



## Resilience Strategy for Micro, Small and Medium Enterprises after the Covid-19 Pandemic: Lessons from Indonesia

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### Abstract

The Covid-19 pandemic has resulted in significant impacts on Micro, Small, and Medium Enterprises (MSMEs) in Indonesia, which include decreased consumer demand, supply chain disruptions, and limited working capital. However, the sector also shows great potential to recover and thrive through various resilience strategies. This article aims to discuss the key strategies implemented by MSMEs in Indonesia post-pandemic to maintain and improve business sustainability. Literature analysis is the method of this research. The results of this study show that the strategies to maintain and improve business sustainability are: (1) digitalization and technological transformation by increasing digital literacy to expand market reach, (2) product and service diversification by encouraging product innovation and the development of new services relevant to current consumer needs, (3) strengthening networks and collaboration, both with large companies and business communities, is also a vital strategy for sharing resources and market opportunities, and (4) capacity and skills development through training, workshops, and mentorship programs help improve the managerial and technical capabilities of MSME entrepreneurs.

**Keywords:** Covid-19 Pandemic, MSMEs, Resilience Strategy.

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### INTRODUCTION

The Covid-19 pandemic that has hit the world since the end of 2019 has had a major impact on the global economy (Llamera, 2021; Obi et al., 2020; Rizqulloh, 2021; Yam & Rachbini, 2022). The Micro, Small, and Medium Enterprises (MSMEs) sector, which is the backbone of the Indonesian economy, is experiencing tremendous challenges. Social restrictions, decreased consumer demand, supply chain disruptions, and limited working capital are some of the main challenges faced by MSMEs during the pandemic (Upe et al., 2021). MSMEs in Indonesia play an important role in providing employment, supporting community welfare, and driving economic growth (Abdugapparovich, 2020; Nurhaliza, 2022; Sugiarto, 2021). Before the pandemic, the sector contributed significantly to the country's Gross Domestic Product (GDP) and absorbed a large proportion of the workforce. However, the pandemic exposed the vulnerability of MSMEs to economic shocks, highlighting the need for effective resilience strategies to ensure future business sustainability.

According to PPM Management Executive Director Triono Saputro, rapid adaptation in

overhauling business processes is the key for companies to survive in the face of uncertainty caused by the pandemic. Investment in technology is the main focus, as this is considered capable of increasing the efficiency and effectiveness of the Company's operations (Rahajeng KH, 2021).

Digitalization allows MSMEs to keep operating despite physical restrictions by switching to e-commerce platforms and using technology for digital marketing. Technology transformation includes not only online sales but also more efficient business management through the use of accounting software, inventory management, and data analysis tools.

Product and service diversification helps MSMEs to adjust to changing market needs. For example, many MSMEs have started producing personal protective equipment (PPE) and other health products during the pandemic. Easier access to financing is also crucial. Government assistance programs, such as loan interest subsidies and tax payment deferrals, have helped many MSMEs to stay afloat. In addition, strengthening networks and collaboration with other parties, including large enterprises and the business



community, has helped MSMEs to share resources and market opportunities.

These collaborations also include the integration of MSMEs in larger supply chains, which can improve the stability and sustainability of their businesses (Hanan et al., 2021). This article aims to examine the various resilience strategies implemented by MSMEs in Indonesia following the Covid-19 pandemic and evaluate the effectiveness of these strategies (Ras et al., 2022). The lessons learned from Indonesia's experience are expected to provide insights and guidance for other countries in formulating policies and strategies to support their MSME sectors. By doing so, MSMEs can become more resilient in facing future challenges and contribute more to national economic recovery.

The discussion will include an analysis of how MSMEs adopt digital technology, diversify products and services, access financing, strengthen networks, and develop capacity and skills. Case studies from MSMEs in various sectors will be used to illustrate the application of these strategies in real contexts. Finally, the article will conclude with policy recommendations and best practices that can be adopted by MSMEs and other stakeholders to strengthen the sector's resilience in the future.

## **METHODS**

This study examines the resilience strategies implemented by Micro, Small, and Medium Enterprises (MSMEs) in Indonesia after the Covid-19 pandemic and assesses their effectiveness in supporting business sustainability. Based on a Qualitative approach involving a literature study. This approach aims to deeply understand the phenomenon being studied through a review of relevant literature, such as scientific journals, books, research reports, and other academic sources (Getnet Agazu et al., 2022; Merriam, 2009). The main stages in literature review include literature identification, literature collection, analysis and synthesis, and critical evaluation (Hart, 2018; Machi & McEvoy, 2024; Smith, 2018).

