

The Agility, Adaptation, And Business Optimization, Normal Era For Entrepreneur In Indonesia

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The Agility, Adaptation, And Business Optimization, Normal Era For Entrepreneur In Indonesia

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Abstract.

The current study presents Indonesia's first thorough investigation of agility, adaptation, and company reconstruction in the post-COVID-19 era. Given the significance of Micro, Small, and Medium-Sized Enterprises (MSMEs) to the national economy, achieving business resilience is critical to their growth. The COVID-19 outbreak has disrupted most corporate organizations in Indonesia; some have even gone bankrupt and are no longer able to operate. Agile marketing requires business owners and marketers to oversee marketing initiatives that are adaptable and flexible in order to fully realize the potential of MSMEs. The purpose of this study is to develop a framework for company recovery both during and following a crisis such as COVID-19. It is anticipated that this study would shed light on efficient marketing division practices that businesses can use to handle disruptions to their operations. This study used a qualitative descriptive technique to get a general understanding of the issue faced by SMEs. Purposive sampling is utilized to choose research sources, and interviews, observation, and documentation are employed as data gathering techniques. In order to guarantee data validation, source and technique triangulation methods were employed in this investigation. Five MSME actors, or owners, served as the research's data sources. According to the study's findings, businesses may deal with interruptions to their operations in the new normal by implementing agile, adaptable, and optimized marketing and commercial strategies. It is envisaged that MSMEs would be able to gradually improve their business circumstances and recover from the epidemic in the future.

Keywords: Adaptation, agility, business optimization, small medium business, and new era.

I. INTRODUCTION

In particular, the existence of Micro, Small, and Medium-Sized Enterprises (MSMEs) in Indonesia is critical to the country's economic stability. MSMEs have the ability to draw in productive labor and boost state revenue (Lantu et al., 2016). With a total of 57.9 million business units, or 99% of all current business units, MSMEs accounted for 57.56% of the national GDP in 2013, according to data from the BPS and the Ministry of Cooperatives and SMEs (2012). Furthermore, MSMEs are able to employ 97% of Indonesia's labor force. There have been significant operational limitations that have impacted numerous businesses. Naturally, there was a major decline in commercial activity and the supply chain was thrown off. In Indonesia, MSMEs play a significant and essential role in the country's economic development (Sarfiah, Atmaja, and Verawati, 2019). It has a significant role in MSMEs' capacity to take on labor, raising people's incomes in the process (LPPI and Bank Indonesia, 2015). The LPPI and Indonesian Central Bank (2015) state that MSMEs' significant role in the country's economy stems, at least in part, from their status as key participants in a wide range of economic activities, the largest employers, significant contributors to local economic development and community empowerment, and sources of innovation. This drives the government's efforts to fortify the MSME pillar in the economy's development in order to ensure that it functions at its best and can eventually reduce poverty. MSMEs were demonstrated to be resilient during the economic downturn, as seen by their yearly growth (Sarfiah et al., 2019).

MSMEs are likely the most likely to weather the economic downturn because of their adaptability to shifting market conditions. All that is true is that, as a result of the COVID-19 pandemic, MSMEs in Indonesia are currently experiencing unforeseen changes in their circumstances. MSMEs in Indonesia have been significantly impacted by the Covid-19 epidemic. Many of them even struggle to make ends meet until they declare bankruptcy. For the first time, people everywhere have come together or been compelled to agree that they must abide by the rules set forth by governments and medical authorities in an effort to combat COVID-19 (Ting, Ling, and Cheah, 2020). Consequently, some corporate operations are restricted as a result. Business disruption is the term used to describe this significant shift. The global epidemic known as COVID-19 has caused significant disruptions to several parts of life, including the corporate and economic sector (Alao and Lukman, 2020; Charles, 2020). The COVID-19 epidemic has drastically disrupted business, necessitating a high degree of flexibility from enterprises in order to accomplish their

desired business resurrection. It is necessary to reevaluate business plans and operations (Ting et al., 2020). According to Krager & Marx (2020), marketers can utilize agile business and marketing as a way to deal with abrupt changes in circumstances that call for their ability to act impulsively, swiftly, and flexibly in order to manage our commercial activities.

