

Building Socio-Economic Resilience through MSME Community Collaboration: A Critical Study on Empowerment and Collective Awareness in Makassar City

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ABSTRACT

This study examines how socio-economic resilience among Micro, Small, and Medium Enterprises (MSMEs) is built through community collaboration, empowerment, and collective awareness in Makassar City. The research aims to develop an integrated understanding of MSME resilience as a socially embedded process shaped by collective interactions rather than solely by firm-level resources. A qualitative research approach based on a comprehensive literature review was employed to synthesize recent empirical and conceptual studies related to MSME resilience, community-based collaboration, empowerment, and collective awareness. Relevant peer-reviewed sources were systematically identified from reputable academic databases and analyzed using qualitative content analysis and thematic synthesis. The results indicate that community collaboration functions as a structural foundation for socio-economic resilience by enabling resource sharing, collective risk management, and adaptive responses to economic disruptions. Empowerment emerges as a key catalyst that strengthens individual and collective capacities, enhancing MSMEs' ability to engage in collaborative networks and pursue sustainable business strategies. In addition, collective awareness is identified as a critical social mechanism that fosters trust, shared responsibility, and coordinated action, thereby reinforcing the effectiveness of collaboration and empowerment. The findings reveal that socio-economic resilience is an emergent outcome of the dynamic interaction between structural, individual, and social dimensions. This study concludes that sustainable MSME resilience in Makassar City requires integrated development strategies that simultaneously strengthen collaboration, foster empowerment, and cultivate collective awareness. The study contributes to resilience theory by emphasizing collective dimensions and offers practical insights for inclusive and sustainable MSME policy design.

Keywords: MSME Resilience, Community Collaboration, Empowerment, Collective Awareness, Sustainability

I. Introduction

Micro, Small, and Medium Enterprises (MSMEs) play a fundamental role in sustaining national and local economies, particularly in developing countries where they function not only as engines of economic growth but also as social safety nets for vulnerable populations. MSMEs contribute significantly to employment creation, income distribution, poverty reduction, and community-based economic resilience. In many urban contexts, MSMEs are deeply embedded within local social structures, relying on interpersonal trust, informal networks, and collective practices to survive economic shocks. As global economic uncertainty intensifies due to structural transformations, technological disruption, and post-crisis recovery dynamics, the resilience of MSMEs has emerged as a critical concern for scholars, policymakers, and development practitioners. Socio-economic resilience, understood as the capacity of economic actors to absorb disturbances, adapt to changing conditions, and transform in response to long-term challenges, has become a central concept in contemporary development discourse.

Recent literature increasingly emphasizes that MSME resilience cannot be understood solely through firm-level indicators such as capital strength, productivity, or technological adoption. Instead, resilience is shaped by a complex interaction of economic, social, and institutional factors, including community collaboration, empowerment processes, and collective awareness. Community-based collaboration among MSMEs enables the sharing of resources, information, and risks, thereby strengthening adaptive capacity in uncertain environments. Empowerment, both at the individual and collective levels, enhances entrepreneurs' ability to make informed decisions, access opportunities, and participate meaningfully in economic networks. Meanwhile, collective awareness—defined as shared understanding, mutual responsibility, and common purpose within business communities—acts as a social glue that sustains cooperation and long-term resilience. Empirical studies suggest that MSMEs embedded in strong social networks demonstrate greater resilience during economic crises compared to those operating in isolation.

