acceleration of change in the aspect of digital transformation that MSMEs must carry out. Those who have succeeded in adapting to the acceleration of digitalization are MSMEs that have managed to survive until after the pandemic. This shows the importance of resilience to adapt through challenges (Helmi & Satria, 2012). In initial research conducted in November 2022, through interviews with two MSME actors in Tanjung Duren Village, the author found a significant impact of the implementation of Large-Scale Social Restrictions (PSBB) on MSMEs. The drastic decrease in the number of visitors, from the usual to only 1-3 people per day, has a direct impact on their income (Hendriani, 2018). This situation has caused difficulties in meeting the basic needs of families, with some MSMEs even forced to use savings for their dream homes or borrow from online lending platforms (Huda, 2009).

Observations made by researchers at various times show that since the pandemic and after, many MSMEs have gone bankrupt. However, there are also MSMEs that have managed to survive by adapting and being resilient to new conditions. The level of resilience varies, with some MSMEs using the crisis as an opportunity to grow, some returning to their pre-pandemic business performance, and some still struggling to adapt but being stable. This level of resilience is influenced by factors such as their economic and social well-being. Based on the context and problems that have been described previously, the purpose of this study is defined as identifying the resilience shown by MSMEs in Tanjung Duren Village in responding to the acceleration of digitalization due to the COVID-19 pandemic.

2. Methods

The research method used in this study is qualitative, with a descriptive approach, aiming to explore and describe the resilience of MSMEs in Tanjung Duren Utara Village during the COVID-19 pandemic. Primary data was collected directly from MSME actors in the area, with the hope of gaining a deep understanding of how MSMEs adapt during the pandemic (Sugiyono, 2012). The location of data collection was in Tanjung Duren Utara

Village, West Jakarta, an area densely populated with MSMEs, especially in the food and beverage sector (Coulson, 2006). This study focuses on MSMEs that face significant challenges during the pandemic. The informant selection technique was carried out by purposive sampling, selecting informative cases that can provide deep insights into the resilience of MSMEs in facing digitalization (Bryman, 2012). Informants were selected based on certain criteria, including MSMEs that sell food products, have been established before the pandemic, have a wide community network, and have a turnover scale of less than IDR 150 million per year (Danial & Wasriah, 2009).

Data collection techniques include literature studies, in-depth interviews, and observations (Creswell, 2018). Literature studies are used to collect theoretical references related to the research topic. In-depth interviews were conducted to directly understand the experiences of MSMEs in dealing with the pandemic, with observations conducted to verify and strengthen the data obtained. In data analysis, three main phases were applied, namely data reduction, data presentation, and drawing conclusions (Miles & Huberman, 1994). Data reduction was carried out through grouping and categorizing information, data presentation was carried out in narrative form, and conclusions were drawn based on data analysis (Sugiyono, 2018). Data validation was carried out through triangulation of sources, techniques, and time (Bryman, 2012), to verify the reliability of information from various sources and methods and to view data from various times. The limitations of this study include time constraints, the ability of respondents to answer questions, the honesty of respondents, and the limited number of MSMEs studied, which made the results not fully generalizable. This study provides an overview of several resilience factors, but further research is still needed to explore other influential factors.

3. Results and Discussion

3.1 Adaptation

The concept of adaptation in the context of human survival, as explained by various researchers, refers to the strategies and responsive behaviors developed by individuals to deal with changes in their environment. According to Jachim's definition, adaptation is a collection of solutions that help humans maintain their survival in the face of various problems (Lampe, 1989). Bennet and Pandley understand adaptation as an individual's responsive behavior to environmental changes (Helmi & Satria, 2012), where this behavior helps a person regulate actions according to existing situations and conditions.

This adaptive behavior develops in response to certain life needs and experiences, helping individuals formulate strategies to deal with future situations (Machmud, 2008). The success of a person's adaptation depends on the individual's abilities, so each person's way of adapting is different. Thus, adaptation is a natural human defense mechanism, which can be acquired from birth or through learning from experience. This adaptation strategy, whether done consciously or not, aims to ensure the survival of the individual, no matter what conditions are faced (Suheil & Indrawati, 2017).

