

Post-Crisis Growth: Synergizing Resource Orchestration, Innovation, and Diversification for Enhanced Firm Performance

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Abstract

This study investigates the impact of resource orchestration, innovation, and diversification on firm performance. Resource orchestration theory highlights the role of managerial actions in acquiring, exploiting, and leveraging firms' resources to overcome a critical situation, seize business opportunities, and thrive in the post-crisis landscape. The conceptualization is to understand how firms can leverage their resources effectively, invest in innovation, and diversify their operations to achieve superior performance following a crisis. The methodology involves a mixed-method approach, combining qualitative and quantitative research. The qualitative research employs in-depth interviews with seven business owners, and the findings are content analyzed to capture emerging themes regarding firms' strategies post-COVID-19 crisis: resource orchestration, innovation, business diversification, and firm performance. Based on these themes, this study develops a theoretical framework and tests it using a survey of 350 small- and medium-sized enterprises in Indonesia. The data are analyzed using Structural Equation Modeling (SEM). The qualitative aspect provides insights into how firms navigate the business post-crisis, while the quantitative surveys offer a broader perspective on the strategies adopted. The results reveal that resource orchestration significantly influences firms' innovation and diversification. No significant evidence is found on the direct relationship between diversification and firm performance; however, innovation, in turn, improves diversification and firm performance. By synthesizing this comprehensive approach and findings, this study enhances the understanding of how firms strategically leverage their resources, innovate, and diversify their business to thrive in the post-crisis environment. This study further brings practical insights into how firms navigate in the aftermath and provides a roadmap to foster business sustainability.

Keywords

Resource orchestration, Innovation, Business diversification, Firm performance, SMEs, Post-crisis

Biography

Dr. Erlinda Nusron Yunus is an Associate Professor of Operations Management at Sekolah Tinggi Manajemen PPM in Jakarta, Indonesia. She received her Ph.D. in Supply Chain Management at Southern Illinois University Carbondale, Illinois, USA. She had published her research in many journals and her main teaching and research interests are in the areas of supply chain management, sustainability, and innovation.