Literature review in qualitative research allows researchers to gain in-depth insights, recognize developments and trends in a particular research field, and identify areas that require further research (Niasse, 2022). This method is very useful for building a strong theoretical basis and developing a conceptual framework that supports subsequent empirical studies.

## **RESULTS AND DISCUSSION**

### **Digitalization and Technology Transformation**

#### 1. Adopsi Platform E-commerce

Many MSMEs that have turned to e-commerce platforms have successfully expanded their market reach and increased sales despite physical restrictions. This digitalization not only allows MSMEs to keep operating during the pandemic but also opens up new opportunities for future growth. Digital literacy is an important factor in the successful adoption of this technology.

The phenomenon in Indonesia is that MSMEs can master digital technology and can utilize various platform tools for marketing, sales, and business management (Muzanenhamo, 2023; Rozan, 2022). This ability allows them to compete more effectively and efficiently in an increasingly digitized market. Digital literacy training offered by government and non-profit organizations has played a significant role in improving the digital capabilities of MSME players (Naredia et al., 2023; Upe, 2023). These programs help them understand how to use social media for marketing, e-commerce platforms for sales, and software for inventory management and accounting.

MSMEs in Indonesia are also adopting technology to collect and analyze customer data, which can be used to understand market trends and consumer preferences, thus assisting in better decision-making. The types of technology adopted are Tokopedia, Shopee, Bukalapak, Lazada, Blibli, Zalora, Sociolla, and JD.ID and Elevenia. In addition to the platforms above, MSMEs also utilize social media such as Instagram, Facebook, and WhatsApp to sell and interact directly with consumers. The use of social media is often combined with e-commerce platforms to increase reach and sales (Cakranegara et al., 2022).

With a wide selection of e-commerce platforms available, MSMEs in Indonesia have ample opportunities to expand their market, increase sales, and survive in dynamic economic conditions. Support from the government and platform providers through training and financing programs are also helpful in this process.

#### 2. Digital Literacy

Digital literacy is carried out by means of digital literacy training. This is a key factor in the successful adoption of technology by Micro, Small, and Medium Enterprises (MSMEs) in Indonesia. Digital literacy not



only proclaims the basic ability to use information and communication technology (ICT), but also includes a deep understanding of how this technology can be used to improve operational efficiency, competitiveness, and market reach. A visible phenomenon for MSMEs, digital literacy is a critical investment that has a direct impact on the success and sustainability of their business, especially amid the challenges following the Covid-19 pandemic.

The Government of Indonesia, together with various non-profit organizations and the private sector, has developed various digital literacy training programs to support MSMEs. Some notable initiatives include. The first is the Siberkreasi National Digital Literacy Movement. This initiative aims to improve digital literacy among Indonesians, including MSMEs. The program includes training on safe internet usage, social media utilization for business, and digital content development. The second is the Digital Talent Scholarship Program. Organized by the Ministry of Communication and Information Technology, this program offers various courses and training covering digital skills, such as app development, cybersecurity, and data analysis. MSMEs can take advantage of this program to improve their technical skills. Third is Tokopedia's Smart Class. Tokopedia, one of the largest e-commerce platforms in Indonesia, provides free training programs for sellers on their platform. The Smart Class covers various topics, such as digital marketing strategies, online store management, and sales optimization. Fourth is Shopee's TerusUsaha Program. Shopee offers various training and webinars to help MSMEs improve their digital skills. The program includes guidance on using the Shopee platform, digital marketing tips, and business management strategies.

The impact of Digital Literacy Training for MSMEs in Indonesia includes increased sales, efficiency, and productivity, better adaptation to change, and better financial management. The digital literacy conducted not only helps MSMEs in Indonesia survive during the pandemic but also opens up new opportunities for growth and long-term sustainability of MSMEs in Indonesia.

### **Product and Service Diversification**

#### **1. Product Innovation**

The findings are that MSMEs can innovate by introducing new products that are relevant to consumer

needs during and after the pandemic, such as health and hygiene products, showing higher resilience.

During the Covid-19 pandemic, the demand for health and hygiene products increased significantly. Many MSMEs have managed to adapt quickly to meet this demand. Here are some examples of product innovations made by MSMEs in Indonesia. The first is Hand Sanitizer and Disinfectant. A number of MSMEs that were previously engaged in the production of cosmetics and beauty products have switched to producing hand sanitizers and disinfectants. These products are urgently needed during the pandemic to maintain hygiene and prevent the spread of the virus. The second is cloth masks. MSMEs in the textile and fashion sector have started producing reusable cloth masks. These masks offer not only protection but also a variety of attractive designs, making them popular among consumers who want to stay safe without compromising on style.

