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# ENTREPRENEURSHIP ENDURANCE STRATEGY THROUGH INNOVATION MANAGEMENT IN MANAGING PANDEMIC'S IMPACTS AND RECOVERY

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**Abstract**

After being declared a pandemic, Covid-19 has made everyone change and change a different lifestyle than before. In accordance with a survey conducted by IIPI, it shows that after the Covid-19 pandemic, 95% of MSMEs had a significant impact from the pandemic, and 75% of them experienced a decline in income. Socialization and counseling are carried out for MSME actors as preparation for facing the new norm. This is done so that MSME actors can survive and compete during the Covid-19 pandemic. This is also carried out as a form of effort from various parties in an effort so that MSME actors can increase productivity. Other methods used include material sharing, socialization, counseling, and also question and answer.

***Keywords:*** *SMEs, Productivity, Business*

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## INTRODUCTION

Through its Director-General, the World Health Organization (WHO) has declared the coronavirus (Covid-19) as a pandemic that is spreading throughout the world. This is due to the rapid spread of disease and occurs manually, in addition to the Covid-19 which has an impact on all aspects of life. Especially in the humanitarian and economic fields. This event is marked by the life of mankind which has changed drastically from before the existence of covid-19. Not only as individuals but also on a larger scale.

Since the stipulation of Covid-19 as a global pandemic, the Indonesian government has made efforts to prevent the spread of the virus in Indonesia. one of them is by implementing Large-Scale Social Restrictions (PSBB), which itself is a limitation on all forms of activities carried out by all communities. Freedom of activity like when covid-19 has not yet been attacked seems to have begun to be limited since the existence of covid-19. Even to breathe air, humans begin to feel anxiety and anxiety about the spread of the virus. This has made people begin to live a new life or what is currently better known as the *new norm*, one of which is marked by obeying the health procedures that have been established by the government.

In addition to individuals, companies as one of the economic actors are also affected by the covid-19 pandemic, this is marked by the temporary closure of several companies and also the reduction of employees due to the decline in income during the pandemic. In addition, with the pandemic, companies have started implementing Work From Home or working at home, which requires employees to be able to master technology. This method is done because Human Resources (HR) is an important element in a company, HR is the driving force of the company's operations. This is what makes the company unable to completely lay off existing employees, and chooses to do WFH.

In addition to companies, Small, Micro, and Medium Enterprises (MSMEs) are also affected by the COVID-19 pandemic. During the beginning of the pandemic period in Indonesia, the Indonesian Institute of Sciences or commonly known as IIPI conducted a survey in which the results were a significant decline in MSMEs. Prior to the advent of covid-19, MSMEs were a sector that supported the national economy, which is currently the sector most affected and affected by COVID-19. The results of the survey stated that 95% of MSME actors experienced reduced incomes and as many as 75% experienced large sales declines (IIPI, 2020).

The problem that has caused a drastic decline in the MSME sector is the lack of Knowledge Management in MSME actors in running their business. As is known, superior human resources are a pillar of the company to continue to stand strong. This is because the presence of superior human resources causes the productivity obtained to increase. For an organization, either a company or an MSME, increasing the quality of human resources is very necessary for dealing with the covid-19 pandemic, the HR upgrade that must be carried out by the company is as increasing the competence of knowledge, skills, and character of the personality of the employees (Suindari & Juniariani, 2020). On that basis, the researchers want to take the research title " Entrepreneur Resilience Strategy through Innovation Management Practices to Manage Impact and Remedy in Facing Pandemics".

### *Innovation*

The theory related to economic development was first coined in a book entitled The Theory of Economic Development in 1911. Then in 1934, the book was published in English after previously being printed in German. Schumpeter believed that basic economic development is created by entrepreneurs who have innovation.

They are a group in society that can make innovations or reforms in the economic field. The update can be divided into several forms, as follows.

1. Introducing a new item,
2. The use of new ways of producing goods,
3. Expanding the market for a product to new areas,
4. Develop new sources of raw materials, or
5. Reorganize a company or industry.

Meanwhile, entrepreneurs are trying to make reforms and also improvements to existing economic activities. If the leaders of a company make reforms, they can be classified as innovative entrepreneurs (Lestari et al., 2019). The invention that was created cannot yet be called a renewal in society and cannot be called an economic development if it does not yet have an effort to be able to use the invention in the production of an item needed by the community (Nasution et al., 2007).