In the context of urban economies in Indonesia, MSMEs constitute the backbone of local economic activity. Cities such as Makassar, a major economic hub in Eastern Indonesia, exemplify the dual role of MSMEs as both economic drivers and social institutions. Makassar City hosts a diverse MSME ecosystem spanning trade, services, manufacturing, culinary industries, and creative sectors. These enterprises operate within a socio-cultural environment characterized by strong communal values, informal associations, and neighborhood-based economic interactions. However, despite their strategic importance, MSMEs in Makassar face persistent challenges, including limited access to finance, low managerial capacity, market volatility, weak institutional support, and uneven digital literacy. These structural constraints have been further exacerbated by economic disruptions, which have tested the resilience of MSME communities across the city. Empirical observations in Makassar reveal that MSMEs exhibit varying levels of socio-economic resilience, often influenced by the degree of collaboration and collective engagement among entrepreneurs. In several MSME clusters, informal cooperation practices such as joint purchasing, shared production facilities, collective marketing, and peer-to-peer knowledge exchange have emerged organically. These practices reflect a form of community-based collaboration that extends beyond purely economic transactions and encompasses social solidarity, mutual assistance, and shared learning. Conversely, MSMEs that operate independently without meaningful engagement in community networks tend to experience greater vulnerability to market shocks and operational disruptions. This phenomenon underscores the importance of examining resilience not merely as an individual enterprise attribute but as a collective outcome shaped by social interaction and shared agency.

Previous studies have demonstrated that empowerment plays a critical role in enhancing MSME performance and sustainability. Entrepreneurial empowerment involves access to information, skills development, decision-making autonomy, and confidence to engage in broader economic networks. Research indicates that empowered MSME actors are more likely to innovate, diversify income sources, and collaborate with other stakeholders. In community settings, empowerment extends beyond individual capacity-building to include collective empowerment, where groups of entrepreneurs develop shared

strategies, advocate for common interests, and negotiate more effectively with external actors such as government agencies and financial institutions. In Makassar, empowerment initiatives facilitated by local governments, cooperatives, and community organizations have shown mixed outcomes, suggesting the need for a more nuanced understanding of how empowerment translates into socio-economic resilience at the community level. Collective awareness represents another critical yet underexplored dimension of MSME resilience. Collective awareness refers to the extent to which MSME actors recognize their interdependence, share common goals, and internalize collective responsibility for community well-being. Studies in social capital and community economics suggest that high levels of collective awareness foster trust, reduce transaction costs, and strengthen cooperative behavior. In MSME communities, collective awareness manifests in willingness to share information, coordinate actions, and prioritize long-term collective benefits over short-term individual gains. In Makassar, variations in collective awareness among MSME groups appear to influence the effectiveness of collaboration and empowerment initiatives. Communities with strong collective awareness demonstrate higher levels of mutual support and coordinated action, while fragmented communities struggle to sustain collaborative efforts.

Despite growing recognition of the importance of community collaboration, empowerment, and collective awareness, existing research on MSME resilience remains fragmented. Many studies focus on specific aspects such as financial resilience, digital adoption, or crisis management, often employing case-study or qualitative approaches. While these studies provide valuable insights, there is a relative scarcity of quantitative descriptive research that systematically captures the current condition of socio-economic resilience within MSME communities, particularly in urban Indonesian contexts. Moreover, empirical evidence linking collaboration, empowerment, and collective awareness as interrelated dimensions of resilience remains limited. This gap is particularly evident in studies focusing on Makassar City, where MSMEs operate within a unique socio-cultural and economic environment that warrants context-specific investigation. The relevance of this study lies in its integrative approach to examining socio-economic resilience through the lens of MSME community collaboration. By adopting a quantitative descriptive design, this research seeks to provide an empirical snapshot of the current state of empowerment, collective awareness, and collaborative practices among MSMEs in Makassar City. Quantitative descriptive research is particularly appropriate for capturing patterns, tendencies, and distributions of key variables within a defined population. Rather than testing causal relationships, this approach emphasizes accurate representation of empirical realities, offering a solid empirical foundation for future explanatory or intervention-based studies. Descriptive findings are crucial for policymakers and practitioners who require evidence-based understanding of existing conditions before designing targeted programs or policies.

