

THE RELATIONSHIP BETWEEN ENTREPRENEURIAL MINDSET AND THE ADAPTABILITY AND RESILIENCE OF BUSINESS OWNERS DURING ECONOMIC CRISES

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ABSTRACT

This study aims to analyze the relationship between entrepreneurial mindset and the adaptability and resilience of business owners in facing economic crises. Using a qualitative literature review method with descriptive analysis, the research examines 25 selectively chosen articles from a pool of 50 identified through Google Scholar spanning 2001–2024. The findings reveal that an entrepreneurial mindset—characterized by risk-taking, creativity, and opportunity recognition—significantly contributes to the success of business owners in adjusting strategies and enduring economic pressures. Case studies, such as Kopi Kenangan, Rumah Makan Padang Sederhana, and Javara Indonesia, highlight the importance of an entrepreneurial mindset in supporting business adaptability and resilience. However, challenges such as limited access to training and financial constraints remain significant barriers to developing entrepreneurial mindsets among SME owners. This study recommends strengthening entrepreneurial training programs, expanding access to financing, and fostering collaboration among governments, educational institutions, and business owners to enhance SMEs' competitiveness during economic crises.

Keywords: Entrepreneurial Mindset, Adaptability, Resilience, Economic Crisis, SMEs

HUBUNGAN MINDSET KEWIRAUSAHAAN TERHADAP KEMAMPUAN ADAPTASI DAN RESILIENSI PELAKU USAHA DI TENGAH KRISIS EKONOMI

ABSTRAK

Penelitian ini bertujuan untuk menganalisis hubungan antara mindset kewirausahaan terhadap kemampuan adaptasi dan resiliensi pelaku usaha dalam menghadapi krisis ekonomi. Dengan menggunakan metode tinjauan pustaka berbasis pendekatan kualitatif dan analisis deskriptif, penelitian ini mengkaji 25 artikel yang dipilih secara selektif dari 50 artikel yang diidentifikasi melalui Google Scholar periode 2001-2024. Hasil penelitian menunjukkan bahwa mindset kewirausahaan, yang mencakup keberanian mengambil risiko, kreativitas, dan kemampuan melihat peluang, berkontribusi signifikan terhadap keberhasilan pelaku usaha dalam menyesuaikan strategi dan bertahan menghadapi tekanan ekonomi. Studi kasus seperti Kopi Kenangan, Rumah Makan Padang Sederhana, dan Javara Indonesia menegaskan pentingnya pola pikir kewirausahaan dalam mendukung adaptasi dan resiliensi pelaku usaha. Meskipun demikian, tantangan seperti kurangnya akses pelatihan dan keterbatasan modal masih menjadi kendala utama dalam pengembangan mindset kewirausahaan di kalangan pelaku UKM. Penelitian ini merekomendasikan penguatan program pelatihan kewirausahaan, perluasan akses pembiayaan, serta kolaborasi antara pemerintah, lembaga pendidikan, dan pelaku usaha untuk meningkatkan daya saing UKM di tengah krisis ekonomi.

Kata kunci: Mindset Kewirausahaan, Kemampuan Adaptasi, Resiliensi, Krisis Ekonomi, UKM

INTRODUCTION

The economic crises that have occurred over various periods have posed significant challenges for business actors, particularly small and medium enterprises (SMEs). These situations often result in major disruptions to business operations, including revenue decline, supply chain disturbances, and market instability. In such circumstances, the ability of business actors to adapt and demonstrate resilience becomes crucial for their business continuity. Entrepreneurial mindset, encompassing innovative thinking, solution-oriented approaches, and the ability to identify opportunities in challenging situations, is believed to be a key factor influencing the ability of business actors to survive and thrive during economic crises (Somwethee et al., 2023). However, understanding how entrepreneurial mindset contributes to adaptation and resilience still requires in-depth study, especially in the context of economic instability.

An entrepreneurial mindset involves characteristics such as risk-taking ability, creative thinking, and a strong determination to achieve goals despite obstacles. According to the Entrepreneurial Mindset Theory proposed by (Kor et al., 2001), individuals with an entrepreneurial mindset tend to be more adaptive to environmental changes and better able to create new opportunities. In the context of an economic crisis, this mindset provides a mental framework that helps business actors manage uncertainty and find ways to maintain their business continuity. This is particularly important for SMEs, which are often more vulnerable to economic impacts compared to larger companies due to limited resources and access to capital.