3.2 Resilience

Resilience is considered an important adaptation process in the face of adversity and uncertainty (Puschmann & Alt, 2016). Jordan and Javernick-Will define resilience as the ability of an individual or group to face and overcome the impact of a disaster, and the effort to return to its original condition quickly. Longstaff emphasizes that government actions do not guarantee community safety from disasters, but rather act as the main facilitator in this process (Suartana et al., 2020). Communities have the capacity to save themselves from disasters by utilizing available resources, underlining the importance of empowering communities to adapt to change and dynamics, even in disaster situations (Bahtiar & Saragih, 2020). Cahyani and Pandjaitan state that adaptive capacity is an action of adjustment carried out by communities to recover from adversity and achieve a quality life

(Suartana et al., 2020). The COVID-19 pandemic shows that communities are becoming more vulnerable, driving the need for adaptation and resilience. Resilience, according to Olson and DeFrain, is an important quality to face the challenges of life (Hendriani, 2018). Resilience is not an innate trait, but a dynamic process that involves positive adaptation in difficult situations (Raharjo, 2017).

Grotberg (1996) defines resilience as an individual's ability to cope with stress, challenges, and crises positively. The factors that shape resilience are divided into three main parts: Social Support (I Have), Personal Strengths (I Am), and Ability to Do (I Can). Social environmental support refers to support from family, friends, and the community. Personal strengths include internal aspects such as feelings, behavior, and self-confidence. Ability to Do shows an individual's ability to establish social and interpersonal relationships. Leary and Ickovics identified four stages of resilience: Succumbing, Surviving, Recovery, and Thriving, with each stage marking progression in overcoming stress or challenges (Siporin, 1975). Understanding these stages is important in reviewing the literature and designing interventions to support the development of resilience in the face of stressful situations (Soekanto, 2007).

3.3 Social functioning

Social functioning is related to the ability of individuals, groups, or communities to meet their basic needs, including income and responsibility for meeting personal or family needs, as well as carrying out roles according to their status and duties. This includes the ability to overcome various challenges and pressures, such as psychosocial problems and economic crises (Suharto, 2014). Siporin emphasized that social functioning includes important activities related to the implementation of various social roles, such as the duties of a husband in the context of his social status (Soul, 1992). According to Bartlett, social functioning is an important aspect of social work and is related to a person's ability to face environmental demands as part of life's tasks. Being socially healthy means there is a balance between environmental demands and the individual's ability to cope (Sukirno, 2016). Siporin stated that a person is successful in his social function if he is successful in his role, is responsible for others, and gets personal satisfaction from the performance and tasks carried out (Suharto, 2014).

Social functioning can be categorized into three types according to Huda (2009): Effective Social Functioning, Risky Social Functioning, and Maladaptive Functioning. Effective means meeting all needs and solving problems faced, Risky means there are inhibiting factors in functioning effectively, and Maladaptive occurs when the system is unable to adapt to meet the needs of human life. Indicators of social functioning include the ability to carry out social roles, meet needs, and solve social problems (Achlis, 1992). These needs are divided into primary and secondary, where primary needs are related to physical needs and secondary needs are social needs that develop through experience and learning (Tapscott, 2013). Maslow in his hierarchy of needs theory emphasizes that more urgent and basic needs must be prioritized first, leading to higher-level needs such as the need for appreciation, recognition, and self-actualization (Todaro & Smith, 2006).

3.4 Micro, small and medium enterprises (MSMEs)

Micro, Small, and Medium Enterprises (MSMEs) play an important role in the global economy, especially in absorbing labor and contributing to Gross Domestic Product (GDP) in various countries. MSMEs are recognized not only for their capacity to absorb labor on a large scale but also for their role in driving economic growth (Werner & Smith, 2001). MSMEs act as job generators, contributing up to 50% of the workforce and contributing significantly to reducing unemployment (Suartana et al., 2020). MSMEs are also considered as a crucible for new entrepreneurs and have the capacity to support and maintain the growth of entrepreneurs. They are unique in their market segment and flexible in responding to market fluctuations. MSMEs often carry out simple management and are not

too burdened by complex bureaucracy (Suartana et al., 2020). In addition, MSMEs often use natural resources efficiently and innovatively, support environmental conservation and create sustainable value chains (Wolin & Wolin, 1994).

