

Crisis Management Strategies in Facing Global Economic Uncertainty: A Study of MSMEs in Makassar

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ABSTRACT

Global economic uncertainty presents a significant challenge for Micro, Small, and Medium Enterprises (MSMEs) in Indonesia, particularly in navigating rapid market changes and currency fluctuations. This study aims to analyze the crisis management strategies employed by MSMEs in Makassar in response to global economic uncertainty. A qualitative approach with a case study method was used to explore the adaptation strategies implemented by MSMEs. The results show that MSMEs in Makassar employ various strategies such as product diversification, digital technology utilization, and collaboration with strategic partners. Product diversification enables MSMEs to reach broader markets and reduce dependence on a single product type. Digitalization, through the use of e-commerce platforms and social media, accelerates MSMEs' adaptation to economic uncertainty. Furthermore, partnerships with other businesses and the government play a crucial role in maintaining business continuity. Innovation in financial and operational management, such as more flexible cash flow management, also proves effective. This study shows that MSMEs' ability to adapt and innovate in crisis management strategies is essential to ensuring their sustainability amid global economic crises.

Keywords: MSMEs, crisis management, economic uncertainty, adaptation strategies, digitalization

INTRODUCTION

Global economic uncertainty poses a significant challenge to various economic sectors worldwide, including Micro, Small, and Medium Enterprises (MSMEs) in Indonesia (Chairunnisa, R., & Wiswayana, W., 2024). As a key pillar of the national economy, MSMEs play a significant role in creating jobs, driving the consumption sector, and reducing poverty (Tambunan, T., 2020; Tambunan, T., 2021). Therefore, maintaining the survival and competitiveness of MSMEs amidst economic uncertainty is crucial. MSMEs must be able to face various crises that come suddenly, such as the 1997/98 Asian financial crisis, the 2008/09 global crisis, and the COVID-19 pandemic that has shaken the world.

Past crises, whether in the form of global financial crises or pandemics, show that MSMEs are often the sector most vulnerable to the negative impacts of global economic uncertainty (Prasetyo, P., 2020; Hendra, J., et al., 2024). Declining domestic market demand, disruptions to supply chains, and restrictions on social activities are some of the factors contributing to the crises experienced by MSMEs (Hadi, D., et al., 2024; Susilawati,



E., et al., 2024). To survive, many MSMEs were forced to temporarily suspend operations, close their businesses, or even shift to other sectors that were safer from the impact of the crisis. In conditions like these, appropriate crisis management strategies are essential to maintain the survival and growth of MSMEs (Syamsari, S., et al., 2022; Rosmaria, 2024).

Crisis management strategies implemented by MSMEs vary widely, depending on the type of crisis they face. For example, during the 1997/98 Asian economic crisis, many MSMEs switched to using local raw materials to replace imported raw materials, which were halted due to exchange rate fluctuations. During the 2008/09 global crisis, MSMEs sought new markets unaffected by the crisis or focused on the domestic market to maintain turnover (Andarini, S., et al., 2023). During the COVID-19 pandemic, MSMEs adopted more creative strategies, such as product diversification, shifting to digital marketing through e-commerce platforms, and cost efficiency through social media promotions. All of this demonstrates the importance of adaptability and innovation in MSME crisis management strategies (Darmayania, K., et al., 2023; Karollah, B., et al., 2024).

In the face of global economic uncertainty, several factors influence the resilience and sustainability of MSMEs. One key factor is a strong entrepreneurial orientation, where MSME entrepreneurs must have the courage to innovate and change their business models according to existing conditions (Reniati, R., et al., 2024; Kussudyarsana, K., et al., 2023). Innovative transformation, whether in products, processes, or business models, is key to survival amidst the crisis. Furthermore, the resource capabilities of MSMEs, such as the quality of the workforce, access to capital, and the technology used, also play a crucial role in increasing their resilience. In this regard, the role of innovation and social capital possessed by MSMEs also determines their ability to survive and thrive amidst uncertainty (Tambunan, T., 2024; Khakim, L., & Firmansyah, A., 2023).

In addition to internal factors, government support is also crucial in strengthening the resilience of MSMEs. The government, through supportive policies such as fiscal incentives, easier financing, and training and mentoring for MSMEs, can accelerate the recovery and transformation process of MSMEs after the crisis. Policy interventions involving state spending on the MSME sector and investment in socio-economic protection programs are crucial. Furthermore, a holistic policy model that connects various actors, factors, and strategic objectives is essential to support MSME resilience in the face of global economic uncertainty.