Adaptability, which includes the ability to change business strategies, improve products, or adopt new technologies, is a crucial aspect of business success during a crisis. Quick and appropriate adaptation enables business actors to remain relevant in a changing market. In previous studies, an entrepreneurial mindset has been linked to higher levels of adaptability, as this mindset encourages business actors to think outside the box and find creative solutions to problems (Hasyim et al., 2023). However, empirical evidence is still needed to explore

how specific elements of the entrepreneurial mindset, such as risk-taking and opportunity recognition, can enhance business actors' adaptability during economic crises.

On the other hand, resilience refers to the ability of individuals or organizations to recover from failure or significant stress. In the context of business actors, resilience includes the capacity to maintain motivation, manage stress, and sustain business operations despite facing severe challenges. The Resilience Theory developed by (Luthans et al., 2006) states that resilience is a combination of psychological and behavioral factors that enable individuals to emerge stronger after facing difficulties. In this regard, an entrepreneurial mindset plays an essential role in building business actors' resilience, as this mindset strengthens their belief in overcoming challenges and seizing available opportunities, even under difficult conditions.

The global economic crisis triggered by the COVID-19 pandemic serves as a clear example of how business actors worldwide faced significant disruptions. In these circumstances, many small businesses not only survived but also managed to innovate and grow, such as by shifting sales to digital platforms or creating new products aligned with market needs. This success highlights the crucial role of an entrepreneurial mindset in fostering adaptability and resilience. However, the challenges faced also reveal the need for more systematic strategies to develop an entrepreneurial mindset, especially among SMEs that often lack access to training or business mentoring.

In Indonesia, the SME sector plays a significant role in the economy, contributing substantially to the Gross Domestic Product (GDP) and employment. However, this sector is also one of the most affected during economic crises. A key issue faced by SMEs is the low level of adaptation to technology and innovation, often due to a lack of entrepreneurial education or training related to innovative thinking (Ausat & Suherlan, 2021). Therefore, research on the relationship between entrepreneurial mindset and adaptability and resilience becomes highly relevant to provide insights into how business actors can be better prepared to face future crises.

The context of recurring economic crises and their significant impact on business sustainability underscores the importance of this research. Many business actors have great potential to survive and grow if they have the right mindset (Garrido-Moreno et al., 2024). Moreover, developing an entrepreneurial mindset is not only relevant for current business owners but also for aspiring entrepreneurs preparing to start businesses amid economic uncertainty. Business actors can develop better strategies to face future challenges by understanding the factors influencing adaptability and resilience.

This study aims to analyze the relationship between an entrepreneurial mindset and the adaptability and resilience of business actors during an economic crisis. Using a literature review approach, this study is expected to provide theoretical and practical contributions that can be used to design entrepreneurship training programs and policies supporting business sustainability in the future.

LITERATURE REVIEW

Entrepreneurial Mindset

An entrepreneurial mindset is a way of thinking that reflects an individual's perspective, attitude, and approach in dealing with business opportunities and challenges. This concept includes the ability to think creatively, the courage to take risks, resilience in facing failure, and an orientation toward innovation and value creation. According to (Kor et al., 2001), an entrepreneurial mindset enables individuals to see opportunities amidst uncertainty and to use resources effectively to create sustainable solutions. This mindset is relevant for new entrepreneurs and crucial for business actors who want to survive and grow, especially when facing challenging economic conditions.

Adaptability

Adaptability refers to the capacity of individuals or organizations to adjust to environmental changes, whether in the market, technology, or regulations. In the business world, adaptability encompasses flexibility in business strategies, product innovation, and a

quick response to changing consumer needs. Business actors with high adaptability are more responsive in identifying new trends and pivoting when facing difficult situations (Ausat, Widayani, et al., 2022). For instance, many business actors during the COVID-19 pandemic successfully transitioned to digital platforms or altered product lines to meet new market demands, demonstrating the importance of adaptability in sustaining business continuity.

Resilience

Resilience is the ability of individuals or organizations to withstand and recover from difficulties or pressures. In entrepreneurship, resilience includes mental, emotional, and operational toughness, enabling business actors to stay focused and motivated despite failures or crises (Sachdev, 2023). Resilience also involves the capacity to learn from mistakes and rebuild with a stronger approach. For example, many SMEs in Indonesia have persisted despite revenue declines during the pandemic by adopting new strategies, such as product diversification and partnerships with digital platforms.

Economic Crisis

An economic crisis is a condition where a country's or region's economy faces significant disruptions, such as a decline in economic growth, high unemployment rates, inflation, or market instability (McKibbin & Fernando, 2023). Economic crises are often caused by various factors, including global volatility, natural disasters, or pandemics like COVID-19. The impacts of such crises can be highly detrimental to business actors, especially SMEs, due to limited access to capital and resources. However, crises also often create opportunities for business actors who can adapt and innovate, making it a true test of their adaptability and resilience.