In the context of the development and potential of MSMEs, there are distinctive characteristics that distinguish them from large companies. These differences include market orientation, business owner profile, job opportunity characteristics, organizational and management structure, level of production mechanization, sources of raw materials and capital, and how to build external relationships and inclusiveness in employee recruitment. Based on the UMKM Law Number 20 of 2008, UMKM are divided into Micro Enterprises, Small Enterprises, and Medium Enterprises, with certain criteria based on total net assets and annual sales results.

UMKM can be classified into four groups, namely Livelihood Activities, Micro Enterprise, Small Dynamic Enterprise, and Fast Moving Enterprise. Each of these groups has different characteristics and levels of development, ranging from businesses run by individuals or families to earn a living to UMKM that have established themselves as market leaders with a transition process to become Large Enterprises. These groups include various types of businesses, from street vendors to businesses that use sophisticated technology and modern management.

3.5 Digitalization of MSME business processes

Digitalization in the context of Micro, Small, and Medium Enterprises (MSMEs) refers to the process of business transformation by adopting digital technology. This includes the conversion of non-digital data or information into digital formats, as well as the use of digital data to optimize and expand business operations. Digital transformation implies a complete change in organizational operations, beyond just adopting technology, involving the integration of technology into all aspects of the business such as human resource management, financial strategy, and product or service development (Brennen & Kreiss, 2016). Digitalization is very important in the era of industry 4.0, which began in 2011, especially for companies to add value to products and facilitate access to services for customers globally. This process offers various benefits such as increasing employee motivation, enthusiasm, and productivity, accelerating more effective decision-making, producing more accurate data processing, and reducing errors (Puschmann & Alt, 2016).

Digital transformation strategies generally follow one of the following three strategies: Platform-Based Strategy, New Distribution Channel Utilization Strategy, and Digital-Based Rebundling Strategy. Each strategy has a different focus, ranging from the use of platforms that suit the company's needs to product and service innovations that were previously carried out conventionally. To be successful in a digitalization strategy, cooperatives and MSMEs must consider the following aspects (Puschmann & Alt, 2016): Strong Online Presence: Existence in cyberspace with the right platform and relevant and interesting content. Innovative Digital Marketing: Utilizing digital tools to reach a wider market, including customer data analysis for personalized offers. This section presents the field results obtained through in-depth interviews and observations. From the findings, the researcher identified the resilience process experienced by Three MSMEs in Tanjung Duren Village, Bakso Malang, Ayam Lunak Tiga Saudara Cemara, and Mie Ayam Barokah. This process includes four main stages that can be observed when someone faces a stressful situation before reaching a higher level of resilience.

3.6 Facing the challenges of the pandemic

The three MSMEs experienced strong emotional reactions in response to the PSBB restrictions. Informant MA from Bakso Malang felt confused and discouraged when customers decreased drastically, and sales of his products became difficult. They felt threatened that they would have to close their business. Informant MA from Bakso Malang was worried about how he would meet his daily needs because sales were very limited due

to the PSBB. Informant AF from Ayam Lunak Tiga Saudara Cemara also felt the risk of closing their business was getting closer due to the drastic decrease in customers. Informant AS from Mie Ayam Barokah experienced uncertainty about the future of his business, not only about losing income but also feeling helpless.

In response, they took quick business actions to survive. Informant MA from Bakso Malang reduced raw materials and saved stock as an effort to adapt to uncertain economic conditions. The owner of Ayam Lunak Tiga Saudara Cemara and his team began to directly guard the shop, showing agility in changing business strategies to stay relevant. In addition, Informant R, an employee at Ayam Lunak Tiga Saudara Cemara, contributed by promoting discounted prices to attract customers, showing individual involvement in the success of the business where he worked. US informants from Mie Ayam Barokah also took the initiative to sell around after being unable to extend their lease. They showed speed and agility in adjusting their selling methods to changing situations.