Many MSMEs have started producing household hygiene products such as antiseptic soaps, multipurpose cleaners, and wet wipes. These products help fulfill consumers' needs for a cleaner and more hygienic environment. Fourth is Health Food and Beverages. Demand for food and beverage products that can boost immunity is also increasing. MSMEs engaged in the food and beverage sector have started to offer products such as traditional herbal medicine, herbal supplements, and organic food. These product innovations have had several positive impacts on MSMEs, helping them to survive and even thrive during and after the pandemic. The first is increased revenue. By introducing new products that match current market needs, MSMEs can attract more consumers and increase sales. This is crucial for maintaining financial stability and business continuity.

The second is market expansion. Product innovation allows MSMEs to reach market segments that were previously underserved. For example, MSMEs that produce cloth masks may start selling their products online, reaching consumers beyond their local area. Third is increased competitiveness. By offering unique and relevant products, MSMEs can compete more effectively in the market. Innovation makes their products more attractive compared to unchanged products. Fourth is better risk management. Product diversification helps MSMEs in Indonesia reduce business risk by not relying on one type of



product or service. If demand for one product declines, they still have other products that can sustain their business.

Product and service diversification in the form of product innovation is an important strategy that MSMEs should adopt to improve their business resilience and sustainability. By understanding the changing needs of consumers during and after the pandemic, MSMEs in Indonesia have been able to innovate and introduce relevant products such as health and hygiene products. These innovations have helped them demonstrate higher resilience, increase revenue, expand markets, improve competitiveness, and better manage risks. Continued support from the government and access to the right resources will be critical to ensure the continued success of these initiatives.

## 2. New Service

The development of services such as direct-to-consumer delivery and subscription-based services helps MSMEs in Indonesia maintain revenue amid changing consumer behavior. The Covid-19 pandemic has brought about major changes in consumer behavior around the world, including in Indonesia. Social restrictions and changes in the way people interact and shop are forcing MSMEs (Micro, Small, and Medium Enterprises) to adapt and find new ways to maintain and increase their revenue. Two strategies that are emerging as effective solutions are direct-to-consumer (D2C) delivery and subscription-based services. These two approaches not only help MSMEs survive the crisis but also open up new opportunities for long-term growth.

The first is Direct-to-Consumer Delivery. Direct-to-consumer (D2C) delivery is a business model where manufacturers or service providers sell their products directly to customers without intermediaries such as distributors or retailers. This model has gained significant popularity during the pandemic in Indonesia for several key reasons, including physical mobility restrictions and increased consumer confidence in online shopping.

Second is the advantage of direct-to-consumer delivery. Greater Control over Brand and Customer Relationship which includes: (1) By eliminating middlemen, MSMEs have full control over how their products are marketed and sold. This allows them to build closer relationships with customers and customize the shopping experience according to

customer preferences, (2) Higher Profit Margins. Removing the middleman also means that MSMEs can retain most of the profits that would have previously been shared with distributors or retailers. This could mean higher profit margins and better price control, (3) Better Understanding of Customers. Through direct interaction with customers, MSMEs can collect valuable data on shopping behavior, product preferences, and customer feedback. This information can be used to improve products and services and design more effective marketing strategies.

However, there are challenges with direct-to-consumer delivery, namely: (1) Ensuring products reach customers safely and on time, (2) marketing and production that require MSMEs in Indonesia to reach potential customers. This can be a significant additional cost, (3) customer service in the form of direct customer inquiries, complaints, and feedback, which requires additional resources for customer service.

The development of new services such as direct-to-consumer delivery and subscription-based services has proven to be an effective strategy for MSMEs in Indonesia in the face of changing consumer behavior caused by the Covid-19 pandemic. Both of these business models offer a range of benefits, from increased revenue to the development of long-term relationships with customers. However, they also present challenges that require investments in logistics, marketing, and customer management.

To achieve success with these strategies, MSMEs must be willing to innovate and adapt quickly. They must also leverage digital technology to improve operational efficiency and provide a better customer experience. Support from the government and access to the right resources will go a long way in helping MSMEs effectively implement these strategies. By adopting direct-to-consumer delivery and subscription-based services, MSMEs in Indonesia can not only survive the crisis but also pave the way for long-term growth and sustainability. The combination of these two business models offers a great opportunity to improve competitiveness and strengthen the position of MSMEs in the evolving digital economy.