SMEs

SMEs, or Small and Medium Enterprises, are a business sector that plays an essential role in Indonesia's economy, particularly in job creation and driving local economic growth (Ausat, Siti Astuti, et al.,

2022). Indonesian SMEs cover various fields, such as culinary, crafts, trade, and services, with the primary characteristics of small-scale operations and simple management. Despite having great potential, SMEs often face multiple challenges, such as limited access to financing, low technology adoption, and vulnerability to economic crises (Ausat & Peirisal, 2021). Therefore, developing an entrepreneurial mindset, adaptability, and resilience is essential to help SMEs survive and grow amid economic challenges.

RESEARCH METHODOLOGY

This study employs a literature review method with a qualitative approach to analyze the relationship between entrepreneurial mindset, adaptability, and resilience among business actors during economic crises. This approach is chosen because it enables the researcher to deeply explore concepts developed in related literature and provides a comprehensive understanding of the phenomena under investigation through narrative and interpretative analysis. The literature review focuses on relevant scholarly articles to ensure the validity and accuracy of the research findings.

Data for this research were obtained from Google Scholar, a leading platform for accessing high-quality academic articles. To ensure data currency, the search was limited to publications from 2001–2024. Keywords used in the search included "entrepreneurial mindset," "adaptability," "business resilience," "economic crisis," and combinations of these terms. The initial search yielded 40 relevant articles.

A rigorous selection process was then applied to ensure that only high-quality and relevant articles were included in the analysis. Selection criteria included thematic relevance, the methodology employed, and the depth of analysis presented in the articles. Articles that failed to meet these criteria, such as those providing only general information without in-depth analysis or those irrelevant to the research context, were excluded. Following this process, 25 articles were selected for further analysis.

The data analysis was conducted descriptively to identify patterns, themes, and key relationships within the literature. This

descriptive analysis allowed the researcher to interpret relevant findings from each article, link existing concepts, and integrate the information into the research discussion. Through this approach, the study not only describes the relationships between the variables under investigation but also offers in-depth insights into how these concepts interact in the context of an economic crisis.

The qualitative approach to this literature review was chosen for its flexibility in exploring diverse perspectives and methodologies used by previous researchers. Moreover, this approach enables the study to contribute richer conceptual insights by synthesizing findings and perspectives from the analyzed articles. This method is expected to provide a comprehensive overview of how the entrepreneurial mindset influences adaptability and resilience among business actors, particularly in navigating the complex and dynamic challenges of economic crises.

RESULTS AND DISCUSSION

The entrepreneurial mindset has been recognized as a critical foundation driving the success of business actors, especially in navigating uncertainties such as global economic crises. This mindset encompasses the ability to identify opportunities in challenging situations, the courage to take calculated risks, and the confidence to manage businesses with creative and innovative approaches. (Kor et al., 2001), through the Entrepreneurial Mindset theory, emphasize that entrepreneurs with this mindset are more flexible, adaptive, and responsive to changes in the business environment, enabling them to survive even under severe economic pressure. In Indonesia, the importance of an entrepreneurial mindset has grown alongside the role of SMEs as the backbone of the national economy, which continuously faces significant challenges such as the COVID-19 pandemic, rising raw material costs due to inflation, and competition from imported products.

Adaptability, as a core dimension of the entrepreneurial mindset, has become a key determinant of success for many businesses in responding to drastic market changes (Shetty G et al., 2024). During the pandemic, SMEs like Kopi Kenangan managed to survive by

developing an online ordering application that allowed customers to shop safely. This step reflects a strategy based on understanding changes in consumer behavior and leveraging digital technology to overcome the limitations of direct interaction. This adaptability ensured business continuity while enhancing competitiveness in the market. Additionally, adaptation involves product innovation, such as creating new products that align with market needs, and digital transformation, which has become essential for expanding market reach and improving operational efficiency.

Beyond adaptability, resilience is another element of the entrepreneurial mindset that plays a significant role in dealing with the pressures of economic crises (Conduah & Essiaw (PhD), 2022). Resilience includes the ability to endure difficult situations, recover from failure, and maintain motivation when facing challenges. A notable example is Rumah Makan Padang Sederhana, which faced declining revenues during the pandemic. They quickly innovated by utilizing delivery services through platforms like GoFood and GrabFood. This strategy helped them retain customers and establish new distribution channels relevant to the trend of online shopping. Such resilience underscores the importance of a strong mentality supported by adaptive operational strategies.