Therefore, in his new findings, Schumpeter explains that if the conditions that need to be done are not sufficient to carry out economic reform and development, it can only be created if the discoveries that occur are used by entrepreneurs in creating reforms. Schumpeter conducted a study of the dynamics behind the economic change and created an element called innovation.

So entrepreneurs are economic actors who make a change. An entrepreneur can give direction to his business so that it can reach the potential of profit and it can also be done so that it can know what to do.

### *Innovation Management*

The process of innovation is a series of activities carried out by each individual or group. The length of time it takes to get innovation is different for each individual, this depends on the sensitivity of the innovation. This can also last until the change is complete (Lestari et al., 2019).

Innovating is a way to be able to introduce a new idea, an idea that occurs through two processes, namely generating an idea and turning the idea into reality. Innovation is a type of change that can take the form of a series of steps or big jumps into a desire. Innovation, which can also be called good leadership and management at every level in the organization. A good leader can make others more involved and interested in the work at hand. There are three levels in the innovation process, which are as follows:

1. Generate Ideas: individuals and teams produce new ideas and increase the existence of those ideas.
2. Idea Harvest: collect some ideas, filter the ready ideas and evaluate them.
3. Develop and implement research ideas, testing, improvement, and development of ideas and their implementation.

In giving lessons on the innovation process, experts try to identify the activities that were carried out during the process and also what changes occurred during the innovation.

The organization is a balanced system in which it consists of individuals who work together to achieve a common goal in the company. Organizations are formed to be able to handle routine tasks and also to provide stability to human relationships. Organizations need to be exercised a certain amount of freedom without any thought if innovation has limits. Freedom in causing people to express themselves that has a creative and innovative attitude.

A management structure that is as flat as possible is more conducive to information relations as well as flexibility within an organization. This type of structure allows and encourages different departments to communicate and work together. Managers tend to be orderly people but they need to realize that innovation is often an orderly process. Although control is an important leadership function it should be performed with skill and sensitivity. Organizations must find a balance between structure and productivity, and innovation and creativity. An organization that is only interested in reproducing existing products and services will soon fall out of existence as technology and market advances are made around them. Innovation in the organization is the renewal in a stable system of several individuals who work together to achieve certain goals. This renewal goes through 5 stages, namely setting the agenda, matching, defining, explaining, and getting used to. The innovation process in the target organization is fixed on each individual but still bound to the rules of the organization. Most people think that in an effort to maintain organizational stability, organizational members do not want innovation. In fact, in reality, an organization is always dealing with innovation, and actually, innovation is a process of organizational progress.

### *Entrepreneurial Resilience*

Entrepreneurship is a science that examines the development and development of a creative spirit and dares to take risks in the work done in order to realize the results of the work. The courage to take risks has become the property of an entrepreneur because he is required to be brave and ready if the business he undertakes does not yet have the value of attention in the market, and this must be seen as a form of the process towards true entrepreneurship.

According to Thomas W. Zimmerer and Norman M. Scarbrough (1996), "An entrepreneur is a person who creates a new business by taking risks and uncertainties in order to achieve profit and growth by identifying opportunities and combining the necessary resources to establish them". Peter Drucker (1999)said that entrepreneurs are not looking for risk, they are looking for opportunity. They appreciate the process is inclined to have patience, and a true entrepreneur has patience in undergoing every process to success. So if there is an opinion that failure is the beginning of success then these words are firmly held by entrepreneurs. Without fail, it is difficult for someone to know where his weakness is.

Sometimes we need to learn from mistakes, and humans are taught not to repeat the same mistakes in the future, because if they repeat the same mistakes in the future, it means they don't learn from experience or waste the experience. Further, every error or failure must be studied what caused it to occur. Because by studying each of these mistakes or failures, new uterine knowledge is obtained. So it is very wrong if someone continues to move forward by ignoring the existing faults, regardless of what caused it to happen. The perfection of a product when it was created is better than the previous product.

