**Beyond Resilience: Sustainable Business in a Time of Crisis. A Cultural Entrepreneurship perspectives**

# Introduction

How can a business survive in the market? how can entrepreneurial character help to achieve this? which character is determined among all? And mostly, what strategy used to maintain business existence in this dynamic world?. All these questions lead us to 2 (two) important elements in business and entrepreneurial practice which are resilience and sustainability. However, reaching resilience and sustainability are challenging, especially during the time of crisis such as disaster, economic crisis  [(Korber & McNaughton, 2018)](#Korber) or this current situation, Covid-19 pandemic  [(WHO, 2020).](#WHO) Each crisis carries various impacts to Large Organisations (LOs) and Small And Medium Enterprises (SMEs). Moreover, the closing down business during the crisis is increasing, especially to SMEs which their nature in having limited resources, access to bank and funding, knowledge and partnership, creativity and innovation, entrepreneurship education and reserve funds [(Keuschniggg & BoNielsen, 2003;](#Keuschnigg) Savalou, Baltas & Liokas, 2004; [McAdam, McConvery & Amstrong, 2004](#McAdam); [Faherty, Stephens, 2016), .](#Mauborgne)

Research about both topics -as far as recorded- started from 1973 (Holling C. , 1973). Even though both resilience and sustainability are not originated for business needs, resilience was firstly used in ecology field (Holling C. , 1973) and sustainability was firstly introduced in … (…………), both variables are common to use in business nowadays where they both are implemented as strategies to gain the same aim which is firm’s competitive advantage (Winnard, Adcroft, Lee, & Skipp, 2014), survival and flourish (Teixeira & Werther Jr, 2013), (Chadwick & Raver, 2018). Moreover, these past years, both concepts are tied together by scholars in optimizing civil infrastructure system (Bocchini, Ummenhofer, & Zinke, 2014) and planning more effective tourism development (Espiner, Orchiston, & Higham, 2017).

Following that, literature also records the relation between resource to institutional theory [(Oliver, 1997)**,**](#Oliver) entrepreneurial storytelling to entrepreneurial context  [(Garud, Schildt, & Lant, 2014),](#Garud) resilience and the development dynamic capabilities of entrepreneurs built by the way the address natural disasters or crisis  [(Ayalaa & Manzano, 2014),](#Ayala)  [(Fisher, Maritz, & Lobo, 2016).](#Fisher)

However, resilience is not the ending of business achievement. When resilience only refers to business performance, contemporary research and literature have to see more than individual business but its impact to social, environment, society and else. Seeing more to external effect needs more than resilience but take in-depth note about entrepreneurship context, growth, competitive strategy, entrepreneurial identity, business model, culture mix, resource, entrepreneurial stories and other elements that included in cultural entrepreneurship  [(Lounsbury, Gehman, & Glynn, 2019)](#Lounsbury),  [(Ticona & Mateescu, 2018),](#Ticona)  [(Toghraee & Monjezi, 2017)](#Toghraee),  [(Gehman & Soublière, 2017).](#Gehman)

In the context of SMEs, researchers suggest that organisation into co-operatives, switchover strategies  [(Dahles & Sosilowati, 2015),](#Dahles) Business Model Innovation, cash flow management  [(Borda-rodriguez, Johnson, Shaw, & Vicari, 2016) and](#Bordarodriguez) more creativity and innovation  [(Tina, Lasse, & Nicolai J, 2017)](#Tina), ([Bachtiar, 2020)](#BachtiarNK) to overcome crisis. It’s not too different with LOs in reality. However, literatures added some specific strategies for LOs, such as, market expansion, product diversification and differentiation  [(Mauborgne, 2017).](#Mauborgne)

1. Method

Multistep processes were conducted in order to conduct this research. Firstly, we search for articles published in both academic and practitioner-oriented management journal from 1973 to 2020. They are included the Academy of Management Journal (AMJ), Academy of Management Review (AMR), Administrative Science Quarterly (ASQ), Journal of Management (JOM), Journal of Management Studies (JMS), Management Science (MS), MIS Quarterly, Organization Science (OS), and Strategic Management Journal (SMJ), California Management Review (CMR), Harvard Business Review (HBR), and MIT Sloan Management Review (MSM).