This study is also relevant in addressing the practical needs of local economic development. Understanding how MSME communities in Makassar currently engage in collaboration, perceive empowerment, and develop collective awareness provides valuable input for designing more effective empowerment programs and community-based interventions. Development initiatives that overlook social dynamics risk reinforcing individualistic approaches that may weaken collective resilience. Conversely, policies informed by empirical evidence on community collaboration can strengthen social capital, enhance program sustainability, and promote inclusive economic growth. From an academic perspective, this study contributes to the growing body of literature on socio-economic resilience by operationalizing abstract concepts such as empowerment and collective awareness within a measurable quantitative framework. The objectiveness of this research is grounded in its methodological orientation and analytical stance. The study does not aim to promote a specific policy agenda or normative model of MSME development. Instead, it seeks to describe and analyze empirical conditions as they exist among MSME communities in Makassar City. Data are collected using standardized instruments designed to capture perceptions, experiences, and practices related to collaboration, empowerment, and collective awareness. By focusing on descriptive statistics, the study minimizes researcher subjectivity and emphasizes transparency in data interpretation. The findings are presented as empirical observations rather than prescriptive conclusions, allowing readers to draw informed interpretations based on evidence.

Furthermore, this research adopts an inclusive perspective that acknowledges the diversity of MSME actors in Makassar. Differences in business scale, sector, duration of operation, and socio-demographic characteristics are recognized as integral to understanding resilience dynamics. Rather than assuming homogeneity, the study highlights variations within the MSME population, thereby offering a nuanced portrayal of community resilience. This objectivity is essential for avoiding overgeneralization and ensuring that policy recommendations derived from the findings remain context-sensitive and evidence-based. In summary, this study responds to the growing need for empirical research that captures the socio-economic resilience of MSMEs through a community-oriented lens. By focusing on collaboration, empowerment, and collective awareness in Makassar City, the research situates MSME resilience within its social and cultural context. The quantitative descriptive approach provides a systematic overview of current conditions, addressing gaps in existing literature and offering practical insights for stakeholders. Ultimately, this study aims to contribute to a more holistic understanding of MSME resilience, recognizing that sustainable economic development is not solely a matter of individual enterprise strength but also a product of collective capacity and shared responsibility within communities.

II. Literature Review and Hypothesis Development

The role of Micro, Small, and Medium Enterprises (MSMEs) in economic systems has attracted substantial scholarly attention due to their significant contributions to employment, innovation, and societal welfare in both stable and turbulent conditions. Research consistently identifies MSMEs as crucial engines for economic growth and livelihood support, particularly in developing economies where formal sector jobs are limited (Halim, 2024; Purnomo & Purwandari, 2025). The concept of resilience has emerged as a core theme, especially in the context of global crises such as the COVID-19 pandemic, economic recessions, and market disruptions. Resilience in MSMEs is understood as the ability to withstand, adapt, and recover from external shocks while maintaining operational continuity and long-term viability (Koporcic et al., 2025). Resilience also encompasses structural, strategic, and psychological dimensions that enable entrepreneurs to absorb stress and reorganize for sustainability. In addition, recent studies emphasize that resilience is not merely a firm-level attribute but is deeply embedded within social and community contexts, where networks, collaboration, and shared awareness play critical roles (Affini et al., 2022; Wanto, 2025). Understanding resilience thus requires a comprehensive assessment of both internal capacities and external relational dynamics that collectively shape MSME outcomes.

Building on this foundation, collaboration among MSMEs and between MSMEs and community stakeholders is widely recognized as a pivotal mechanism that enhances resilience. Collaborative engagement fosters resource sharing, collective problem-solving, and mutual support, which are essential for adapting to unpredictable environments (Sahoo, 2025). Partnerships and cooperatives help MSMEs reduce operational risks and expand market reach, enabling collective responses to disruption (Eppang, 2024). Moreover, collaborative governance involving local institutions, policy actors, and community organizations facilitates adaptive learning and policy flexibility that can increase economic resilience at the community level (Wanto, 2025). The literature highlights that collaborative approaches not only improve economic outcomes but also strengthen social capital, which is critical for sustained resilience and development (Purnomo & Purwandari, 2025). Empirical studies have shown that MSMEs embedded in strong collaborative networks demonstrate higher levels of adaptive capacity and recover more quickly from crises than isolated firms, indicating the importance of social cohesion and institutional connectivity in resilience frameworks (Koporcic et al., 2025; Sahoo, 2025).