## **Access to Financing**

### 1. Government Assistance Program

The Covid-19 pandemic has had a significant impact on the economic sector, especially for MSMEs (Micro, Small and Medium Enterprises) in Indonesia.



Facing major challenges such as decreased revenue, difficulty in accessing capital, and operational disruptions, MSMEs require significant support to survive. In this context, various government assistance programs have been a lifesaver for many MSMEs, helping them maintain business operations and mitigate the economic impact of the pandemic.

One form of assistance provided by the government is loan interest subsidies. This program is designed to ease the financial burden of MSMEs that have loans with high interest rates. With interest subsidies, MSMEs can obtain loans at lower interest rates, thereby reducing their borrowing costs and allowing them to use the saved funds for operational needs or business development.

This loan interest subsidy not only assists MSMEs in meeting their financial obligations but also increases their access to more affordable working capital. With lower interest rates, MSMEs can more freely manage their finances and allocate funds for productive activities, such as purchasing raw materials, investing in technology, or business expansion.

In addition to the loan interest subsidy, the government also provides a tax payment deferment program for MSMEs. This program allows MSMEs to meet their tax obligations without incurring fines or sanctions. The postponement of tax payments is especially important for MSMEs that have seen a drastic drop in revenue during the pandemic, as it provides the breathing space needed to organize their finances.

By deferring tax payments, MSMEs can use the funds that would otherwise be used to pay taxes for other pressing needs, such as paying employee salaries, paying rent, or purchasing stock. This step goes a long way in maintaining liquidity and ensuring the continuity of business operations.

In addition, the government also launched a special Direct Cash Assistance (BLT) program for MSMEs. This program provides cash funds directly to MSME players affected by the pandemic, with the aim of helping them meet their basic needs and sustain their businesses. BLT UMKM is often channeled through programs such as Banpres produktif untuk Usaha Mikro (BPUM), which provides financial assistance without the need to repay.

The Kredit Usaha Rakyat (KUR) program is also a very important assistance program. KUR provides

access to low-interest loans to MSMEs that find it difficult to obtain financing from formal financial institutions. The government provides interest subsidies and credit guarantees to ensure that MSMEs can access these loans more easily. These government assistance programs have a significant impact in helping MSMEs survive difficult times. Loan interest subsidies, tax payment deferrals, direct cash transfers, and KUR programs all provide crucial financial support. This support not only helps MSMEs maintain their operations during the pandemic but also provides a strong foundation for post-pandemic economic recovery.

## 2. Partnerships with Financial Institutions

Partnerships with banks and financial institutions play a crucial role in supporting MSMEs (Micro, Small, and Medium Enterprises) to overcome working capital limitations. Financial institutions can provide flexible and low-interest loan schemes, which greatly assist MSMEs in running their business operations, especially in difficult times such as post-pandemic.

Flexible and Low Interest Loan Schemes include:

(1) working capital loans. This type of loan is specifically designed to meet the short-term needs of MSMEs. These loans assist MSMEs in managing cash flow, purchasing inventory, and paying employee salaries, (2) Investment loans. These loan schemes usually have longer terms and lower interest rates to ease the payment burden for MSMEs, (3) Microcredit. These loans are perfect for micro-enterprises that need additional funds for daily operations or short-term projects, (4) Government Subsidized Guaranteed Loans, These schemes reduce the interest burden that MSMEs have to pay, allowing them to focus on business development without being burdened by high borrowing costs.

The benefits of partnerships with financial institutions include:

1. Overcoming Capital Limitations. Adequate working capital is one of the biggest challenges faced by MSMEs. Partnerships with financial institutions help address this issue by providing access to sources of funds required for business operations and expansion.
2. Improves Liquidity. Loans from financial institutions improve the liquidity of MSMEs, allowing them to better manage their finances and



handle sudden expenses or investment opportunities that arise.

3. **Enhances Business Credibility.** Partnerships with financial institutions also increase the credibility of MSMEs in the eyes of suppliers and customers. Financial support from a bank or financial institution signals that the business has good potential and reliable financial management.
4. **Access to Additional Financial Services.** In addition to loans, these partnerships also open up access to various other financial services, such as business insurance, cash management services, and digital banking services that can help MSMEs manage their business more efficiently.