Words like these are the key to being an entrepreneur. Further, we need to understand the notion of an entrepreneur who has a close relationship with the term entrepreneur. The term entrepreneur has something to do with the term merchant. Even though the meaning is the same in Sanskrit, the meaning is different. Entrepreneur consists of three words: wira, swa, and sta, each of which means wira is a superior human being, exemplary, virtuous, big-hearted, brave, a hero/warrior of progress, and has a noble character; swa means alone; and sta means standing.

The function and role of entrepreneurship can be seen through two approaches, namely micro and macro. On a micro level, entrepreneurs have two roles, namely innovators and planners. As inventors, entrepreneurs discover and create something new, such as products, technology, methods, ideas, organizations, and so on. As planners, entrepreneurs play a role in designing new actions and businesses, planning new business strategies, planning ideas and opportunities in achieving success, creating new corporate organizations, and others. On a macro level, the role of entrepreneurship is to create prosperity, equitable distribution of wealth, and job opportunities that function as an engine for a country's economic growth.

## METHOD

This research uses the systematic literature review (SLR) method, which is a systematic design of a systematic, clear, and comprehensive literature study. The stages are as follows: (1) Identification of research topic problems, in this research the researcher examines the problem through national and international journals of money sourced from reports of research results. The topic of this research is “digital entrepreneur”. (2) Data search In this research, the researcher conducted a data search using google school. Based on the research topic, the researcher uses the keywords resilience, digital entrepreneurship, MSMEs, and the covid-19

pandemic. Researchers also use the Sci-Hub service when researchers have difficulty accessing paid journals. Sci-Hub is one of the websites that have a mass provider in providing journals so that they can be fully accessed by researchers. (3) Then the stage of filtering or selecting data which aims to select research problems that are in accordance with the topic under study. The topic studied in this research is Digital Marketing during a pandemic with this topic the journal data accessed in this research process are filtered on the following criteria: (a) The journal is published for a period of 5 years (2010-2020). (b) Journal type (review article, research article). (c) Journal is fully accessible. (4) The articles that were collected were 20 articles, then they were selected. If there are articles that are not in accordance with the topic being studied, the articles will be eliminated. Finally, 9 articles were obtained that were related to the research topic. Then the selected IoIos articles are reviewed one by one. (5)The articles are then compiled based on the important points found in the previously filtered literature

## FINDINGS AND DISCUSSION

During the Covid-19 pandemic, the businesses of MSME business actors have been greatly affected and have changed the behavior of both consumers and producers. This behavior change is related to the rules during the pandemic that requires people to maintain physical distance. People are prohibited from going out, gathering, or gathering and even activities are very limited. These limitations have an impact on business people. Social interaction between communities is almost gone. The market which is usually the place where people interact between sellers and buyers has disappeared. These problems have resulted in entrepreneurs having to change their sales strategies to minimize the occurrence of sales drops due to the implementation of social distancing.

Efforts are being made to survive during the pandemic, business actors must be able to strategize by focusing on digital marketing through websites, social media, and search engines or sales search engine sites through the marketplace by forming a research team to sell products. In addition to strengthening the marketing field, MSME actors must also strengthen in the field of human resource management, business actors must try to adapt to difficult conditions like this, by learning about the utilization of technology that is currently widely used, so that it can help to improve the quality of life. service quality of these business products and attract consumers. According to Agustina, et al (2020) for entrepreneurs who have strong entrepreneurial intentions, the Covid-19 pandemic is only considered momentary turbulence.

Because the vision for the future as an entrepreneur that you want to achieve is much more interesting and challenging. From this attitude, the mental attitude and mindset in question will become open and calm. Next, creative ideas will easily emerge in solving problems in this difficult time. Here is the importance of open personal characteristics for an MSME driver so that resilience is in difficult conditions.

### Digital Entrepreneurship as an Effort to Survive in a Pandemic Period

Sussan and Acs (2017) argue that digital entrepreneurship includes all agents involved in all types of business, whether commercial, social, government, or companies that use digital technology (Purbasari et al., 2020). It can be concluded that this digital entrepreneurship can be used as an effort to survive during the pandemic by entrepreneurs, by utilizing the internet and technology. Product marketing can be done using existing social media. During this

pandemic, entrepreneurs are required to be able to think creatively and innovatively so that their business can survive. Alfrian & Pitaloka (2020) research states that the strategies taken by MSME actors to survive during the pandemic are: learning digital marketing such as using social media for promotion, strengthening human resources by studying the era of globalization and technological progress, being innovative, and creative to make consumers interested in buying. products offered, improving services to consumers by maintaining product cleanliness and safety, government policies that provide assistance funds to MSME actors.