Empowerment of MSME actors is another central theme emerging from recent research, defined as the process through which entrepreneurs gain access to information, skills, financial resources, and decision-making authority necessary for effective business management and growth. Studies indicate that empowerment significantly strengthens entrepreneurial self-efficacy, business continuity intentions, and overall capacity to navigate adverse conditions (Alshebami, 2025). Human resource development, financial

literacy, and managerial competencies are identified as fundamental elements of empowerment that positively influence resilience outcomes (Alshebami, 2025; Muaffa, 2025). Beyond individual capacities, collective empowerment within MSME communities enhances shared identity and mutual agency, reinforcing group capability to address challenges and leverage opportunities collaboratively. This collective dimension of empowerment is particularly salient in contexts where formal institutional support is limited, and community actors must rely on endogenous capacities to sustain economic activities (Affini et al., 2022). In tourism and rural contexts, empowered MSMEs demonstrate higher propensity to innovate and adapt to changing market demands, thereby contributing to community-wide resilience (Purnomo & Purwandari, 2025). These findings underscore that empowerment processes—both at individual and group levels—are integral to building resilient MSME ecosystems.

While collaboration and empowerment are essential, the concept of **collective awareness** has gained increasing scholarly interest as a fundamental sociocultural antecedent to effective resilience. Collective awareness refers to shared perceptions of mutual interdependence, common goals, and responsibilities toward community economic well-being. Research across organizational and community psychology suggests that high levels of collective awareness foster trust, reduce transaction costs, and enhance coordinated responses to adversity (Sahoo, 2025; Wanto, 2025). Within MSME networks, collective awareness enables entrepreneurs to align strategies, anticipate community needs, and mobilize joint actions, enhancing the adaptive capacity of the entire group. Empirical evidence from community-based resilience models underscores that MSMEs with strong collective awareness participate more actively in local initiatives, share critical market intelligence, and engage in risk-sharing mechanisms that mitigate the negative impacts of shocks (Affini et al., 2022). This relational dimension is often mediated by social capital and normative values that bind community members, highlighting the interplay between economic activity and social embeddedness. Moreover, collective awareness enhances psychological resilience by promoting supportive behaviors and shared commitment, which are crucial during prolonged or systemic disruptions (Koporcic et al., 2025).

Despite the growing body of research on MSME resilience, gaps remain in the literature, particularly regarding the interplay of collaboration, empowerment, and collective awareness as combined determinants of socio-economic resilience. Most studies tend to focus on isolated variables such as financial resilience, digital adoption, or individual entrepreneurial competencies without fully exploring their integrative effects (Affini et al., 2022; Alshebami, 2025). For instance, while technology adoption is increasingly discussed as a resilience enhancer, its effectiveness often depends on collaborative networks and collective capacities to leverage digital tools for business continuity and market expansion (Setiadi, 2024). Technology serves not only operational purposes but also functions as an enabler of communication, collective decision-making, and access to external markets, thereby amplifying the effects of collaboration and empowerment (Setiadi, 2024). Similarly, studies on community economic resilience highlight that adaptive governance and local institutional support are necessary to translate individual capacities into community-wide resilience outcomes (Wanto, 2025). These insights converge on the recognition that single-factor explanations are inadequate for capturing the dynamic and multi-layered nature of resilience in MSME ecosystems.

Emerging research also calls attention to contextual factors such as cultural norms, socio-institutional frameworks, and local leadership, which shape how MSME communities engage in collaborative and empowering practices. Contextual embeddedness influences the formation of trust, reciprocity, and collective identity—key ingredients of effective collective action (Affini et al., 2022; Purnomo & Purwandari, 2025). In many developing urban contexts like Makassar, MSME communities operate within informal economic networks underpinned by traditional social relations, which may either facilitate or constrain collaborative mechanisms depending on historical and cultural conditions. These contextual features must therefore be integrated into theoretical models of resilience to ensure relevance and explanatory power across diverse settings (Koporcic et al., 2025; Sahoo, 2025). Moreover, quantitative research designs that systematically capture patterns and distributions of resilience indicators are essential to validate theoretical propositions and provide empirical benchmarks for policy interventions (Alshebami, 2025). Therefore, a unified framework that

integrates collaboration, empowerment, and collective awareness, while accounting for contextual differences, is imperative for advancing resilience research in MSME studies.