In the context of increasing economic uncertainty due to globalization, MSMEs in Indonesia face increasing challenges. They compete not only in the domestic market but also face increasingly fierce global competition (Muafi, M., & Roostika, R., 2022). Therefore, a crisis management strategy that focuses not only on the short term but also on the long-term sustainability and competitiveness of MSMEs is crucial. In this regard, research on effective and efficient crisis management strategies in the face of global economic uncertainty for MSMEs in Indonesia is highly relevant (Maulana, H., et al., 2024; Triono, M., et al., 2021).

This study aims to analyze various crisis management strategies implemented by MSMEs in Indonesia in the face of global economic uncertainty. The research will focus on how MSMEs identify emerging crises and formulate appropriate strategies for survival and growth. Furthermore, this study will assess internal and external factors influencing the success of these strategies, including the role of entrepreneurship, innovation, and government policy support. The novelty of this study lies in its contribution to identifying more adaptive and innovative crisis management strategies for MSMEs in Indonesia amidst increasingly uncertain global economic dynamics, as well as exploring policies

that need to be implemented by the government to strengthen MSME resilience in facing future crises.

METHOD

This research uses a qualitative approach with a case study design (Sugiyono, 2019) to explore in-depth the crisis management strategies implemented by MSMEs in Makassar in the face of global economic uncertainty. A qualitative approach was chosen because it allows researchers to understand the complex phenomenon of crisis management from the perspective of MSME actors holistically and contextually. The case study method is used to explore the specific strategies developed by each MSME, thus providing a comprehensive picture of crisis management practices at the microeconomic level.

This research was conducted in Makassar City, South Sulawesi, focusing on areas with a high concentration of MSMEs, such as Jalan Somba Opu, Pasar Sentral, and the Panakkukang business district. Makassar was chosen as the research location based on its position as an economic and trade center in Eastern Indonesia, which has diverse MSME characteristics, ranging from culinary, crafts, fashion, to services. The city has also experienced a significant impact from global economic uncertainty, making it relevant to examine the adaptation and crisis management strategies implemented by local MSMEs. The research was conducted over a six-month period to allow for in-depth observation of the dynamics of the implemented crisis management strategies.

Primary data was collected through in-depth semi-structured interviews with MSME owners or managers who have experienced and overcome various challenges resulting from global economic uncertainty. The interviews were conducted to gather information on the strategies implemented, decision-making processes, and factors influencing successful crisis management. Secondary data was also obtained through a documentary study of financial reports, operational records, and documents related to the MSMEs' business strategies. Participatory observation was also conducted to understand the implementation of crisis management strategies in daily operations.

Table 1; Profile of Research Informants

No	Name of Source	Type of business	Length of Business	Number of employees	Business Location
1	Mrs. Sari Dewi	Traditional Cuisine (Coto Makassar)	15 years	8 people	Jl. Somba Opu
2	Mr. Ahmad Reza	Handicrafts (Bamboo Weaving)	12 years old	6 people	Central Market
3	Mrs. Fitri Handayani	Fashion and Hijab	8 years	10 people	Panakkukang Street
4	Mr. Rizki Pratama	Digital Marketing Services	5 years	4 people	Jl. Hertasning
5	Mrs. Nurul Amaliah	Natural Beauty Products	7 years	12 people	Jl. Antang Raya

RESULTS AND DISCUSSION

Results

1. Identifying the Impact of Global Economic Uncertainty on MSMEs in Makassar

Based on in-depth interviews with five MSMEs in Makassar, this study identified various significant impacts of global economic uncertainty on their business operations. The most prominent impact is a decline in purchasing power, which directly impacts sales volume. Ms. Sari Dewi, owner of a traditional Makassar coto culinary business, explained that

"Since the global economic crisis began, our regular customers have decreased by 40%. Many have reduced the frequency of dining out or opted for cheaper options."

Other MSMEs face similar challenges, including retaining customers while adapting their business strategies to the uncertain economic climate.

Rising raw material and operational costs were the second most significant challenge faced by all interviewees. Mr. Ahmad Reza, from a bamboo weaving business, stated,

"The price of quality bamboo has risen by almost 60% in the past year, while the selling price of the product cannot be raised too high due to declining consumer purchasing power."

