

A Pilot Study: The Role of Family Social Support in Entrepreneurial Resilience

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Abstract. COVID-19 cases are still ongoing in Indonesia, which results in many industries experiencing a decline, including in West Sumatra. This situation requires strong resilience for entrepreneurs because adaptive behavior is important to survive in stressful situations, such as pandemics. Previous studies have shown that the Minang community is a strong kinship-based society. However, there has yet to be any previous research exploring the relationship between family social support and the resilience of entrepreneurs affected by the COVID-19 pandemic. Therefore, the present study investigated the role of family social support in entrepreneur resilience. A total of 167 entrepreneurs were recruited through the purposive sampling technique. Path analysis using PLS-SEM found a significant relationship between variables, which means that social support from the family had an effect of 59.6% on the resilience of business actors.

Keywords: Entrepreneurial Resilience, Family Social Support, COVID-19.

1 Introduction

The COVID-19 pandemic causes fear about various problems, such as changing socio-economic status (e.g., losing a job), worrying about the disruption of the business supply chain, fear of riots, and other symptoms of stress, which need to be investigated further. To overcome the emergency, some essential goods must be available locally [1]; thus, the Micro, Small, and Medium Enterprise (MSME) sector must be strengthened. In line with start-up businesses experiencing a crisis in various countries [2], it also has an economic impact in West Sumatra, although international tourism will likely experience more of it [3]. Business actors have made several survival strategies so as not to reduce employees, including discussions about building mental resilience [4]. The ability to survive in stressful situations is known as resilience, namely the ability of a dynamic system to recover from challenges that threaten its stability and development and to adapt despite adversity [5].

Organizational leaders must reorganize how things work by relying on Internet technology. They should also have entrepreneurial thinking to be flexible and adap-

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D. Games and Maruf (eds.), Proceedings of the International Conference on Entrepreneurship, Leadership and Business Innovation (ICELBI 2022), Advances in Economics, Business and Management Research 269, https://doi.org/10.2991/978-94-6463-350-4_51

tive during the pandemic by implementing creative solutions and making decisions quickly [6]. Resilience and adaptive behavior in this new era are essential for entrepreneurs to survive through personal values, such as obtaining social support from family in the face of the COVID-19 pandemic [7]. From a cultural perspective, previous studies on resilience can be used as a social capital [8] in the form of family support that enhances entrepreneurial resilience to form a cross-generational entrepreneurial culture [9]. Thus, further research is needed to determine the factors of entrepreneurial resilience through the psychological model of social support.

A prior study [10] reported that the majority of Minangkabau immigrants who are entrepreneurs have high resilience. Factors such as interpersonal relationships can increase the level of social support, thereby increasing the level of resilience and resulting in better adaptation during the COVID-19 period [11]. In the context of Micro, Small, and Medium Enterprises (MSMEs), the development and adaptation of business resilience are reflected in the attitudes, behavior, and activities of the ownermanager. Creativity would lead to innovation and adaptive actions to respond to pandemic conditions, such as implementing health protocols in business practices. In addition to adopting digital transformation, business resilience can also result from social attachment among entrepreneurs and support from employees, especially in Indonesian culture, whose society adheres to a collectivist system, making it easier to obtain loyalty [12].

With the enactment of the working-from-home policy and physical distancing during the pandemic, some business actors have changed how they work, such as reducing the number of employees and decreasing turnover. Micro-business owners try to adapt to information technology to maintain their business. West Sumatra, a matrilineal culture with ownership (economy), is in the female lineage; thus, there are many female entrepreneurs from the Minang ethnic group. In addition, women in this group have multiple roles, such as wife and mother. Previous research on readiness to face the challenges of entrepreneurship tested resilience among single mothers as a moderating variable of the support from the government support and family [13].

The characteristics of self-confidence, hard work, flexibility, and courage to face business challenges [14] contribute to the success of entrepreneurship in the Minang ethnic. The Minangkabau tribal community cannot be separated from the link mamak system between traditions and Islam with the philosophy "Adaik Basandi Syarak - Syarak Basandi Kitabullah." Regional differences in entrepreneurial culture could be related to selective historical migration and historical industrial/agricultural structures and the transgenerational transmission of entrepreneurial personalities, such as values, norms, and habits [15].