Focusing on articles that contain the term resilience and sustainability in the title or keywords, we discovered ….. articles on resilience and sustainability both from academic and practitioners-oriented journal. In this step, we excluded resilience and sustainability that discuss other topic apart from business.

This relatively small set of articles (especially those published in academic outlets) led us

to extend our search, using the EBSCO Business Source Complete database as a starting

point (see Certo, Holcomb, & Holmes, 2009; Laplume, Sonpar, & Litz, 2008). This database

includes more than 1,300 business journals and represents one of the most complete sources

on business studies. We searched the database for academic articles published from January

1975 to December 2009 containing the term business model in the title, abstract, or keywords.

As a result of this process, we obtained 1,202 articles, which we added to our initial sample

of 70 articles. As 19 of the newly added articles were already present in the initial sample,

our overall sample contained 1,253 articles.

An initial cursory analysis of these articles, performed by reading article titles, journal

names, abstracts, and introductions, revealed that not all the articles identified by our search

would be useful for the purpose of writing this review. Many of these articles were case

studies, summaries of articles published elsewhere, or studies in which the business model

is not really the subject of the analysis.

To identify relevant articles, we adopted the following three additional criteria for our

literature review on business models. First, to be included in our review, an article must deal

with the business model concept in a nontrivial and nonmarginal way. Second, an article also

must refer to the business model as a concept related to business firms (as opposed to, e.g.,

economic cycles). Finally, the journal in which the article appeared must be ranked in the

ISI Web of Knowledge. As a result, we eliminated 1,120 articles that did not fit these criteria,

which left us with a sample of 133 articles.

Through reading these 133 articles in depth, we became aware of further works on business

models (in particular, books) that appeared relevant and that we therefore decided to

include in our review. We also found working papers that our database research had failed

to reveal, some of which were subsequently published and are included in the Reference

section, which lists their updated publication status. Moreover, our careful reading of these

articles also allowed us to exclude studies in which the business model was treated in a rather

marginal or trivial way. Our final sample, therefore, included 103 publications.

Moreover, as we highlight below in the Discussion section, our analysis of these publications

suggested some common themes, such as (1) the business model as a new unit of

analysis, (2) a holistic perspective on how firms do business, (3) an emphasis on activities,

and (4) an acknowledgement of the importance of value creation. These themes led us to

review adjacent literatures that might be relevant for the study of business models but do not

directly refer to the concept—namely, the literatures on new organizational forms, ecosystems,

activity systems, and value chains and value networks. Drawing on these literatures

could help put future research on business models on a more solid conceptual footing. Given

the space and scope considerations for this article, however, we present our brief reviews of

these adjacent literatures in an appendix that is available upon request from the authors.

# Theory Development

## ***Business model innovation***

Numerous researches have demonstrated the widely applied and evolution of BM since the creation, adaptation, reinvention to the innovation of business model  [(Morris, Schindehutte, & Allen, 2005),](#Morris)  [(Demil & Lecocq, 2010),](#Demil) [(Chesbrough, 2010),](#Chesbrough)  [(Zott, Amit, & Massa, 2011)](#Zott),  [(Trimi & Berbegal-Mirabent, 2012)](#Trimi),  [(Foss & Saebi, 2015)](#Foss),  [(Weill & Woerner, 2015)](#Weill)[, (Sharma, Dixit, & Karna, 2016)](#Sharma)  [(Landau, Karna, & Sailer, 2016),](#Landau) [(Saebi, Lien & Foss, 2017).](#Saebi) Through the dynamics of business world, BM is also changing. Some drivers like changes of demand, response to external threats and opportunity, past strategic orientation, technological advances, digital platform, market development and BM adaptation  [(Sharma, Dixit, & Karna, 2016)](#Sharma), [(Tauscher & Laudien, 2018).](#TäuscherK) However, BM adaptation is not the final form of BM. It shifts and develops into BM innovation (BMI) to construct a fit between BM dynamics include BM evolution, adaptation and innovation, environmental change and capabilities to achieve firm performance and strategy  [(Foss & Saebi, 2015),](#Foss) [(Saebi, Lien & Foss, 2017), (Taucher, 2018).](#Täuscher)  Even though, there is no single BM fit all business, there are conceptual and empirical grounded taxonomy for BMs [(Tauscher & Laudien, 2018).](#TäuscherK)

