

Ambidexterity: Strategies to Deal with the Impact of the COVID-19 Pandemic on SMEs in Indonesia's Creative Industry

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Abstract

At present, SMEs are facing problems caused by the COVID-19 pandemic. In Indonesia, COVID-19 has put pressure on the economy of the entire country, resulting in an impact of 3% to 16% of PDP. The COVID-19 pandemic also resulted in Indonesia's economic growth dropping to 2.3%, and a threat to the stability of the financial sector. The weakening in terms of the economy due to the COVID-19 pandemic has an impact on households, companies, and SMEs. The problems faced by many SMEs in all industrial sectors, including the creative industry sector, are cash flow problems, supply chains, and changes in public demand. This article will discuss that the current state of the COVID-19 pandemic demands changes to SMEs in the creative industry in Indonesia. SMEs need to explore new things but at the same time maintain existing businesses or carry out ambidexterity. To do ambidexterity, SMEs need to obtain external resources to increase internal resources, so it is necessary to build social networks and good cooperation with external parties. Social networks can provide a variety of external resources, both tangible and intangible, so that they can overcome resource shortages and increase the ability to perform ambidexterity. The output of this research is a comprehensive model that describes a framework to be tested empirically.

Keywords:

Ambidexterity, Social Networks, Covid-19, Creative Industries.

Biographies

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