3.7 Surviving the pandemic

These MSMEs focus on adapting through online businesses in response to changes in consumer behavior that are more likely to switch to online shopping. Informant MA from Bakso Malang, for example, bravely sells products online with the help of his friends, even though the sales level tends to be unstable. On the other hand, the owner of Ayam Tulang Lunak 3 Saudara Cemara, Informant AF, together with his colleagues, made various efforts, including maintaining their own shop, cutting costs, and trying to expand into the online world. Meanwhile, Informant AS from Mie Ayam Barokah also adopted a similar strategy by selling through various online platforms such as WhatsApp, GoFood, and GrabFood. All of these steps reflect their efforts to adapt to changing economic and market conditions.

They use social media as an effective communication and promotion tool in their survival strategy. Informant MA from Bakso Malang maintains focus on the quality of his products and efficient management of raw material stock. Informant AF from Ayam Tulang Lunak 3 Saudara Cemara changed his business strategy by emphasizing delivery services and economical packages, and being more active on social media to reach customers. AS informants are also active on social media, especially WhatsApp, to communicate with customers and build good relationships with them. This reflects their ability to adapt their business to changes in consumer behavior and utilize social media as an effective tool to interact with customers. Social support from family, friends, and loyal customers plays a significant role in maintaining business enthusiasm and continuity. MA informant emphasized the role of friends and customers in providing social support by coming to share complaints and becoming loyal customers. Ayam Tulang Lunak 3 Saudara Cemara places family as the main foundation in maintaining business sustainability and supporting each other. The owner of Mie Ayam Barokah feels encouraged by the support of family and loyal customers who provide encouragement in running the business. This support helps them not to give up and stay motivated.

All three MSMEs adopt digital technology in their business processes, although they may have difficulties at first. MA informant seeks help from friends and children to understand online sales. AF informant from Ayam Tulang Lunak 3 Saudara Cemara also overcomes initial lack of understanding of technology by learning from the internet and asking for help from people around him. This reflects their determination to overcome initial technological obstacles and continue to adapt to technological changes. Team solidarity and involvement, including employees and families, play an important role in the effort to survive. Informant R, an employee of Ayam Tulang Lunak 3 Saudara Cemara, is not only considered a worker but also an integral part of the team that makes a valuable contribution in maintaining the resilience of the business. Informant MA's wife also helps and provides support to her husband in running the business. The solidarity of the family and team helps them to continue to fight and not give up in facing the challenges of the pandemic.

3.8 Recovering from the impact of the pandemic

Adapting online promotion programs and delivery services in response to changes in consumer behavior is what they focus on doing. Informant MA from Bakso Malang entered his business into online platforms such as GoFood and WhatsApp, making it easier for customers to find his products. He also ran a customer loyalty program through online platforms with discounts or free products. The owner of Ayam Lunak Tiga Saudara Cemara created a customer-friendly online service with promo offers and savings packages. Informant AS from Mie Ayam Barokah moved his business into online platforms such as WhatsApp, GoFood, and GrabFood, and integrated promotions on social media and provided discounts on delivery applications. All of this helped them adapt to change and stay afloat amidst economic uncertainty.

After finally being free from PSBB restrictions, these MSME owners felt positive feelings and attitudes. Informant MA from Bakso Malang felt relieved and grateful after successfully getting through difficult times, describing it as "waking up from a nightmare." The owner of Ayam Lunak Tiga Saudara Cemara also felt relieved and grateful, and had a positive spirit to face the future. The US informant from Mie Ayam Barokah felt happy and optimistic after successfully getting through the difficult times due to PSBB, describing it as "there is a new hope that has come true." These positive feelings and attitudes are the result of their success in facing challenges during the pandemic.

3.9 Thriving after the pandemic

Commitment to innovation is key to maintaining business resilience. Informant AF from Ayam Tulang Lunak 3 Saudara Cemara emphasized the importance of innovating by adding new menus and seeking creative ideas. This reflects the determination to not only survive, but also thrive in tight competition. In fact, employees such as Informant R also feel they have an active role in contributing new ideas, demonstrating a collective commitment to achieving the best. Digitalizing promotions through online platforms is an important strategy. Informant MA from Bakso Malang uses social media for promotions, even providing discounts as customer incentives.