The ability of an organization to swiftly comprehend the market and execute marketing decisions in order to adjust to it is referred to as agile business and marketing (Kalaiganam et al., 2021). MSMEs, particularly those in Indonesia, are also impacted by this disturbance to their operations. According to a poll by the LPPI (2020), 94.69% of companies reported a drop in sales during the epidemic. This includes at least a few different business sizes: 49.01% of ultra-micro enterprises, 43.3% of micro businesses, 40% of tiny businesses, and 45.83% of medium-sized firms saw a drop in sales of more than 75%. Depending on how long they had been in operation, 23.27% of firms with 0–5 years old, 10.9% of businesses with 6–10 years old, and 8.84% of businesses with more than 10 years old had seen a drop in sales of more than 75%. Based on the sales technique, 47.44% of offline/physical sales businesses, 40.17% of online sales enterprises, and 39.41% of businesses using combined offline and online sales methods suffered a reduction in sales of more than 75% (LPPI, 2020). In summary, while sales have reduced, the Covid-19 epidemic has resulted in a considerable decline in business earnings due to fixed or even higher production costs. even while a number of other cost factors, including labor, raw materials, transportation, and other expenses, are still in play. MSMEs won't be able to survive if they continue to deal with this.

II. METHODS

The research was conducted with a descriptive qualitative approach. In qualitative research, researchers involve systematic observations of a phenomenon and then collage it into a picture of a situation whose results are interpreted textually based on data generated from interviews, observations and documentation (Kitto et al, 2008). According to Sandelowski in Seixas, Smith, and Mitton (2018), the basic characteristics of this descriptive qualitative approach are different from other qualitative studies, such as grounded theory, ethnography, phenomenology, and or narrative, because in descriptive qualitative researchers focus on the description of the process itself. In general, this qualitative research aims to explore the behavior, interaction processes, meanings, values, and experiences of individuals and groups that are deliberately sampled in their natural activities (Cooper, 2006; Kitto et al, 2008). Qualitative research is aimed at obtaining in-depth data regarding research objectives (Bungin, 2007:29), so with this descriptive qualitative approach, it is felt to be the right technique for answering research questions that are oriented towards who, what, and where about an experience or phenomena that have not been widely understood and obtained in-depth information from relevant informants (Kim, Sefcik, and Bradway, 2017). This research was conducted in Tangerang Indonesia by conducting interviews with MSME business or owners as research informants. The selection of informants was carried out using a purposive sampling technique in which the researcher determined certain criteria in order to obtain data in accordance with the research objectives. The activities observed by researchers were all business activities of MSME actors who were able to survive before, during the covid-19 and after covid-19.

Primary data obtained through the process of interviews and observation. In-depth interview techniques are carried out by researchers in order to be able to get a comprehensive picture of the phenomenon to be observed. To ensure the objectivity of this study, the researcher used the validity of the data which was carried out using the source triangulation method, namely by using two or more sources and asking them the same thing (Bungin, 2007) so to get statements from sources that lead to the same research objectives. This triangulation was carried out using a comprehensive approach to conducting research using various theories, data, and methods (Kitto et al, 2008). Triangulation techniques were also carried out by researchers using interview, observation, and documentation techniques. Observations on the activities of resource persons and documentation were carried out by researchers in order to enrich the data and sharpen the validity of this qualitative research. Qualitative research should be carried out with procedural rigor,

namely a transparent description of the research implementation. When researchers can exercise reflexivity in their qualitative research, that is open recognition of the complex influences among researchers, research topics and subjects about research results. In qualitative research it is also necessary to have transferability or relevance which refers to how useful the findings are in the context and phenomenon studied (Kitto et al, 2008).