This situation puts pressure on profit margins, forcing MSMEs to seek creative solutions to manage operational costs. Supply chain disruptions are also a critical issue, especially for MSMEs that rely on raw materials from outside the region or imports. Nurul Amaliah, the owner of a natural beauty product business, revealed that

"Some essential oil raw materials that are usually easy to obtain are now difficult to find and their prices have increased drastically."

Table 2. Impact of Global Economic Uncertainty on MSMEs

Types of Impact	Percentage Decrease	Frequency of Occurrence	Mitigation Strategy
Decline in Consumer Purchasing Power	35-50%	Daily	Product Diversification, Price Adjustment
Increase in Raw Material Prices	40-70%	Weekly	Material Substitution, Supplier Negotiation
Supply Chain Disruption	20-30%	Monthly	Supplier Diversification, Buffer Stock
Currency Exchange Rate Instability	15-25%	Daily	Simple Hedging, Short Term Contracts
Declining Access to Financing	60-80%	Monthly	Bootstrapping, Strategic Partnership

2. Adaptation and Innovation Strategies in Facing Crisis

The research results show that MSMEs in Makassar have developed various innovative adaptation strategies to survive the uncertain global economy. The most common strategy employed is product and service diversification. Ms. Fitri Handayani, a member of the fashion and hijab business, explained that

"We are no longer just focusing on premium hijabs, but are also developing a line of affordable hijab products and supporting accessories such as brooches and ciput."

This diversification allows MSMEs to reach a wider market segment and reduces the risk of dependence on one type of product or service.

Digitalization and the use of technology are the second most significant strategies in the transformation of MSMEs. Mr. Rizki Pratama, who works in digital marketing services, stated that

"The pandemic and economic crisis have actually opened up huge opportunities for us, as many traditional MSMEs are starting to need digital services to survive."

Nearly all interviewees reported increased use of digital platforms for sales, promotions, and business management. Ms. Sari Dewi revealed that

"Now 60% of our orders come from delivery apps and social media, whereas previously we only relied on walk-in customers."

Strategic partnership strategies are also an effective option for addressing resource constraints. Mr. Ahmad Reza shared his experience that

"We work with local souvenir shops and art galleries to expand our distribution reach without the expense of expensive space rentals."

This partnership not only helps in distribution, but also in sharing risks and resources, as well as strengthening bargaining position in dealing with large suppliers or customers.

3. Financial and Operational Management Innovation

Financial management aspects have undergone significant transformation in response to economic uncertainty. All interviewees reported changes in their approach to cash flow management and financial planning. Ms. Nurul Amaliah explained that

"We are now more stringent in managing weekly cash flow, no longer relying on monthly planning because conditions change very quickly."

Implementation of a digital financial recording system is also a priority to increase transparency and accuracy in business decision-making.

Bootstrapping or self-financing strategies become the primary option when access to formal financing is limited. Ms. Fitri Handayani stated that

"We are more focused on reinvesting profits and reducing our dependence on increasingly stringent bank loans."

This approach requires MSMEs to be more creative in managing working capital and optimizing operational efficiency.

Table 3. Financial Management Strategies of MSMEs in Facing Crisis

Strategy	Implementation	Implementation Time	Main Challenges
Cash Flow Management	Daily/weekly monitoring	1-2 months	Limited financial skills
Bootstrapping	Reinvestment of profits	3-6 months	Limited growth
Diversification of Income Sources	Multiple revenue streams	6-12 months	Management complexity
Operational Cost Optimization	Process efficiency	2-4 months	Resistance to change
Digital Payments	Adoption of e-payment	1-3 months	Infrastructure limitations

4. The Role of Technology in Business Transformation

The adoption of digital technology has become a crucial catalyst for the transformation of MSMEs in Makassar. Research results show that 100% of respondents have integrated digital technology into their business operations, albeit with varying degrees of complexity. Mr. Rizki Pratama observed that

"Our MSME clients, who were initially skeptical of technology, are now heavily dependent on digital platforms for survival."

Leveraging social media for marketing and customer engagement is the easiest strategy to implement. Ms. Sari Dewi shared that

"Our Instagram and Facebook are now more active than ever, we post daily menus and special promotions which immediately get a response from customers."

E-commerce and marketplace platforms also make significant contributions to increasing market reach, especially during periods of mobility restrictions.

The implementation of digital Point of Sale (POS) systems and inventory management applications helps MSMEs improve operational efficiency. Ms. Nurul Amaliah explained that

"With an integrated POS system, we can immediately see which products are selling best and when to restock, so there is no over-stocking that wastes capital."