This reality has problems that include:

1. **Complicated Application Process.** A long and complicated loan application process is often a barrier for MSMEs.
2. **Lack of Understanding of Financial Products.** Many MSMEs do not fully understand the financial products available. Education and training on financial management and financial products can help address this issue.
3. **Credit Risk.** Credit risk is always present in lending. Financial institutions can mitigate this risk by conducting comprehensive credit assessments and offering loans with collateral or government support.

### **Strengthening Networks and Collaboration**

#### **1. Strategic Partnerships**

To survive and thrive amidst the economic challenges triggered by the COVID-19 pandemic, strengthening networks and collaborations is becoming an increasingly important strategy for MSMEs (Micro, Small, and Medium Enterprises) in Indonesia. One form of effective collaboration is strategic partnerships with larger companies. Integration in larger supply chains through these partnerships can provide stability and open new market opportunities for MSMEs, strengthening their position in a competitive economic ecosystem (Kustiningsih et al., 2022). This provides benefits that include:

- 1) **Access to Broader Markets.** Through strategic partnerships with large companies, MSMEs can access markets that were previously difficult to reach. Large companies often have extensive distribution networks and large customer bases,

allowing MSMEs to expand their market reach more effectively.

- 2) **Increased Production Capacity.** Collaboration with large companies often involves knowledge and technology transfer. MSMEs can learn from the best practices of large companies in terms of production management, quality control, and operational efficiency, which can ultimately improve the production capacity and product quality of MSMEs.
- 3) **Partnerships with larger companies can provide financial stability for MSMEs through long-term contracts or repeat purchase agreements.** This provides revenue certainty and assists MSMEs in financial planning and cash flow management.
- 4) **Increased Market Trust.** Collaborating with large enterprises can also increase market credibility and trust in MSMEs. Products or services produced through partnerships with large enterprises tend to gain greater trust from consumers and other business partners.

In this domain, there are challenges found in partnering, namely:

- 1) **Market Power Inequality.** There is often an imbalance in market and negotiating power between MSMEs and large enterprises. Large firms may have more leverage in setting the terms and conditions of the partnership, which can be detrimental to MSMEs if not managed well.
- 2) **Management Complexity.** Managing strategic partnerships with large enterprises can be complex and requires good management skills. MSMEs need to ensure that they can meet the quality standards and delivery schedules set by large enterprises.
- 3) **Dependency.** There is a high risk of dependence on one or a few large partners. If the partnership relationship breaks down or market conditions change, MSMEs may face great difficulty in finding an equivalent alternative.

One successful example of a strategic partnership in Indonesia is the collaboration between MSMEs producing agricultural products and large retail companies. Large retail companies such as supermarkets and hypermarkets often look for local suppliers to fulfill their fresh produce needs. MSMEs engaged in the agricultural sector can partner with



these companies to provide fruits, vegetables, and other agricultural products.

These partnerships allow agricultural MSMEs to gain direct access to a vast retail market, while retail companies get a supply of quality fresh produce at competitive prices. Through these partnerships, agricultural MSMEs also get assistance in terms of product quality standards and delivery efficiency, which increases their competitiveness in the market.

Strategic partnerships with large enterprises and integration in larger supply chains are important strategies for MSMEs in Indonesia to achieve stability and open up new market opportunities. While the challenges in managing these partnerships are significant, the benefits are far greater. With access to wider markets, increased production capacity, financial stability, and improved market confidence, MSMEs can improve their competitiveness and business sustainability. The right strategy in establishing and managing these partnerships will help MSMEs overcome challenges and maximize opportunities, ensuring sustainable growth and greater contribution to the national economy.

## 2. Business Community

Strengthening business networks and local communities plays an important role in supporting the growth and sustainability of MSMEs (Micro, Small, and Medium Enterprises). By joining business communities, MSMEs can capitalize on the various benefits that come from collaboration, information exchange, resources, and support between business actors. This business community not only helps in overcoming daily operational challenges but also opens up opportunities for innovation and expansion (Putri et al., 2023).

A key advantage of joining a business community is access to relevant information and knowledge. MSMEs can share experiences, best practices, and business strategies that have proven successful. Furthermore, it can provide access to resources that may be difficult to obtain individually. This could be access to training, workshops, seminars, and business consultations organized by business organizations or associations.

Moral and professional support from fellow members of the business community is essential. MSMEs can provide support to each other in the form of advice, technical assistance, or even cooperation on

specific projects. Joining the business community provides an opportunity to build networks and connections with various stakeholders, including potential business partners, investors, and the government. This extensive network can help MSMEs seek new opportunities, be it in the form of business partnerships, investments, or access to a wider market.