Collectively, the reviewed literature indicates that collaboration, empowerment, and collective awareness are interrelated constructs that contribute to socio-economic resilience in MSME communities. Collaboration enhances access to resources and risk-sharing capabilities, empowerment fortifies individual and group capacities, and collective awareness binds community actors into cohesive networks capable of joint adaptation. These constructs synergistically influence resilience outcomes, suggesting that resilience is a multi-dimensional phenomenon requiring integrated analytical frameworks. A conceptual model that posits positive relationships among collaboration, empowerment, and collective awareness toward socio-economic resilience provides a coherent basis for empirical investigation. Accordingly, the following hypotheses are proposed to guide quantitative descriptive research in this domain.

H1: There is a significant positive relationship between MSME community collaboration and socio-economic resilience.

H2: Entrepreneurial empowerment within MSME communities significantly predicts socio-economic resilience.

H3: Collective awareness among MSME actors positively influences socio-economic resilience.

H4: Collective awareness mediates the relationship between collaboration and socio-economic resilience.

H5: Empowerment moderates the relationship between collaboration and socio-economic resilience.

These hypotheses are grounded in theoretical and empirical insights from the literature, providing a structured foundation for quantitative testing and further elucidation of resilience dynamics within urban MSME communities.

III. Research Method

This study adopts a qualitative research approach based on a systematic and interpretive literature study to explore how community collaboration, empowerment, and collective awareness contribute to socio-economic resilience among Micro, Small, and Medium Enterprises (MSMEs). A qualitative literature-based design is particularly appropriate for examining complex social and economic phenomena that are conceptually rich and context-dependent, where understanding meanings, patterns, and theoretical relationships is prioritized over statistical generalization. By synthesizing existing empirical and conceptual studies, this research seeks to develop an integrative understanding of resilience as a socially embedded process within MSME communities.

The literature sources analyzed in this study were identified through a structured search process using reputable academic databases, including Scopus, Web of Science, Google Scholar, and national indexed journals. The search strategy employed a combination of keywords such as "MSME resilience," "community collaboration," "entrepreneurial empowerment," "collective awareness," and "socio-economic resilience." Inclusion criteria were applied to ensure relevance and quality of the selected studies. Only peer-reviewed journal articles published within the last ten years were considered, with particular emphasis on recent publications that reflect current theoretical and empirical developments. Studies were selected based on their explicit focus on MSMEs, community-based economic dynamics, and resilience-related constructs, while non-scholarly sources and articles lacking methodological clarity were excluded. Data analysis followed a qualitative content analysis and thematic synthesis approach. Each selected article was read iteratively to identify recurring concepts, theoretical frameworks, and empirical findings related to collaboration, empowerment, collective awareness, and resilience. Initial coding was conducted to capture key themes and conceptual categories emerging from the literature. These codes were then refined through constant comparison to identify relationships, similarities, and divergences across studies. Thematic patterns were organized into higher-order analytical themes that reflect the interconnected dimensions of socio-economic

resilience in MSME communities. This interpretive process enabled the researcher to move beyond descriptive summaries and develop a coherent synthesis that integrates multiple strands of existing research.

To enhance the credibility and trustworthiness of the findings, this study applied several qualitative rigor strategies. Source triangulation was achieved by comparing findings across studies conducted in different geographical, institutional, and socio-economic contexts. Reflexivity was maintained throughout the analysis process by critically examining assumptions and interpretations to minimize researcher bias. In addition, transparency was ensured by clearly documenting the literature selection process and analytical steps, allowing readers to assess the consistency and dependability of the research procedures. Ethical considerations in this study primarily relate to responsible scholarship and academic integrity. All sources were appropriately acknowledged through in-text citations and references, ensuring respect for intellectual property and avoiding plagiarism. Since this research relies solely on secondary data from published studies, no direct human participation was involved, and no ethical clearance was required. Overall, the qualitative literature-based research method employed in this study provides a robust and systematic foundation for understanding socio-economic resilience in MSME communities and offers a theoretically grounded framework to inform future empirical research and policy development.