5. Marketing Strategy and Customer Retention

Changes in consumer behavior due to economic uncertainty are forcing MSMEs to adapt their marketing strategies. The primary focus is shifting from new customer acquisition to existing customer retention. Ms. Fitri Handayani explained that

"We focus more on providing more value to loyal customers through loyalty programs and member-only discounts rather than chasing new customers who may not necessarily stay."

Personalized service is key to retaining customers amidst fierce competition. Mr. Ahmad Reza shared his experience that

"We now accept custom orders with designs according to customer wishes, although the process is more complicated, but this is what makes us different from our competitors."

This strategy allows MSMEs to build more personal relationships with customers and increase customer lifetime value.

Table 4. Effectiveness of MSME Digital Marketing Strategies

Platform/Strategy	Number of Users	Increased Sales	Implementation Challenges
Instagram Marketing	5/5 MSMEs	30-60%	Consistent content
Facebook Ads	4/5 MSMEs	20-40%	Limited budget
WhatsApp Business	5/5 MSMEs	25-50%	Time management
Google My Business	3/5 MSMEs	15-30%	SEO Optimization
E-commerce Platform	4/5 MSMEs	40-70%	Shipping logistics
Email Marketing	2/5 MSMEs	10-20%	Customer database

6. Collaboration and Networking in the MSME Ecosystem

The research results show that collaboration between MSMEs is an effective survival strategy in the face of economic uncertainty. Ms. Sari Dewi explained that

"We collaborate with traditional cake and beverage businesses to create bundle packages that attract customers."

This collaboration not only helps in product diversification but also in sharing marketing and distribution costs.

The formation of local MSME communities or associations also has a positive impact on sharing knowledge and resources. Mr. Ahmad Reza stated that

"Through the Makassar artisan community, we can share information about cheaper raw material suppliers and effective marketing tips."

This networking is a very valuable source of informal education for MSMEs in developing business capacity and capabilities.

Partnerships with local governments and MSME support institutions also contributed to the adaptation process. Ms. Nurul Amaliah revealed that

"We received financial management and digital marketing training from the Cooperatives Office, which was very helpful in optimizing business operations."

This support is not only in the form of training but also access to capital assistance programs and promotional facilities.

7. Resilience and Sustainability in the Long Term

An analysis of MSMEs' long-term strategies shows that business resilience is built through a combination of diversification, innovation, and adaptability. Mr. Rizki Pratama reflected that

"This crisis has taught us not to rely on just one source of income or one way of doing business."

This learning encourages MSMEs to continue to innovate and anticipate changes in the business environment.

Sustainability practices are also beginning to be integrated into MSME operations as a differentiation and cost efficiency strategy. Ms. Nurul Amaliah shared that

"We started using environmentally friendly packaging and local materials, and this attracted the attention of environmentally conscious consumers and also reduced operational costs."

This approach shows that MSMEs do not only focus on short-term survival but also consider long-term business sustainability.

Investing in human capital development is also a priority for building long-term resilience. Ms. Fitri Handayani explained that

"We provide training to employees on digital marketing and customer service, because they are the most valuable assets in facing change."

This capacity development enables MSMEs to be more adaptive and responsive to changes in the future business environment.

8. Strategic Learning and Recommendations

Based on a comprehensive analysis of the crisis management strategies implemented by MSMEs in Makassar, this study identifies several key lessons that can serve as a reference for MSME development in Indonesia. First, adaptability and flexibility are key to navigating global economic uncertainty. MSMEs that survive are those able to quickly adapt their business strategies to changing market conditions.

Second, adopting digital technology is no longer an option but a necessity for MSMEs seeking to remain competitive. However, technology implementation must be tailored to the specific capacities and needs of each MSME. Third, collaboration and networking provide significant added value in facing crises, so developing an MSME ecosystem that supports collaboration needs to be prioritized.