Meanwhile, Informant AF from Ayam Tulang Lunak 3 Saudara Cemara often shares promos on social media, such as discounts and savings packages, to attract customers and build a community that supports business growth. Informant AS from Mie Ayam Barokah also uses social media and WhatsApp to inform customers about promos and new menus. This shows that digitalizing promotions is not only about increasing sales, but also about building sustainable relationships with customers. This discussion focuses on the research objective, which is to describe the resilience shown by MSMEs in Tanjung Duren Village in responding to the acceleration of digitalization triggered by the COVID-19 pandemic. The discussion content includes an analysis of the research results by applying the theories or concepts that have been explained in the theoretical review.

3.10 Resilience process

Leary and Ickovics, as mentioned by Coulson (2006), identified four main stages that occur when someone is in a significant situation that causes stress. In the context of this study, the four stages are adapted to explain the situation of MSMEs such as Bakso Malang, Ayam Lunak Tiga Saudara Cemara, and Mie Ayam Barokah during the COVID-19 pandemic. The first stage is the Giving in Stage. At this stage, MSMEs experience acute emotional reactions due to PSBB restrictions during the pandemic. These reactions include confusion, loss of enthusiasm, and fear of business closure. They face uncertainty, decreased customers, and operational obstacles, resulting in financial confusion and loss of identity as business owners.

Next, the Survival Stage. At this stage, MSMEs adapt to the pandemic conditions through online strategies. They utilize platforms such as GoFood, WhatsApp, GrabFood, and social

media to reach customers. Focusing on operational efficiency, resource management, and promotion through social media is key. Support from family, friends, and the community also plays an important role in maintaining business enthusiasm and continuity. Integration of digital technology and team solidarity including employees and family are essential in maintaining business resilience. The third stage is the Recovery Stage. In this stage, MSMEs successfully adopt adaptation strategies, including effective online promotions and delivery services. This increases their online presence and makes it easier for customers to find products. MSME owners feel relieved and grateful after successfully getting through difficult times, reflecting a positive spirit and optimism for the future. Finally, the Rapid Growth Stage. MSMEs experience significant growth with a commitment to innovation and the implementation of online promotion digitalization strategies. Continuous and creative innovation is the focus, as well as the use of social media and online platforms for promotion and building relationships with customers. This period reflects the success of MSMEs in facing change with a commitment to continuous innovation and leveraging the power of digitalization to promote their businesses.

Table 1. Summary of resilience process analysis

Section	Resilience Steps	Summary
Analysis of the resilience process of MSMEs in Tanjung Duren Utara Subdistrict	The stage of succumbing	Emotional reactions due to PSBB restrictions: This phase reflects the profound psychological impact on MSME owners. The restrictions imposed by PSBB have caused confusion and low morale, which significantly affect their outlook on the future of their businesses. This shows how important emotional factors are in business, especially when facing a crisis. Feeling threatened with having to close the business: This stage highlights the very real fear for the business's survival. Facing a decline in customers and operational obstacles, MSME owners are anxious about the possibility of closing their businesses. This reveals the vulnerability of MSMEs to economic fluctuations and the importance of having a contingency plan or crisis management strategy. Attempting to take quick business action: Here, the adaptability and innovation of MSMEs becomes clear. Faced with economic uncertainty, they quickly take steps such as cost reduction and the implementation of online sales strategies. This illustrates courage and flexibility in business, showing that the ability to innovate and adapt quickly is key in dealing with crises.
	Surviving the pandemic	Striving for Adaptation through Online Business: This step demonstrates MSMEs' understanding of the importance of digital presence in the modern era. Switching to online platforms allows them to reach a wider market, respond to changes in consumer behavior, and maintain connections with customers despite physical limitations. This reflects flexibility and a willingness to adopt new and relevant business practices. Survival Strategies with Social Media: The use of social media as a communication and marketing tool shows how MSMEs are adjusting their marketing strategies to be more