***2.2 The importance of context for entrepreneurship and resilience innovation***

Alike developed country, entrepreneurship context in developing countries touch culture, politics and economic context. These context also enable entrepreneurs to pursue similar activities. However, barriers faced quite different, where apart of common barriers like competitors and policy, entrepreneurs in developing countries also need to encounter language barriers, negative media portrayals, gender disparity  [(Eijdenberg, Thompson, Verduijn, & Essers, 2019),](#Eijdenberg) motivation and support  [(Stefanovic, Prokic, & Rankovic, 2010).](#Stefanovic) Apart of that, the role of institution assist entrepreneurial context in developing country, hence relationship with institution is mainly needed  [(Eijdenberg, Thompson, Verduijn, & Essers, 2019).](#Eijdenberg)

Entrepreneurial context also been discussed in regional aspect where impact of regional context needs to be considered carefully mostly in shaping the context of enterprise education and institution within that enterprise education. [(Dodd & Hynes, 2012).](#Dodd) Following to that, [Smallbone and Walter (2006)](#Smallbone) stated a conceptual framework of entrepreneurship under transition conditions captures distinctive features of entrepreneurship, the context for entrepreneurship and entrepreneurial process. Entrepreneurship as a multidimensional concept concerns with individual term, firm term and aggregate level of industry.

Apart from that, entrepreneurship context has a direct relation in setting strategic leadership and leaders themselves in all type and size of ventures  [(Simsek, Jansen, Minichilli, & Escriba-Esteve, 2015)](#Simsek), intergenerational transmission of entrepreneurship value, innovation and personal resilience are interdependence and able to push entrepreneurial concept in deeper meaning and practically being used in increasing entrepreneurs capability and self-efficacy  [(Moenkemeyer, Hoegl, & Weiss, 2012),](#Moenkemeyer)  [(Wyrwich, 2015)](#Wyrwich) and leads to learning behavior, learning leadership process  [(Kempster & Cope, 2010).](#Kempster)

## ***Business growth***

Growth Stage Model (GSM) is not a new model in the business world. Since [Steinmelz (1969),](#Steinmetz) [Greiner (1972),](#Greiner) [Churchill and Lewis (1983),](#Churchill) [Scott and Bruce (1987)](#Scott) to [Storey and Greene (2010),](#Storey) describe GSM as a reference for seeing how the growth and life cycle of a business is doing various measurement variables. Starting from age, size, control, hierarchical level, crisis to strategy. Research on GSM does not stop at model building and development alone [(Xiao, L, 2011),](#Xiao) [(Dobbs & Hamilton, 2007),](#Dobbs) [(Dowel et al, 2013).](#Dowel) However, developments in international research have arrived implementation of growth stage models in business financing schemes with accounting literacy good [(Xiao, L, 2011),](#Xiao) knowledge development [(Dobbs & Hamilton, 2007),](#Dobbs) trust level to e-government [(Dowel et al, 2013)](#Dowel). With the development of various models and their implementation are not limited only in large and small businesses, GSM can help entrepreneurship / management in the process determining business strategies according to the stages of their business growth [(Bachtiar & Al-Amin, 2019).](#Bachtiar) this is because of each the stages of the business have different approaches, needs, difficulties that require them different strategies [(Steinmelz, 1969),](#Steinmetz) [(Greiner, 1972),](#Greiner) [(Churchill and Lewis, 1983),](#Churchill) [(Scott and Bruce, 1987),](#Scott) [(Storey and Greene, 2010),](#Storey) [(Dowel et al, 2013).](#Dowel) Besides, to achieve business continuity and resilience, other research suggests a business

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