The results of similar findings according to research by Garcia et al. (López García et al., 2019) listed in Rudi Santoso's article (2020) reveal that the use of digital marketing media can increase customer loyalty. The adaptation made by MSME actors is related to the use of digital marketing facilities to increase digital awareness in entrepreneurship facilities.

**Innovation Management in Pandemic Times**

MSMEs are one of the important economic sectors, MSMEs need encouragement and breakthroughs in times of economic hardship such as during this covid 19 pandemic. MSMEs are not only important in one business group but also for the sustainability of the country, this causes MSMEs to become an important factor when compared to large businesses.

MSME activists are also called entrepreneurs who have many traits and also high self-confidence, besides that they must also have a high sense of innovation. The role of MSMEs is important during this pandemic because MSMEs are the backbone of the country's economy. With the existence of MSMEs, it is possible if the company can more easily adapt to changes from the environment. Therefore, the existence of MSMEs is expected to be a driving force for entrepreneurship which in turn can help economic development and create jobs (Marlinah, 2020).

As only now, where the world is facing a big challenge in the form of the covid-19 pandemic which has attacked it judicially, it has changed the lives of individuals and also the flow of business. This certainly makes innovation important in helping businesses stay afloat. Peter F. Drucker (1999) explains that a good company is a company that can find opportunities, whether big or small, even though there is uncertainty in it. During this pandemic, innovation is needed for MSME actors because with innovation, MSMEs can survive the challenges that exist.

With this innovation, it is hoped that it will provide anticipation that a business or group of MSMEs will continue to increase during the pandemic and continue to improve the quality of products. This innovation can transform and also give hope so that he can face the problems he is currently experiencing. In general, innovations in MSMEs can be carried out to provide support for existing businesses and also provide opportunities for new businesses to meet market needs. Innovation also has been used so that it can keep every consumer from getting bored easily with the products offered, while also making loyal consumers use the company's products (Marlinah, 2020).

This created network can grow and develop into a large business that can have an impact on economic activities today. The progress that has been made can finally be achieved by encouraging the utilization and power in the policy of the presence of innovation. During this pandemic period, many actors who are not ready to adapt to current conditions can only work in place and cannot develop as they should. Nowadays, business development cannot develop

without innovation. Without seeing a gap to be able to grow, the business will not be able to survive for a long time and eventually go bankrupt. It is not surprising that very few products from local SMEs can go international. Especially during this COVID-19 pandemic, there is no reason not to innovate.

This is what requires companies to create innovations for the business they run. Therefore, companies are required to be able to provide creative and effective innovation results in order to achieve success (Santoso, 2020). This, of course, is in innovation that requires motivation to be stronger and creative with all forms of change that can be created easily. This motivation can be obtained by each individual or close person which can influence the creativity possessed to be able to solve existing problems. Therefore, with the economic problems in MSMEs, there need to be innovations created from the creativity of business actors during this pandemic (Hardilawati, 2020).

Running a business, of course, requires innovation in any business that is run. Innovation is an idea, idea, and activity that exists in an object or object as a new thing that can be felt by someone for consumption. Innovation can be defined as a process in which change turns an opportunity into a new idea or renews an existing idea. However, the idea can be considered as an object or object that can be felt. Innovation is also an action that has a lot of risk in it. However, innovation can give us an emphasis on the importance of change and renewal of a thing in life that turns fear into hope.

## CONCLUSION

Based on the discussion carried out using descriptive methods as well as the theories described, it can be concluded that during this pandemic, creativity is a strategy used by human resources in this case, MSME employees or actors in facing the ordeal that occurred in the last 2 years.

With innovation, it causes consumers to be interested in buying or using the products used, this is because the nature of consumers who are easy to get bored with something requires MSME actors to innovate. In addition, with innovation, it is hoped that there will be an increase in productivity and also the results of the company as a producer that provides goods or services to consumers.

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