Mining entrepreneurs with social support, especially from the family, could survive and adapt to stressful situations, such as pandemics. Various studies have reported that social support increases psychological resilience, reducing stress and improving physiological and psychological health [16]. Therefore, the purpose of this study was to examine entrepreneur resilience based on social support in dealing with the COVID-19 pandemic. The hypothesis was that higher social support would be associated with higher entrepreneur's resilience, while low social support would lead to lower entrepreneur's resilience. The current research will provide recommendations for developing MSMEs, especially if viewed from a cultural and gender perspective so that business actors can rise again.

2 Methods

This study used a purposive sampling technique. The criteria subjects were business owners still running their businesses during the COVID-19 pandemic, totaling 167 people in the entrepreneur community in West Sumatra. Measurements in this study used a scale from previous studies translated to Bahasa Indonesia. The business resilience (BusRes) scale refers to the Connor-Davidson Resilience Scale (CD-RISC), which has been tested on a sample of Spanish entrepreneurs [17], [18] and consisted of 23 items with three factors: hardiness, resourcefulness, and optimism. Some items are: (12) When things seem hopeless, I do not give up; (21) I have a strong goal; and (7) dealing with stress will strengthen me.

The multidimensional perceived social support scale or MSPSS [19] includes factors of family, friends, and other people. This scale has been used by previous studies to relate it to resilience. However, in the context of resilience, entrepreneurship is often associated with social support from family [7]. This study used an adaptation scale of the family-to-business support [20], which consisted of 13 items with three dimensions: emotional support (ES), instrumental support for business (ISB), and instrumental support at home (ISH). Some examples of items are: (4) When I am frustrated with my business, someone in my family tries to understand; (8) Family members often give more than is normally expected to help my business succeed; and (10) My family members help me with routine household chores.

The results of measurement scales from the web application were scored in an Excel display to be analyzed statistically. The researcher tested the construct validity using confirmatory factor analysis, while the hypothesis was tested using path analysis. This whole process used the PLS-SEM software.

3 Results

The confirmatory test results with the path analysis model are shown in Figure 1. The factor loadings of the items exceeded .30 except for Items R1, FS1, and FS12. Therefore, these items were excluded from further analysis.

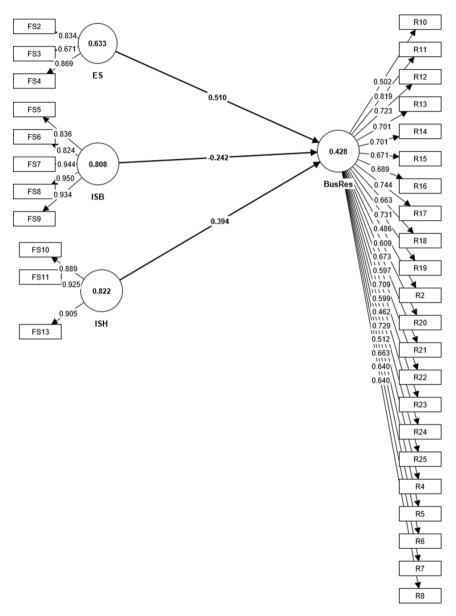


Fig. 1. Path model.

Based on the confirmatory factor test, the AVE value > 0.4 indicates that the scale of this study was valid as a measuring tool, as shown in the table below.

	Cronbach's alpha	rho_A	Composite re- liability	Average vari- ance extracted (AVE)
BusRes	0,935	0,940	0,942	0,428
ES	0,725	0,781	0,837	0,633
ISB	0,941	0,971	0,955	0,808
ISH	0,892	0,894	0,933	0,822
	Cronbach's alpha	rho_A	Composite re- liability	Average vari- ance extracted (AVE)
BusRes	0,935	0,940	0,942	0,428
ES	0,725	0,781	0,837	0,633

Table 1. The reliability and validity of the constructs.

The scales of this study have fulfilled the requirements of discriminant validity, as shown in Tables 2 and 3. Heterotrait-Monotrait Ratio (HTMT) should be under 0.85 because if it is close to 1.0, it is considered less valid.

	BusRes	ES	ISB	ISH
BusRes				
ES	0,638			
ISB	0,361	0,994		
ISH	0,610	0,740	0,578	
	BusRes	ES	ISB	ISH
BusRes				
ES	0,638			

Table 2. HTMT criterion.