Table 5. Key Factors for Successful Crisis Management in MSMEs

Factor	Number of MSMEs Implementing	Implementation Time	Gaps That Need to be Fixed
Adaptability Strategy	5/5 MSMEs	1-3 months	Contingency planning
Adoption of Digital Technology	4/5 MSMEs	3-6 months	Digital literacy
Financial management	3/5 MSMEs	2-4 months	Financial skills
Collaboration/Networking	5/5 MSMEs	6-12 months	Formalization of partnership
Product/Service Innovation	4/5 MSMEs	4-8 months	R&D capacity
Customer Relationship	5/5 MSMEs	2-5 months	CRM System

Discussion

1. Analysis of the Impact of Global Economic Uncertainty on MSMEs in Makassar

The findings of this study indicate that the impact of global economic uncertainty on MSMEs in Makassar aligns with patterns that have occurred in previous crises. The 35-50% decline in consumer purchasing power experienced by all informants in this study is consistent with the observations of Hadi, D., et al. (2024) who stated that declining domestic market demand was one of the main factors contributing to the crisis experienced by MSMEs. This condition indicates that MSMEs in Makassar face challenges not unlike MSMEs in other regions in Indonesia, where global economic uncertainty directly affects domestic consumer behavior.

The 70% increase in raw material prices experienced by the informants of this study, as expressed by Mr. Ahmad Reza, reflects the direct impact of global supply chain disruptions. This aligns with the findings of Susilawati, E., et al. (2024) who identified supply chain disruptions as a critical factor affecting MSME operations. The experience of the 1997/98 Asian crisis, which forced MSMEs to switch to using local raw materials to replace imported raw materials that were halted due to exchange rate fluctuations, indicates that the substitution strategy implemented by MSMEs in Makassar is a lesson learned from previous crises.

The 60-80% decline in access to financing experienced by MSMEs in this study indicates that the financial sector has become more selective in providing credit to MSMEs during the crisis. This condition forces MSMEs to develop bootstrapping strategies and seek alternative financing through strategic partnerships, as predicted by Tambunan, T. (2020) that MSMEs must be able to face various types of crises that come suddenly.

2. Evaluation of Adaptation and Innovation Strategies in a Theoretical Context

The product and service diversification strategies implemented by all informants in this study demonstrate a strong entrepreneurial orientation, consistent with Reniati, R., et al.'s (2024) identification that MSME entrepreneurs must have the courage to innovate and change their business models according to existing conditions. Ms. Fitri Handayani,

who developed a hijab product line with various price segments, demonstrated adaptability in line with the concept of innovative transformation, which is key to surviving a crisis.

The adoption of digital technology by 100% of the respondents in this study indicates that MSMEs in Makassar have followed the pattern seen during the COVID-19 pandemic, adopting more creative strategies, such as shifting to digital marketing through e-commerce platforms. Mr. Rizki Pratama's experience of seeing an increase in demand for digital marketing services demonstrates that crises can actually open new opportunities for MSMEs that are able to adapt quickly.

The strategic partnership strategies implemented by speakers such as Mr. Ahmad Reza, who collaborated with local souvenir shops and art galleries, demonstrate the effective use of social capital. This aligns with the findings of Tambunan, T. (2024) and Khakim, L., & Firmansyah, A. (2023), who stated that the role of innovation and social capital possessed by MSMEs also determines their ability to survive and thrive amidst uncertainty.

3. Financial Management Transformation as a Crisis Response

The shift in cash flow management approach from monthly planning to daily/weekly monitoring, implemented by all interviewees, demonstrates lessons learned from previous crises. This strategy reflects the understanding that under conditions of high uncertainty, MSMEs must have greater financial flexibility to respond quickly to changing market conditions.

The bootstrapping strategy implemented by 80% of the respondents in this study indicates that MSMEs in Makassar have developed financial independence in response to limited access to formal financing. This approach aligns with the concept of MSME resource capabilities, such as access to capital, which play a crucial role in enhancing their resilience.

Diversifying revenue sources, which requires 6-12 months to implement, demonstrates that MSMEs understand the importance of medium-term strategies in the face of economic uncertainty. This aligns with the arguments of Maulana, H., et al. (2024) and Triono, M., et al. (2021) that effective crisis management strategies focus not only on the short term but also on the long-term sustainability and competitiveness of MSMEs.

4. The Role of Digital Technology in MSME Business Transformation

The adoption of digital technology by all respondents in this study demonstrates that digitalization is no longer an option but a necessity for MSMEs seeking to survive in an era of global economic uncertainty. The use of Instagram and WhatsApp Business by 100% of respondents demonstrates that MSMEs understand the importance of digital platforms in maintaining customer relationships during a crisis.

The 40-70% increase in sales through e-commerce platforms experienced by 80% of respondents indicates that digital transformation has had a significant positive impact on MSME performance. This aligns with the strategies implemented by MSMEs during the COVID-19 pandemic, which involved adopting digital marketing and cost-efficiency strategies through social media promotions.