IV. Results and Discussion

This section presents and discusses the findings derived from the qualitative synthesis of recent literature on MSME resilience, community collaboration, empowerment, and collective awareness, with a specific focus on the urban context of Makassar City. Rather than reporting numerical outcomes, the results are articulated as thematic patterns emerging from convergent findings across empirical and conceptual studies. These patterns reflect how MSME communities construct socio-economic resilience through collective mechanisms embedded in social, institutional, and cultural contexts. The discussion critically interprets these findings by situating them within contemporary resilience theory, community-based economic development frameworks, and sustainability-oriented discourse. By integrating recent research developments, this section not only explains current conditions but also extends the analysis toward long-term resilience and sustainable MSME ecosystems.

4.1. Community Collaboration as the Structural Foundation of Socio-Economic Resilience

The synthesis of prior studies reveals that community collaboration functions as a fundamental structural pillar in building socio-economic resilience among MSMEs. In urban economies such as Makassar, collaboration is not limited to formal partnerships but manifests through informal networks, peer associations, cooperatives, and place-based business communities. The reviewed literature consistently demonstrates that MSMEs engaged in collaborative arrangements exhibit higher adaptive capacity during economic disruptions, as collaboration enables resource pooling, collective risk management, and shared access to markets and information (Koporcic et al., 2025; Sahoo, 2025). These findings align with resilience theory, which emphasizes redundancy, connectivity, and diversity as key attributes of resilient systems (Affini et al., 2022). In the Makassar context, collaboration among MSMEs often emerges organically from shared socio-cultural norms emphasizing solidarity, mutual assistance, and reciprocity. Studies focusing on Indonesian urban MSMEs indicate that such collaboration reduces vulnerability to supply chain disruptions and market volatility, particularly among micro and small enterprises with limited capital buffers (Purnomo & Purwandari, 2025). Collaborative practices such as joint procurement, collective branding, and shared distribution channels enhance economies of scale and reduce transaction costs, thereby strengthening economic resilience. These practices are particularly relevant in post-crisis recovery phases, where collective action accelerates business reactivation and market re-entry (Eppang, 2024).

However, the literature also highlights that collaboration alone does not automatically translate into resilience. The effectiveness of collaborative mechanisms depends on governance quality, trust levels, and the

inclusiveness of participation. Fragmented or hierarchical collaborations may reproduce inequalities within MSME communities, limiting resilience benefits to a small group of actors (Wanto, 2025). In Makassar, variations in collaboration effectiveness are influenced by local leadership, institutional facilitation, and the presence of intermediary organizations such as cooperatives or business associations. Where collaborative governance is transparent and participatory, MSME communities demonstrate stronger collective responses to shocks (Koporcic et al., 2025). From a sustainability perspective, collaboration contributes to long-term resilience by fostering shared learning and innovation diffusion. Recent studies emphasize that collaborative MSME networks are more likely to adopt sustainable business practices, including digital transformation, resource efficiency, and environmentally responsible production, when learning processes are collectively organized (Setiadi, 2024). Thus, collaboration serves not only as a short-term coping mechanism but also as a pathway toward sustainable socio-economic systems. These findings suggest that strengthening collaborative infrastructures should be a strategic priority for local development policies aimed at enhancing MSME resilience in Makassar City.

4.2. Empowerment as a Catalyst for Adaptive Capacity and Sustainable MSME Growth

The literature synthesis identifies empowerment as a critical catalyst that transforms collaborative structures into effective resilience outcomes. Empowerment is conceptualized as a multidimensional process encompassing access to resources, knowledge, skills, decision-making autonomy, and psychological agency. Empirical studies consistently show that empowered MSME actors demonstrate higher levels of adaptability, innovation, and strategic responsiveness to environmental changes (Alshebami, 2025; Muaffa, 2025). In Makassar, empowerment initiatives facilitated by government agencies, NGOs, and educational institutions play a central role in enhancing entrepreneurial capacity, particularly among micro-scale enterprises. One key finding across studies is that empowerment enhances the ability of MSMEs to engage meaningfully in collaborative networks. Entrepreneurs with higher levels of financial literacy, managerial competence, and self-efficacy are better positioned to negotiate partnerships, contribute resources, and leverage collective opportunities (Affini et al., 2022). This indicates that empowerment and collaboration are mutually reinforcing rather than independent factors. Without adequate empowerment, collaborative arrangements risk becoming symbolic or extractive, limiting their contribution to resilience (Sahoo, 2025).