III. RESULT AND DISCUSSION

This study obtained at least 20 informants, namely MSME actors or owners located in Tangerang, Jakarta Indonesia and its surroundings who met the sampling criteria by purposive sampling. The researcher conducted interviews, observations, and documentation on the business and gave the same questions to each informant to ensure the level of validity of the data. The results of data processing from the following list are the research informants.

Business Size	Criteria	
	Asset	Turn over
Micro Business	Maximum IDR 50 million	Maximum IDR 300 million
Small Business	>IDR 50 million to 500 million	>IDR 300 million to 2,5 billion
Medium Business	>IDR 500 million to 10 billion	>IDR 2,5 billion to 50 billion
Large Business	>IDR10 billion	>IDR 50 billion

Fig 1.Criteria for MSMEs and Large Enterprises Based on Assets and Turnover

The Adaptation of Changing Work Patterns Amidst to Business Disruption

The situation that suddenly changed due to complying with the restrictions imposed by the government and health service authorities to combat COVID-19 forced almost all MSMEs to adjustments to their work patterns. Immediate regional prevalence and response to COVID-19 determines the likelihood of disruption to business operations (e.g., mandatory shutdowns, temporary closures, employee absences, remote work shifts, etc.)

"Because there were very few buyers, we had time to take the employees off." (A)

"I did a temporary closure because at the beginning of the pandemic there were very few visitors. Many consumers are afraid to leave the house." (G)

"It was very early in the pandemic, our business did have employees laid off because we, as owners, were also afraid at the start." (B)

MSMEs are required to be able to adapt quickly and responsively.

"I ended up doing this pattern of work as efficiently as possible so it wouldn't be an unnecessary expense."(F)

"Work From Home really drains my energy as an owner to find the most appropriate and efficient way of coordinating because I have never had experience like this before." (E)

"Now, it is difficult to see a pattern of maintaining a business at the start of the pandemic. Moreover, many public transportations are closed and our main products are tourist souvenirs." (S)

Furthermore, business patterns that are usually in accordance with conventional value chains are forced to be able to adapt digitally. MSME actors carry out the process of perfecting products that are suitable for the pandemic. The need for product innovation and marketing system innovation should also be designed with an agile development model in which teams who are in their business cycle are repeatedly asked to observe patterns of changes that can change at any time due to the covid-19 pandemic. Thus, the team which is the company's main resource should indeed be invited to find solutions together for the progress of their business.

"After 3 (tree) months of the pandemic running, I invite employees to sit down together to think about effective solutions for the continuity of this business."(J) "Finally, I made changes to our work pattern." (C)

"We even made a new product that we feel is suitable for the pandemic, namely a fashionable negligee for online meetings."(D)

"It was precisely from this employee that the product innovation idea emerged and this frozen food was born."(K)

Adaptation, Utilization, and Optimization of Potential Internal Resources

Changes in the way customers shop, accompanied by an explosion of customer touchpoints and competitive fast-changing technological dynamics, have led to an increased emphasis on agile marketing (Kalaiganam et al, 2021). Therefore, online marketing patterns are felt to be more appropriate as a marketing solution.

"Finally, my kiosk closed and I focused on developing frozen food products which I marketed using an online system." (G)

"My team and I created an online training program that we managed professionally and collaborated with several partner companies. Yes, this is because this hotel does not work at all." (C)

"I made this negligee and I sold it via social media." (A)

"I've been selling online since the beginning, but I think this pandemic requires more online marketing and selling activities." (E)

To carry out efficiency, MSMEs also need to review the utilization of resources and optimize the internal resources they have.

"Incidentally, my team has experts in IT and camera handling. So, the idea of organizing this online seminar was born." (J)

"I have swerved into the culinary business. I do this by utilizing the empty land in the parking lot of my souvenir shop. I opened an angkringan in collaboration with residents and took advantage of the employees I had. At least this business can retain my employees and I have not fired them yet." (B)

Respond to Changing of Market Needs

This radical change in work patterns and activity patterns may change the needs of our business target market. Many people work remotely (Lewnes, 2021) resulting in changing needs as well.

