

# The Resilience of MSME Actors Fostered by Rumah BUMN in Malang City: A Social Welfare Perspective

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## Abstract

Micro, Small, and Medium Enterprises (MSMEs) represent a strategic sector that contributes significantly to economic growth, employment generation, and the improvement of social welfare. However, technological advancements, market transformations, and economic uncertainty require MSME actors to possess the capacity to survive and adapt to various challenges. This capacity is referred to as resilience. This study aims to describe the level of resilience among MSME actors fostered by Rumah BUMN Malang City from the perspectives of personal, social, and business characteristics within the framework of social welfare. The study employed a descriptive quantitative approach involving 400 MSME actors assisted by Rumah BUMN Malang City as respondents. Data were collected through questionnaires and analyzed using descriptive statistics, including frequencies, percentages, and mean values. The findings reveal that the majority of respondents demonstrated a high level of resilience (67.8%). Based on the dimensions of resilience, the resistance aspect recorded the highest mean score ( $M = 3.797$ ), followed by adaptation ( $M = 3.770$ ) and recovery ( $M = 3.725$ ). These findings indicate that MSME actors possess strong capabilities in maintaining business continuity, adapting to changes, and recovering business conditions when facing obstacles. From a social welfare perspective, high resilience reflects the ability of MSME actors to sustain their social and economic functioning through the utilization of individual, family, and social environmental resources. The Rumah BUMN program plays a significant role in strengthening adaptive capacity through training, mentoring, and business network development.

**Keywords:** Resilience; MSMEs; Social Welfare; Empowerment; Rumah BUMN.



## A. INTRODUCTION

Micro, Small, and Medium Enterprises (MSMEs) constitute one of the primary pillars of the Indonesian economy due to their significant contribution to employment generation, income distribution, and national economic growth. The existence of MSMEs encompasses not only economic dimensions but also social dimensions, as they play a crucial role in improving community welfare and reducing social vulnerability (Tambunan, 2020). Within the context of social welfare development, MSMEs serve as a means of community economic empowerment that enhances the capacity of individuals and families to fulfill their living needs independently.

The increasingly dynamic business environment requires MSME actors to confront various challenges, including changing consumer preferences, intensifying market competition, economic digitalization, and global economic uncertainty. Such conditions demand that business actors possess the ability to survive, adapt, and

recover from the pressures they encounter. This capability is commonly referred to as resilience (Duchek, 2020).

Resilience refers to the capacity of individuals, organizations, or communities to cope with disruptions, maintain essential functions, and adapt to ongoing changes (Norris et al., 2008). In the context of MSMEs, resilience is not merely associated with the ability to sustain business continuity, but also with the capacity to seize new opportunities, foster innovation, and undertake business transformation in response to environmental changes (Korber & McNaughton, 2018).

From a social welfare perspective, resilience is viewed as the capacity of individuals to maintain social functioning when facing various risks and life pressures (Zastrow et al., 2019). Resilient individuals are capable of accessing resources, establishing supportive social relationships, and utilizing available opportunities to improve their quality of life. Therefore, resilience represents a crucial aspect in enhancing the welfare of MSME actors.

One of the initiatives implemented to strengthen the capacity of MSME actors is the Rumah BUMN Program. This program functions as an empowerment center that provides training, mentoring, business networking development, market access, and digital transformation support for MSME actors. The presence of Rumah BUMN in Malang City serves as an important platform for strengthening business capacity while simultaneously enhancing the adaptive capabilities of MSME actors in response to changes in the business environment.

Previous studies have demonstrated that MSME resilience is influenced by factors such as human capital, social capital, adaptive capacity, and institutional support (Pongtanalert et al., 2022; Lestari et al., 2024). Nevertheless, studies examining MSME resilience from a social welfare perspective remain relatively limited, particularly those integrating personal, social, and business characteristics within a single framework.

Based on the foregoing discussion, this study aims to describe the level of resilience among MSME actors fostered by Rumah BUMN Malang City based on personal, social, and business characteristics within the perspective of social welfare.

## **B. METHOD**

This study employed a quantitative approach with a descriptive research design. This approach was utilized to provide an overview of the resilience level of MSME actors fostered by Rumah BUMN Malang City based on respondent characteristics. The study population comprised all MSME actors assisted by Rumah BUMN Malang City. The research sample consisted of 400 respondents selected using a probability sampling technique.

The characteristics analyzed included: personal characteristics, encompassing age, gender, and educational attainment, social characteristics, including family involvement in the business and sources of business capital, and business characteristics, consisting of business type, length of business operation, number of employees, duration of participation in the mentoring program, technology

utilization, access to training and mentoring, MSME category, and monthly business turnover. Resilience was measured using three primary dimensions, namely resistance, recovery, and adaptation. The collected data were analyzed using descriptive statistical methods, including frequencies, percentages, mean scores, and resilience level categorization.