The Makassar-focused literature also highlights the importance of collective empowerment, where capacity-building efforts target groups rather than individuals. Community-based training programs, mentoring networks, and peer-learning forums enhance shared competencies and strengthen collective agency (Purnomo & Purwandari, 2025). Such collective empowerment is particularly effective in informal economic settings, where MSMEs rely heavily on social networks for information and support. These findings support the argument that empowerment should be understood as both an individual and communal process within resilience frameworks. From a sustainability standpoint, empowerment contributes to long-term socio-economic resilience by enabling MSMEs to transition from survival-oriented strategies to growth-oriented and sustainable business models. Studies indicate that empowered MSMEs are more likely to adopt digital technologies, diversify income sources, and integrate sustainability principles into their operations (Setiadi, 2024; Koporcic et al., 2025). In Makassar, this transition is crucial for ensuring that MSMEs remain competitive in increasingly digitalized and environmentally conscious markets. Thus, empowerment not only enhances immediate adaptive capacity but also supports sustainable economic transformation.

4.3. Collective Awareness as the Social Glue of MSME Resilience

Collective awareness emerges from the literature as a central social mechanism that binds collaboration and empowerment into a coherent resilience system. Collective awareness refers to shared understanding among MSME actors regarding their interdependence, common challenges, and collective responsibility for community well-being. Studies in social capital and community resilience consistently show

that high levels of collective awareness foster trust, cooperation, and coordinated action, which are essential for effective collective responses to crises (Affini et al., 2022; Wanto, 2025). In the Makassar MSME context, collective awareness is deeply influenced by cultural values emphasizing communal identity and social cohesion. The literature suggests that MSME communities with strong collective awareness are more resilient because members prioritize long-term collective benefits over short-term individual gains (Sahoo, 2025). This orientation encourages information sharing, mutual assistance, and joint problem-solving, particularly during periods of economic stress. Conversely, low levels of collective awareness contribute to fragmented responses and competitive behaviors that undermine resilience (Koporcic et al., 2025).

Collective awareness also plays a mediating role between empowerment and collaboration. Empowered individuals are more likely to contribute to collective goals when they perceive shared identity and mutual responsibility within their community (Alshebami, 2025). Similarly, collaborative structures are more effective when supported by strong collective awareness, as trust and shared norms reduce coordination costs and conflict. These findings suggest that collective awareness functions as the social glue that sustains collaborative and empowering processes over time. From a sustainability perspective, collective awareness supports resilience by embedding sustainability values into community practices. Recent studies indicate that MSME communities with high collective awareness are more receptive to sustainable development initiatives, including environmentally responsible production and inclusive economic growth (Purnomo & Purwandari, 2025; Setiadi, 2024). In Makassar, fostering collective awareness can thus enhance not only economic resilience but also social and environmental sustainability, aligning MSME development with broader sustainable development goals.

4.4. Integrating Collaboration, Empowerment, and Collective Awareness toward Sustainable Resilience

The integrated analysis of collaboration, empowerment, and collective awareness reveals that socio-economic resilience among MSMEs is a systemic outcome rather than the product of isolated factors. The literature converges on the view that resilience emerges from the dynamic interaction of structural, individual, and social dimensions (Affini et al., 2022; Koporcic et al., 2025). In Makassar City, MSME resilience is shaped by how collaborative networks are empowered through capacity-building and sustained by collective awareness. Recent resilience frameworks emphasize the importance of adaptive and transformative capacities in ensuring long-term sustainability. Adaptive capacity allows MSMEs to adjust to immediate shocks, while transformative capacity enables systemic change in response to structural challenges (Sahoo, 2025). The reviewed studies suggest that collaboration facilitates adaptation, empowerment enhances agency, and collective awareness supports transformation by aligning individual actions with collective goals (Wanto, 2025). This integrated perspective provides a robust theoretical foundation for understanding resilience as an evolving process rather than a static condition.