	interactive and affordable. This strengthens customer relationships and allows MSMEs to offer more personalized services, which are important in building customer loyalty and differentiation in the market. Support from Family and Friends: Support from family, friends, and customers highlights the importance of a strong social network. This not only provides moral support but also helps with business operations and promotion. This support plays an important role in providing encouragement and ensuring business continuity, especially during difficult times. Adoption of Digital Technology in Business Processes: This step indicates the willingness of MSMEs to overcome technological barriers and innovate. Understanding and applying new technologies is key to improving efficiency and reaching a wider market, and is an important indicator of a business's ability to adapt in an ever-changing environment. Team Solidarity and Involvement: Team involvement and solidarity, both from employees and family, demonstrate the importance of cooperation and togetherness in facing crises. This creates a strong and sustainable work environment, where each team member plays an active role in supporting the business, demonstrating the importance of human resources in business success.
Recovering from the impact of the pandemic	Adaptation of Online Promotion and Delivery Services: This strategy demonstrates the proactive response of MSMEs to changes in consumer behavior during the pandemic. By adopting digital platforms and delivery services, these MSMEs have successfully responded to market needs that are more inclined towards online shopping. This has not only helped to maintain business continuity but also expanded their market reach. The implementation of this strategy indicates business intelligence in utilizing technology for growth and adaptation to a changing market environment. Positive Feelings After PSBB: The relief and optimism felt by MSME owners after a difficult period shows the significant psychological impact of their successful adaptation. This positive spirit is important for business recovery and sustainable growth. It reflects the importance of mental and emotional resilience in facing challenges. This positive attitude not only motivates business owners but also has the potential to positively influence their teams, customers, and communities.
Growing after the pandemic	Commitment to Innovation: This commitment demonstrates MSMEs' awareness of the need to continuously develop and innovate in order to remain relevant and competitive. <u>Innovation</u>

in terms of new menus and creative ideas reflects a desire to meet changing customer needs and create differentiation in the market. Involving employees in the innovation process demonstrates a holistic approach and boosts team morale, which is crucial for encouraging creativity and business sustainability.

Digitalization of Promotion: The implementation of this strategy demonstrates the adaptation of MSMEs to current digital trends and an understanding of the importance of a strong online presence. The use of social media and online ordering platforms is not only about expanding market reach but also about building deeper relationships with customers. This shows a shift from traditional marketing to strategies that are more focused on community and interaction, helping to build customer loyalty and a supportive community.

3.11 Resilience factors

The factors that enable the resilience of these three MSMEs in Tanjung Duren Village are discussed using the concept of three resilience factors by Grotberg (1996), namely Social Support (I Have), Personal Strength (I Am), and Ability to Do (I Can). The Social Support (I Have) factor plays a critical role in the resilience of MSMEs. Social support, especially from family, is very important, such as in Bakso Malang and Ayam Tulang Lunak 3 Saudara Cemara. Family provides financial and emotional support, helping business owners survive and focus on business despite obstacles. This support is a financial safety net and the main driver for business sustainability, maintaining enthusiasm and determination in facing challenges.

In the Personal Strength (I Am) Factor, adaptability and flexibility are the main factors in business resilience. The owner of Bakso Malang, Informant MA, showed adaptation and flexibility by reducing the use of raw materials, optimizing stock, and utilizing online sales. The owner of Mie Ayam Barokah, AS, changed his business model with mobile sales and adopted a digital platform. Meanwhile, the owner of Ayam Lunak Tiga Saudara Cemara thinks creatively in his innovative approach. Adaptability, flexibility, and creative thinking are key elements in building resilience. Finally, in the Ability to Do (I Can) Factor, the ability to build and maintain strong relationships with customers is critical. The owner of Bakso Malang interacts directly with customers to provide good service, while the owner of Mie Ayam Barokah uses digital platforms to maintain customer relationships. These efforts create positive experiences for customers, increase loyalty, and strengthen the business's reputation. This shows the importance of effective communication and ongoing engagement in the digital age, not only selling products but also creating ongoing dialogue.

Table 2. Summary of resilience factor analysis

Section	Resilience factors	Summary
Resilience factors in MSMEs Tanjung Duren Village	Social support (I have)	Direct and indirect family support: In terms of social support for MSMEs such as Bakso Malang and Ayam Tulang Lunak 3 Saudara Cemara, the role of family is very important. Family support is not only financial, but also emotional, providing motivation and strength. This is a major factor in building individual and business resilience. In conclusion, family support is a key factor in shaping individual and business resilience.