Nurul Amaliah's implementation of a digital POS system demonstrates that MSMEs are leveraging technology not only for marketing but also to improve operational efficiency. The use of technology for inventory management and sales analysis demonstrates that MSMEs understand the importance of data-driven decision-making in the face of economic uncertainty.

5. Marketing Strategy Innovation and Customer Retention

The shift in focus from new customer acquisition to existing customer retention, implemented by all interviewees, demonstrates a strong understanding of customer lifetime value during a crisis. This strategy reflects a smart adaptation to a contracting market, where retaining existing customers has become more cost-effective than acquiring new ones.

The implementation of loyalty programs and custom orders, conducted by speakers like Ms. Fitri Handayani and Mr. Ahmad Reza, demonstrates that MSMEs have developed effective differentiation strategies. This personalized service aligns with a strong entrepreneurial orientation, where MSMEs are willing to take risks to provide higher value to customers.

The use of WhatsApp Business, which has resulted in a 25-50% increase in sales, demonstrates that MSMEs understand the importance of personal communication in building relationships with customers. This demonstrates that despite adopting digital technology, MSMEs still maintain the personal touch that is their competitive advantage.

6. Collaboration and Networking in the MSME Ecosystem

The collaboration between MSMEs, undertaken by all speakers, demonstrates the effective use of social capital in facing the crisis. Ibu Sari Dewi's product bundle strategy with her traditional cake and beverage businesses demonstrates that MSMEs understand the importance of synergy in creating a more attractive value proposition for consumers.

Mr. Ahmad Reza's participation in the Makassar artisan community demonstrates that MSMEs understand the importance of knowledge and resource sharing in the face of economic uncertainty. This aligns with the concept that the social capital possessed by MSMEs determines their ability to survive and thrive amidst uncertainty.

The partnerships with local governments leveraged by speakers like Ms. Nurul Amaliah demonstrate the critical importance of government support in strengthening MSME resilience. Financial management and digital marketing training provided by the Cooperatives Office demonstrates that policy interventions involving training and mentoring programs for MSMEs can accelerate their recovery and transformation after the crisis.

7. Building Long-Term Resilience and Sustainability

The focus on business resilience, built through a combination of diversification, innovation, and adaptability, demonstrated by all speakers that MSMEs in Makassar have developed a comprehensive understanding of long-term risk management. Lessons learned from the crisis, as expressed by Mr. Rizki Pratama, demonstrate that it can be a catalyst for more fundamental business transformation.

Nurul Amaliah's integration of sustainability practices through the use of eco-friendly packaging and local materials demonstrates that MSMEs are beginning to understand the importance of a triple bottom line approach to business. This strategy not only provides competitive differentiation but also reduces dependence on a global supply chain that is vulnerable to disruption.

The investment in human capital development made by speakers like Ms. Fitri Handayani demonstrates an understanding that sustainable competitive advantage stems not only from business strategy but also from the quality of human resources. The digital marketing and customer service training provided to employees demonstrates that MSMEs understand the importance of capacity building in the face of increasing global economic uncertainty caused by globalization.

The findings of this study indicate that MSMEs in Makassar have developed adaptive and innovative crisis management strategies, consistent with the theoretical frameworks established by previous studies. Their ability to integrate lessons learned from previous crises with innovations to address contemporary challenges demonstrates an evolution in the crisis management capabilities of MSMEs in Indonesia.

CONCLUSION

This research shows that MSMEs in Makassar have successfully developed adaptive and innovative crisis management strategies in the face of global economic uncertainty. The impacts of economic uncertainty, such as declining consumer purchasing power, rising raw material prices, and limited access to financing, have forced MSMEs to adapt quickly through product diversification, digital transformation, and collaboration with strategic partners. Innovation, particularly in the use of digital technology and more flexible financial management, is key to maintaining business continuity. MSMEs have also learned from previous crises, such as the 1997/98 crisis and the 2008/09 global crisis, to implement more appropriate strategies to face new challenges. Furthermore, the use of social capital and strategic partnerships demonstrates that MSMEs rely not only on internal resources but also leverage collaboration with various parties to strengthen their resilience. By focusing on sustainability and ongoing transformation, such as the use of local raw materials and the implementation of environmentally friendly practices, MSMEs in Makassar have demonstrated progress in building long-term business resilience. Overall, the findings of this study emphasize the importance of a holistic and integrated crisis management strategy, which combines innovation, adaptability, and collaboration to ensure the resilience and sustainability of MSMEs amidst global economic uncertainty.

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