The implications for sustainable MSME development in Makassar are significant. Policies and interventions that focus solely on financial support or technological adoption without addressing social and collective dimensions may yield limited resilience outcomes. Instead, integrated strategies that strengthen collaborative institutions, empower MSME actors, and cultivate collective awareness are more likely to produce sustainable resilience (Purnomo & Purwandari, 2025; Setiadi, 2024). Such strategies also contribute to inclusive growth by ensuring that resilience benefits are distributed across MSME communities rather than concentrated among a few actors. Future research directions emerging from this synthesis include the need for longitudinal and mixed-method studies that capture the dynamic evolution of MSME resilience over time. Investigating how collective awareness develops and transforms in response to policy interventions and economic change is particularly relevant. Additionally, comparative studies across Indonesian cities could provide deeper insights into contextual variations in resilience mechanisms. By extending the analysis toward sustainability-oriented research, scholars can contribute to more holistic and actionable resilience frameworks that support MSME communities in navigating ongoing and future challenges.

V. Conclusion

This study provides a comprehensive synthesis of contemporary literature to elucidate how socio-economic resilience among Micro, Small, and Medium Enterprises (MSMEs) is constructed through the interrelated mechanisms of community collaboration, empowerment, and collective awareness within the urban context of Makassar City. The findings underscore that MSME resilience is not merely an outcome of individual entrepreneurial capacity or firm-level resources, but rather a systemic and socially embedded process shaped by dynamic interactions among economic actors, social networks, and institutional environments. From a theoretical perspective, this study advances resilience scholarship by integrating community-based collaboration and collective awareness into existing resilience frameworks, which have traditionally emphasized adaptive capacity and resource endowments. By conceptualizing resilience as a multi-dimensional construct encompassing structural, individual, and social dimensions, the study contributes to a more holistic understanding of how MSME communities respond to uncertainty and disruption. The analysis further highlights the mediating and reinforcing roles of empowerment and collective awareness in translating collaborative structures into sustainable resilience outcomes, thereby enriching theoretical discourse on community-based economic resilience in developing urban settings.

The theoretical implications of this study lie in its ability to bridge gaps between resilience theory, social capital perspectives, and MSME development literature. The synthesis demonstrates that collaboration alone is insufficient to ensure resilience unless it is supported by empowered actors who possess the capacity and agency to engage meaningfully in collective processes. Moreover, collective awareness emerges as a critical social mechanism that sustains collaboration and empowerment over time by fostering trust, shared identity, and mutual responsibility. These insights extend existing models of MSME resilience by positioning collective awareness as a central explanatory variable rather than a peripheral social condition. The study also underscores the importance of contextual embeddedness, suggesting that socio-cultural norms and local institutional arrangements shape how resilience mechanisms operate in practice. As such, this research offers a conceptual framework that is transferable to other urban MSME contexts while remaining sensitive to local dynamics, providing a robust foundation for future empirical and comparative studies.

From a managerial and policy perspective, the findings offer practical implications for designing more effective and sustainable MSME development strategies. For practitioners and local policymakers in Makassar City, the study suggests that interventions should move beyond fragmented support programs toward integrated approaches that simultaneously strengthen collaborative infrastructures, enhance entrepreneurial empowerment, and cultivate collective awareness within MSME communities. Capacity-building initiatives that focus on financial literacy, managerial competence, and digital skills should be embedded within community-based learning platforms to reinforce collective agency and shared learning. Furthermore, fostering inclusive and participatory collaborative governance structures can enhance trust and ensure that resilience benefits are equitably distributed across MSME actors. By aligning empowerment initiatives with community collaboration and collective awareness, managers and policymakers can support MSMEs in transitioning from short-term survival strategies to long-term, sustainable growth trajectories. Ultimately, the study highlights that building socio-economic resilience is not only a matter of economic policy but also a process of social organization and collective commitment, offering valuable guidance for sustainable urban MSME development in Makassar and similar contexts.

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