Inner strength (I am)	Adaptability and Flexibility: Business owners such as Informant MA (Bakso Malang) and AS (Mie Ayam Barokah) demonstrated adaptability by devising strategies to reduce operational costs and utilizing online sales. This reflects their ability to change in the face of difficult economic situations and embrace innovation in their businesses. Creative Thinking: The owners of Ayam Tulang Lunak 3 Saudara Cemara (Informant AF) and AS (Mie Ayam Barokah) provide examples of how they think outside the box and innovate in the face of difficult situations. They entered the online world and utilized technology to overcome changes in consumer behavior. This demonstrates the ability to find innovative solutions in the face of challenges.
Ability to act (I can)	Building Customer Relationships Digitally: The ability to build digital customer relationships and take a proactive approach is key to building business resilience. Successful business owners understand that customer relationships are not just transactions, but also emotional bonds. They use digital platforms such as WhatsApp, GoFood, and GrabFood for online interactions, keeping up with digitalization trends. Letting customers know that the business is still open and providing good service creates a positive experience, increases trust, and builds business reputation. In a changing business world, responding to changes in customer relationships is important for maintaining business resilience.

3.12 Social functioning and resilience of MSMEs in Tanjung Duren Subdistrict

The analysis of social functioning and resilience of MSMEs in Tanjung Duren Village, including Bakso Malang, Ayam Tulang Lunak, and Mie Ayam Barokah, highlights how they effectively respond to the challenges of the pandemic. Based on the categories by Huda (2009) and referring to A.H. Maslow's hierarchy of needs theory and Achlis's (1992) social functioning indicators, this analysis reveals three aspects of functioning: effective, risky, and maladaptive. In terms of effective social functioning, these MSMEs have successfully adapted to the challenges of the pandemic through innovative strategies such as switching to online sales, utilizing social media for promotion, and optimizing resource management. Support from family and community also plays an important role, providing emotional and practical support. This shows the ability of MSMEs to maintain and improve their social functioning, meet basic business needs and maintain operational continuity.

However, at the beginning of the pandemic, these MSMEs faced significant challenges such as a decrease in customers and operational restrictions, which fall into the category of risky social functioning. Despite facing risks that could hamper their effective functioning, through adaptation and innovation, they managed to overcome these challenges, marking a transition from risky to effective functioning. Meanwhile, the potential for maladaptive functioning was initially apparent, where MSMEs may have felt overwhelmed and unable to adapt to changes. However, they quickly identified and implemented effective adaptation strategies, avoiding pitfalls such as depression or isolation. This overall analysis illustrates the resilience and adaptability of MSMEs amidst the challenging conditions of the pandemic.

4. Conclusions

Based on the results of the research and discussion, here are some conclusions that can be drawn from this study: MSMEs in Tanjung Duren Village have successfully passed the stages of resilience: giving in, surviving, recovering, and thriving. They show adaptation and growth in facing the challenges posed by the pandemic. In the giving in stage, MSMEs experience significant pressure with confusion and loss of spirit, affecting economic and psychological aspects, but manage to maintain a positive atmosphere. In the survival stage, the strategies adopted include efficient resource management, transformation of delivery services, and utilization of social support, indicating success in dealing with the crisis. In the recovery stage, MSMEs show progress by innovating in online marketing and customer service, with a positive attitude and consistent determination. Finally, in the thriving stage, MSMEs succeed in developing by adapting and utilizing digital technology, as well as innovation in product promotion and offerings.

The resilience of MSMEs in Tanjung Duren Village is greatly influenced by factors such as social support, personal strength, and the ability to act. Social support, especially from family and community, is very important in helping MSME owners overcome the pressures they face. Personal strengths, including adaptability and creativity, are valuable assets in navigating difficult situations. In addition, the ability to act, which relates to building effective social and interpersonal relationships, is a key factor in strengthening support networks and facing challenges. MSME owners also demonstrated effective social functioning, which is a key aspect of their resilience. They successfully adapted to changes in the business environment through digital innovation, smart resource management, and leveraging strong community support. In particular, the transition from risky to effective social functioning demonstrated their ability not only to survive the crisis but also to thrive and find new opportunities. Avoidance of maladaptive social functioning, quickly identifying and implementing effective adaptation strategies, highlighted their resilience to depression or isolation. This analysis shows that these three MSMEs managed to go beyond simply meeting their basic needs to achieve higher needs such as recognition and self-actualization.

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