"In the past, people came to our kiosk during lunch time, now they don't do it because they just stay at home with their work activities." (B)

"My business, which is a hotel, is also very empty of visitors because more people are at home and are not traveling on business or on vacation."(J)

Therefore, there is a need for action that is responsive to the changing needs of the target market in which our business has been operating. Therefore, we need to re-examine the needs of our target market and modify our products or services according to their needs. MSMEs need to take steps to manage the important risks of the spread of covid-19 to regain customer trust (Alao and Lukman, 2020).

Agile in Business and Marketing

Agile marketing is one of the strategies that we as marketers may implement in response to the drastic changes brought about by the Covid-19 outbreak. These changes have forced us to make swift adjustments, including changes to our marketing approach. According to Kröger and Marx (2020), agile marketing requires us to manage our business operations more quickly, nimbly, and flexibly. Agile marketing describes how fast an organization comprehends the market and executes marketing choices in order to adjust to the market (Kalaiganam et al, 2021). Agile in business and marketing is how we carry out management that can be applied to companies in situations of rapid and unpredictable change, especially the marketing department to then be organized in such a way as to be most suitable for change and prepare for an unpredictable future (Kröger & Marx, 2020). For a business, marketing (marketing) is one of the most important aspects to maintain their business.

The right business and marketing strategy, a business will be able to attract and persuade their potential customers to make a purchase transaction or at least be aware of the products we offer. In a pandemic situation like today, our agility in designing important marketing strategies is one of the focuses of managing this extreme change. It is not easy and requires a high power of innovation. A marketer really has to carry out integration by fully and efficiently utilizing existing business potential. This can also cover

several other integrated aspects, namely innovation, organizational structure, marketing strategy, tactics, and their activities and cross-functional issues (Kröger & Marx, 2020 ; Ting, Ling, & Cheah, 2020).

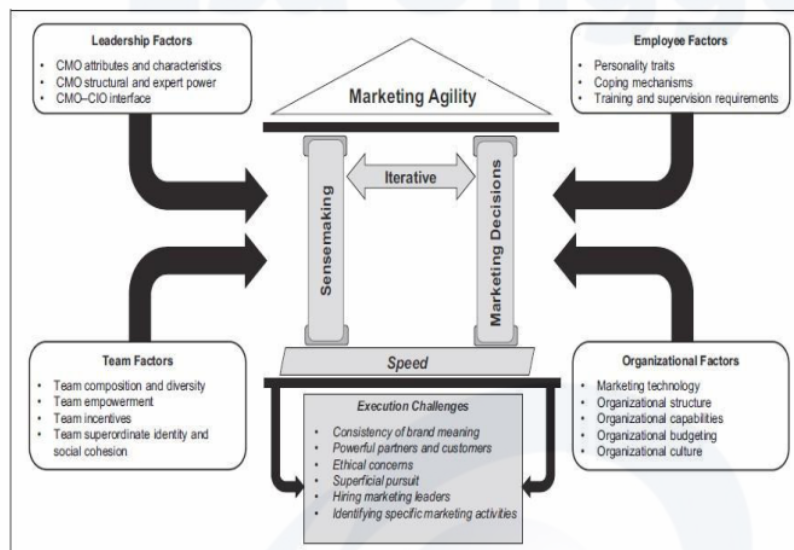


Fig 2. Agile in Business Marketing, Kalaignanam et. al. (2021)

Agile and Business Adaptation to Achieve Entrepreneurial Revival

A significant change in behavior trends has been brought about by social distancing (Kalaignanam et al., 2021). Fear of the fatal virus and the dissemination of false or factual news has led to abnormal behavior such as obsessive hoarding, panic buying, and emotional discomfort (Lewnes, 2021). The behaviors that have altered MSME business patterns the most include not shaking hands, donning face masks, learning through the internet, frequently washing hands, handling food, traveling restrictions, and allowing only the head or one family member to leave the house. It is believed that adapting in business and marketing was crucial to MSMEs' recovery during the Covid-19 pandemic.