### C. RESULT AND DISCUSSION

The findings indicate that the majority of MSME actors fostered by Rumah BUMN Malang City demonstrated a high level of resilience. A total of 271 respondents (67.8%) were categorized as having high resilience, 79 respondents (19.8%) were classified within the moderate category, and 50 respondents (12.5%) were categorized as having low resilience.

These findings suggest that most MSME actors possess strong capabilities in coping with business pressures, maintaining business sustainability, and adapting to environmental changes. This result is consistent with the study conducted by Duchek (2020), which emphasizes that resilience is a dynamic capability enabling individuals or organizations to anticipate, confront, and adapt to changes and disruptions.

From the perspective of social welfare, the high level of resilience indicates that MSME actors possess adequate capacity to maintain their social and economic functioning. This capability is essential because business sustainability is directly associated with the fulfillment of family needs, income stability, and the improvement of quality of life (Zastrow et al., 2019).

The results of the analysis indicate that all dimensions of resilience were categorized at a high level.

**Table 1 Analysis of Resilience Dimensions**

Dimension	Mean	Category
Resistance	3.797	High
Recovery	3.725	High
Adaptation	3.770	High
<b>Overall Resilience</b>	<b>3.764</b>	<b>High</b>

Source: Processed Data (2026)

The resistance dimension recorded the highest mean score ( $M = 3.797$ ). This finding indicates that MSME actors possess strong capabilities in maintaining business operations when facing economic pressures and changes in the business environment. According to Duchek (2020), resistance refers to the ability to sustain the core functions of an organization when confronted with disruptions. In the context of MSMEs, this capability is reflected in efforts to retain customers, maintain product quality, and effectively manage available resources.

The recovery dimension obtained a mean score of 3.725 and was categorized as high. This result demonstrates that MSME actors possess strong capabilities to recover after experiencing business obstacles. Recovery refers to the ability to restore conditions following disruptions or losses (Burnard & Bhamra, 2019). This capability

is essential because it enables business actors to reestablish business stability and minimize the negative impacts caused by various risks.

The adaptation dimension achieved a mean score of 3.770 and was categorized as high. This finding indicates that MSME actors are capable of adjusting to the increasingly dynamic business environment. Adaptive capability is reflected in the high level of digital technology utilization among respondents. A total of 90.5% of respondents had utilized social media, marketplaces, or a combination of both in operating their businesses. This result supports the findings of Pongtanalert et al. (2022), which revealed that adaptive capacity is a key factor in strengthening MSME resilience.

Respondent characteristics were analyzed based on personal, social, and business aspects. Personal characteristics included age, gender, and educational attainment. Social characteristics comprised family involvement in the business and the duration of participation in the Rumah BUMN program. Meanwhile, business characteristics included business type, length of business operation, number of employees, sources of capital, technology utilization, access to training and mentoring, category of assisted MSMEs, and business turnover.

**Table 2. Personal Characteristics of Respondents**

Characteristics	Category	n	%
Age	< 20 years	36	9
	21–30 years	110	27.5
	31–40 years	111	27.8
	41–50 years	63	15.8
	> 50 years	80	20
Gender Educational Attainment	Male	107	26.8
	Female	293	73.2
	Elementary School or Equivalent	4	1

Source: Processed Data (2026)

The majority of respondents were within the 31–40-year age group, comprising 111 individuals (27.8%), followed closely by the 21–30-year age group with 110 individuals (27.5%). These findings indicate that most MSME actors fostered by Rumah BUMN Malang City are within the productive age category. According to Tambunan (2020), individuals within the productive age group tend to possess greater capabilities in business development due to their physical capacity, experience, and adaptability to changes in the business environment. From a social welfare perspective, productive age represents an important asset in enhancing social functioning and the economic independence of individuals and families.

Most respondents were female, accounting for 293 individuals (73.2%). The dominance of female respondents indicates that MSMEs serve as an important sector in promoting women's economic empowerment. Women's participation in economic activities contributes to increased household income and the strengthening of family welfare (UN Women, 2021). The majority of respondents had completed senior high

school or vocational high school education (41.8%), while 31.5% held bachelor's degrees. The relatively high level of educational attainment reflects the presence of human capital that supports MSME actors in accessing information, fostering innovation, and adopting digital technologies (Prasetyo & Kistanti, 2020).