The entrepreneurial mindset is also closely linked to optimism and improved decision-making, particularly during crises. Business actors with high optimism tend to be more confident in seeking innovative solutions and sustaining team motivation (Mahn et al., 2024). A successful example is Eiger, a local outdoor product company that utilized the pandemic as an opportunity to create new product lines such as fabric masks and health equipment. This product diversification enabled them to not only survive but also expand their market share. This demonstrates how an entrepreneurial mindset can transform challenges into opportunities through innovative, market-oriented approaches.

Additionally, the entrepreneurial mindset helps business actors view challenges as opportunities for diversification and business

development (Taskin et al., 2023). For instance, Javara Indonesia, which focuses on organic and traditional products, successfully expanded its market by leveraging the crisis as an opportunity to introduce its products through online sales channels and exports. With a sustainability and innovation driven approach, Javara demonstrates how entrepreneurial-minded business actors can create new opportunities even in stressful situations. This provides a tangible example of how an entrepreneurial mindset can be applied to enhance business sustainability and competitiveness.

Risk-taking, as a core element of the entrepreneurial mindset, also contributes significantly to innovations that create added value in the market. According to a study by (Huang et al., 2023), 110 SMEs in the UK that embraced risk-taking were more likely to achieve breakthroughs that enhanced their competitiveness. However, in Indonesia, many SMEs remain hesitant to take innovative steps due to constraints such as limited capital and fear of failure. Nevertheless, the success stories of businesses like Javara and Kopi Kenangan offer inspiration that well-calculated risks can yield significant rewards.

Despite its potential, the development of an entrepreneurial mindset still faces several obstacles, including limited access to effective training and relevant education. Many SME owners fail to understand the importance of innovation, adaptation, and resilience in maintaining their business sustainability. To address these challenges, government and related institutions must provide entrepreneurship training programs focused on digitalization and innovation. For example, the Gerakan Nasional Bangga Buatan Indonesia (BBI) has been a vital initiative supporting SMEs in adopting digital technologies and enhancing their competitiveness (Kemdikbud, 2023). This highlights the critical need for collaboration among various stakeholders to create an ecosystem that supports entrepreneurial mindset development.

Collaboration also plays a key role in fostering a sustainability-oriented entrepreneurial mindset. This mindset

encourages business actors to establish strategic partnerships with the government, technology companies, and non-profit organizations to expand business opportunities (Oluwaseun et al., 2020). For instance, the GoTo UMKM Digital program has helped thousands of SMEs enter the digital market, increase their visibility, and maintain sales during the pandemic. Such collaborations demonstrate that an entrepreneurial mindset supports individual innovation while creating synergies that strengthen the business ecosystem.

Overall, this discussion underscores that the entrepreneurial mindset, adaptability, and resilience are critical, complementary elements in supporting business sustainability and growth. Business actors can not only survive during crises but also create new opportunities for greater growth by effectively utilizing these elements. Strategies focused on developing an entrepreneurial mindset can pave the way for a more inclusive, resilient, and sustainable economy.

CONCLUSION

This study highlights the critical role of entrepreneurial mindset in enhancing adaptability and resilience among business owners during economic crises. An entrepreneurial mindset—characterized by risk-taking, innovation, and the ability to identify opportunities amidst challenges—enables entrepreneurs to endure even in highly uncertain situations. Adaptability helps businesses align their strategies with market changes, while resilience ensures their persistence despite significant pressures. Case studies such as Kopi Kenangan, Rumah Makan Padang Sederhana, and Javara Indonesia demonstrate how a strong entrepreneurial mindset empowers businesses to navigate crises through creative and innovative approaches. However, the development of this mindset is still hindered by limited access to entrepreneurial training, insufficient capital, and a lack of understanding of the importance of innovation among small and medium-sized enterprises (SMEs).

Entrepreneurs are encouraged to continuously cultivate their entrepreneurial mindset by participating in training programs, collaborating with other stakeholders, and

leveraging technology to foster innovation and business digitization. These efforts will improve their adaptability and resilience in addressing future economic challenges. Governments and relevant institutions should also enhance entrepreneurial training programs by focusing on mindset development, ensuring accessibility for SMEs, including those in remote areas, and expanding inclusive funding policies, such as Kredit Usaha Rakyat (KUR) or other micro-financing schemes to support innovation.

Researchers and academics are advised to conduct further studies to explore specific approaches to measure the impact of entrepreneurial mindset on business success, particularly in sectors most affected by economic crises. They should also develop integrated entrepreneurial training models that incorporate digital technologies for greater effectiveness. Meanwhile, the general public can support local SMEs by prioritizing locally-produced goods and participating in digital campaigns to help businesses sustain and strengthen the national economy.

The integration of efforts from various stakeholders is expected to create a resilient and innovative entrepreneurial ecosystem, enabling businesses to overcome challenges and seize opportunities amid the ever-evolving economic crises.

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