The capacity of marketing organizations to adapt swiftly enough to match the constantly shifting expectations of consumers is a prerequisite for innovation in today's marketing landscape (Lewnes, 2021). For marketers, this business disruption presents a significant problem. In an effort to better manage their lives and objectives, many customers have changed their priorities and their points of emphasis (Alao and Lukman, 2020).

There are several common development roadblocks that the majority of MSMEs in Indonesia face. According to Lantu et al. (2016), there are still a lot of MSMEs operating both domestically and abroad, making them less competitive than they should be in terms of promoting economic growth and raising people's standard of living. In their survey, LPPI and the Indonesian Central Bank (2015) found that both internal and external barriers affect MSME firm operations. Limitations imposed by business on internal elements, such as capital, people resources, legal requirements, and accountability. limits placed by business on outside variables, such as access, infrastructure, and business climate.

Business Disruption Due to the Covid-19 Pandemic

The Covid-19 pandemic has brought major changes to all aspects of human life around the world. This sudden change brought major business disruption around the world (Alao and Lukman, 2020). Many business operations are restricted so that the business supply chain in general is disrupted. If this continues to happen, it will have a significant impact on the economic sector, which can lead to a crisis. Disruptive has more negative meanings because it is disruptive, disruptive, or changes an existing order pattern and is even stable in use.

However, as a businessman, of course this disruptive situation needs to be understood as a situation that needs to find a solution. This business disruption refers to processes that radically change in the business chain that forces an industry to change the way they work and operate adaptively and flexibly according to changing circumstances.

In research conducted by (Meyer, Prescott, and Sheng, 2021) explained that business disruptions experienced by these business people were in the form of supply and demand shocks which impacted the company's operating processes, sales activities, and the supply chain. Repeat the conclusions from (Alao and Lukman, 2020) recommend that business people review their business management in order to operate efficiently and prioritize in order to survive in this business disruption situation. Business resilience is needed in preparation for the new normal and sustainability.

IV. CONCLUSION

This extreme business disruption resulted in many business operations being restricted so that the business supply chain in general was disrupted. Therefore, entrepreneurs need to find a solution to this situation. The uncertainty of the situation due to the Covid-19 pandemic is indeed very impactful for economy, especially for SMEs. Agile business and marketing are one of the solutions to be able to adaptation, optimization, and rise also survive in the aftermath of covid-19. This is in line with the results of research conducted by (Lewnes, 2021) and (Kalaigianam et. al., 2021) which can be effectively used in business interruption situations (Alao and Gbolagade, 2020). In this agile and adaptation concept, a leader has a crucial factor in terms of speed and accuracy in decision making. Leaders are also required to be adaptive and responsive. Team (HR) is also a factor that supports leaders to find effective ways and the best ways to set the right marketing strategy. The flexibility of organizational resources is also the key to the success of implementing agile marketing, namely by looking back at several aspects as follows: changes in work patterns, utilization of internal potential, changes in target market needs, and changes in promotional media.

This high level of adaptation can direct MSMEs towards the revival and resilience of their business after covid-19. It is hoped that the benefits of this research can be felt directly by MSME players who are experiencing the struggles of the crisis due to covid-19 also in adaptation with new normal era. The effective procedures resulting from this research can have an impact on the business and marketing decision to be able to achieve increased performance of company, so that this business organization can survive and even revive. For the world of education, the results can be used as material for initial consideration in compiling strategic plans for business actors in a comprehensive manner later. This research only focuses on looking at the company's internal position in the context of dealing with disruptive business disruptions. This is done by ignoring the possibility of other factors that influence buyers in shopping. The Covid-19 pandemic situation also has an impact on consumers' purchasing power which logically can also affect consumers' purchasing power in MSME products. Suggestions for future research is to look at aspects of consumer influence in the process of applying agile business and marketing in the future market.

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