Nonetheless, this business community in Indonesia has challenges that include time and resource commitment, effective communication and coordination, and competition among members. One successful example of a business community in Indonesia is a community of creative entrepreneurs engaged in the handicraft sector. In major cities such as Jakarta, Bandung, and Yogyakarta, some communities gather local artisans to share knowledge, resources, and market opportunities. Strengthening local business networks and communities is an important strategic step for MSMEs in Indonesia. Through business communities, MSMEs can access indispensable information, resources, and support to overcome challenges and capitalize on opportunities.

The benefits of information exchange, access to resources, moral and professional support, and extensive networks and connections make business communities an effective platform for MSME growth and sustainability. While there are challenges in managing these communities, with the right strategies, MSMEs can maximize the benefits of business communities and strengthen their position in a competitive economic ecosystem.

### **Capacity and Skills Development**

#### 1. Training and Workshop

Regular managerial and technical training is a key element in helping MSMEs (Micro, Small, and Medium Enterprises) in Indonesia improve their operational efficiency and adaptability to market changes. Through training and workshops, MSMEs can gain new knowledge and skills needed to face business challenges, optimize operational processes, and take advantage of evolving market opportunities. The training provides benefits that include improved operational efficiency, including inventory management, quality control, and supply chain efficiency. With more efficient operations, MSMEs can reduce costs and increase productivity.

Further benefits include improved managerial skills in the form of developing leadership, decision-



making, and strategic planning skills. This is important to ensure that MSMEs can steer their business in the right direction and manage teams more effectively. Next is adaptability to market changes, which includes training on market trends, consumer behavior, and new technologies, enabling MSMEs to stay relevant and responsive to change. MSMEs that adapt quickly to market changes tend to be more successful in the long run.

So can product development and innovation. Workshops on product development and innovation assist MSMEs in creating new products and services that meet market needs. This includes training in product design, market research, and innovation techniques.

One successful example of an MSME training program in Indonesia is the training program organized by the Ministry of Cooperatives and SMEs, in collaboration with various educational institutions and private companies. The program covers a wide range of training from financial management, and digital marketing, to product development. For example, the "MSME Digitalization Training" program aims to improve digital literacy among MSME players. Through this program, participants are taught how to utilize e-commerce platforms, digital marketing through social media, and the use of online business management tools. The program succeeded in improving the technical capabilities of MSMEs in leveraging technology to expand markets and increase sales (Triwiyanto et al., 2023).

Regular training and workshops are important investments for MSMEs in Indonesia. With improved operational efficiency, managerial skills, and adaptability to market changes, MSMEs can optimize their business performance and increase competitiveness (Nasvian et al., 2021). While there are challenges in organizing training, appropriate strategies such as needs identification, curriculum customization, use of technology, and continuous evaluation can ensure that training and workshops provide maximum benefits to MSMEs. With the right support, MSMEs in Indonesia can grow and develop stronger, contributing more to the national economy.

## 2. Mentorship Program

Mentoring from successful entrepreneurs and industry experts provides insights and practical strategies that are very useful for MSME business

development (Rauf et al., 2023). This research recommends several things. First is the role of government and public policy. The government needs to continue to support MSMEs through responsive policies and targeted assistance programs. Subsidies, technical assistance, and digital literacy programs need to be strengthened to support the transformation of MSMEs.

Next is to innovate and adopt the latest technology. MSMEs should continue to drive technology adoption and innovate their products and services. Investment in digital technology and related training should be a priority to improve competitiveness.

Next is better access to financing. Expanded access to financing with more flexible terms and lower interest rates will greatly help MSMEs. Partnerships between the public and private sectors in providing affordable working capital should be enhanced. The next suggestion is Collaboration and Networking. Strengthening collaboration between MSMEs and large enterprises and enhancing the role of business communities will help in sharing resources and opening up new market opportunities.

This research shows that with the right strategies, MSMEs in Indonesia have great potential to recover and grow after the COVID-19 pandemic. The lessons learned from Indonesia's experience can serve as a reference for other countries in formulating policies and strategies to strengthen their MSME sectors. With the right support and rapid adaptation, MSMEs can be an important pillar in economic recovery and sustainable development.

## CONCLUSION

This study evaluates the resilience strategies of Micro, Small, and Medium Enterprises (MSMEs) in Indonesia after the COVID-19 pandemic and assesses their effectiveness in supporting business sustainability. Some of the key findings of this study underscore the importance of digitalization, innovation, access to finance, network strengthening, and capacity building in ensuring the future resilience of MSMEs.





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