	Table	3.	Fornell	-Larc	ker	criterion.
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	BusRes	ES	ISB	ISH
BusRes	0,655			
ES	0,571	0,796		
ISB	0,353	0,756	0,899	
ISH	0,581	0,619	0,531	0,907
	BusRes	ES	ISB	ISH

BusRes		0,655					
ES		0,571	0,796				
		Table	4. SEM analysis.				
				Co	onfidence In Corre		Bias
Path	Std.Beta	Std. Error	t- value	p- val- ue	Deci- sion	2.5 %	97.5 %
ES -> BusRes	0.510	0.161	0.317	0.00 1	Sup- ported	0.16 6	0.80 8
ISB -> BusRes	-0.242	0.106	0.228	0.02 2	Sup- ported	- 0.50 1	- 0.07 2
ISH -> BusRes	0.394	0.121	0.326	0.00 1	Sup- ported	0.16 6	0.62 7
				Co	nfidence Iı Corre		Bias
Path	Std.Beta	Std. Error	t- value	p- val- ue	Deci- sion	2.5 %	97.5 %
ES -> BusRes	0.510	0.161	0.317	0.00 1	Sup- ported	0.16 6	0.80 8

Note: R2=0.596 \rightarrow 59.6% of the variance in resilience was influenced by family social support. It means that a 40.4% variance in resilience was influenced by other variables not included in this study.

4 Discussion

Prior studies have widely adopted resilience measurement, but measurements using a sample of entrepreneurs in Indonesia still need to be made available [21]. Therefore, this study took the initial data for the pilot study by measuring the validity and investigating the role of family social support. In line with previous studies, social support can be the source of coping with stress during the COVID-19 pandemic and increase resilience [22], [23]. Thus, research findings on the role of family social support on entrepreneurial resilience also support existing literature [9], [13], [24]. Based on the SEM test results, the measurement of resilience in entrepreneurship (Manzano & Ayala, 2013) and family social support [25], which have been tested on a sample of entrepreneurs during the Covid-19 pandemic, were considered valid instruments to be used in future research [7].

Strong family support can help employers to cope with adverse environmental conditions and to manage positive emotions and overall high job satisfaction. It is

useful not only for employers to be aware of the positive impacts on their families but also for families to be aware of the importance of support for entrepreneurs.

This pandemic has become a challenge to resolve business difficulties through various strategies. An open, proactive, and creative attitude will enhance the ability to adapt quickly, survive, and encourage innovation in running a business. The ability to solve business difficulties during the COVID-19 pandemic is also the key to the strong and resilient MSME drivers so that they can encourage and accelerate those concerned to enter digital information systems in their businesses. Entrepreneurs are ultimately good learners in following the new business wheels by using various business applications that support their products or services [26].

The basic purpose of forming relationships in human life is to build a support system. Every individual has a support system consisting of several sources to gain strength and courage to fight during difficult situations in life [27]. This aligns with previous research that reported the family relational process that leads to resilience that sustains a cross-generational entrepreneurial culture. Relational ethics and fairness in family relationships were used to interpret observable family behaviors that indicated the underlying family resilience processes. The family financial ledger and balanced overall accounting of buying and selling reports in family relationships were assessed to understand better family resilience (i.e., the capacity to facilitate adaptation to change or adversity) and, ultimately, entrepreneurial transgenerational transfer culture. In particular [9], a more balanced ledger representing a higher level of resilience (as a protective factor) opens the door to accessing and using other family capital (e.g., financial, human, and other social capital) that underpins cross-cultural entrepreneurs. The findings showed that female sociopreneurs are highly motivated toward social issues. Moreover, women entrepreneurs demonstrated a smooth transition between the two approaches of cause-and-effect and effectuation during the business creation process. Past studies [28] have also highlighted the specific challenges women entrepreneurs face in the context of emerging markets and the inclusive strategies they employ to promote socio-economic development.

Findings on resilience, moderate government support, and interaction of family support to predict entrepreneurial interest and readiness to face entrepreneurial challenges [13], although both types of support were considered important, were more effective for highly resilient individuals than those not. These findings support the important role of resilience as a 'moderator' and government support as a source of external motivation, complementing the beneficial outcomes of family support.

5 Conclusion

In conclusion, this pilot study found that there was a positive and significant relationship between three dimensions of family support toward business resilience, where the contribution of the effect was 59.6%.

Acknowledgments

Acknowledgments are addressed to the funders for this research, namely the Research and Intellectual Property Unit (UPKI) Faculty of Medicine, Universitas Andalas (UNAND) through the research scheme for novice lecturers with contract number: 23/UN.16.02/DP/PT.01.03/2021, and the entrepreneur community in West Sumatra who have agreed to be respondents in this study.

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