**Table 3. Business Characteristics of Respondents**

Characteristics	Dominant Category	n	%
Type of Business	Culinary/Food and Beverage	204	51.0
	Fashion	56	14.0
	Handicrafts	51	12.8
	Retail/Store	45	11.2
	Others	44	11.0
Length of Business Operation	< 1 year	78	19.5
	1–3 years	124	31.0
	4–6 years	102	25.5
	7–10 years	50	12.5
	> 10 years	46	11.5
Number of Employees	1–4 employees	267	66.8
	5–20 employees	66	16.5
	21–50 employees	40	10.0
Source of Capital	Personal Capital	249	62.3
	Banks/Financial Institutions	48	12.0
	Family Loans	55	13.8
	Family Business Capital	32	8.0
	Government Assistance	16	4.0
Technology Utilization	Social-Media	179	44.8
	Marketplace/Online Store	95	23.8
	Social-Media and Marketplace	88	22.0
	Not Utilizing Technology	38	9.5
Access to Training	Never	46	11.5
	Rarely	127	31.8
	Quite Often	106	26.5
	Often	86	21.5
	Always	35	8.8
MSME Category	Go Online MSMEs	128	32.0
	Go Digital MSMEs	93	23.2
	Superior MSMEs	91	22.8
	Go Modern MSMEs	77	19.2
	Unrecorded	11	2.8
Monthly Turnover	< IDR 1,000,000	96	24.0
	IDR 1,000,000–5,000,000	138	34.5
	IDR 5,000,001–10,000,000	89	22.2

	IDR 10,000,001–50,000,000	63	15.8
	> IDR 50,000,000	14	3.5

Source: Processed Data (2026)

The majority of respondents operated within the culinary sector, accounting for 204 businesses (51.0%). The culinary sector is relatively flexible and characterized by stable market demand, making it one of the primary choices for communities in developing businesses.

Most respondents had operated their businesses for 1–3 years (31.0%) and 4–6 years (25.5%). This finding indicates that the majority of MSME actors are currently in the business growth phase, which requires adaptive capabilities and innovation to maintain business sustainability.

The majority of businesses employed between 1–4 workers (66.8%), indicating that most respondents belonged to the micro and small enterprise categories. A total of 26.0% of respondents had participated in the program for less than six months, while 52.5% had participated for more than one year. These findings suggest that Rumah BUMN has been successful in maintaining MSME participation in mentoring and empowerment activities.

Approximately 67.6% of respondents involved family members in business operations. This condition reflects the importance of family social capital in supporting business sustainability. Furthermore, 90.5% of respondents had utilized digital technology in operating their businesses. The high level of technology utilization demonstrates the respondents' adaptive capacity in responding to the increasingly digitalized business environment.

Most respondents had received business training or mentoring. Training represents one form of capacity strengthening that contributes to enhancing MSME resilience. The majority of respondents were categorized as Go Online MSMEs (32.0%) and generated monthly turnovers ranging from IDR 1,000,000 to IDR 5,000,000 (34.5%). These findings indicate that most business actors remain within the micro and small enterprise scale and are currently progressing toward digital transformation.

The majority of respondents were within the productive age range of 21–40 years. This age group generally possesses greater capacity to accept change, utilize technology, and develop adaptive business strategies. Productive age is also associated with an individual's ability to manage risks and make business decisions more effectively. These findings are consistent with the study conducted by Suryawati et al. (2023), which identified adaptive capability as an essential component in the development of MSME resilience. The predominance of female respondents in this study indicates that women make significant contributions to household economic activities. From a social welfare perspective, women's involvement in MSMEs not only increases household income but also strengthens family economic resilience. In terms of educational background, the majority of respondents possessed secondary and higher education qualifications. Higher levels of education enable individuals to gain broader access to information, innovation, and technology, thereby supporting their capacity to adapt to changes in the business environment.

The social welfare perspective views resilience as the capacity of individuals to maintain social functioning when facing various life pressures (Zastrow et al., 2019). The high level of resilience identified in this study indicates that MSME actors possess the ability to sustain sources of income, perform social roles, and continuously fulfill family needs. In addition to individual factors, family support and mentoring programs also contribute significantly to the development of resilience. Most respondents involved family members in business activities and had access to training and mentoring provided by Rumah BUMN. These findings are consistent with the theory proposed by Norris et al. (2008), which emphasizes that social capital, economic capacity, information and communication, and community competence constitute the primary foundations for building resilience. Therefore, the resilience of MSME actors fostered by Rumah BUMN Malang City can be understood as the result of interactions among individual capacity, social support, and access to available empowerment resources.

#### D. CONCLUSION

The study demonstrates that the majority of MSME actors fostered by Rumah BUMN Malang City exhibited a high level of resilience (67.8%). Based on the measurement dimensions, resistance recorded the highest mean score, followed by adaptation and recovery. These findings indicate that MSME actors possess strong capabilities in maintaining business sustainability, adapting to changes, and restoring business conditions when facing obstacles. From the perspective of social welfare, the high level of resilience reflects the ability of MSME actors to sustain their social and economic functioning through the utilization of individual, family, and social environmental resources. The Rumah BUMN program contributes significantly to strengthening these capacities through training, mentoring, and the development of business networks.

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