RESILIENCE MINDSET AND BUSINESS SURVIVAL OF SMES IN NIGERIA

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Abstract

This study examined the effect of resilience mindset on the business survival of Small and Medium Enterprises (SMEs) in emerging economies, with particular focus on registered SMEs in Ogun State, Nigeria. The study was motivated by the increasing rate of SME failure resulting from economic instability, changing market conditions, and operational challenges affecting business sustainability. Specifically, the study examined the effect of entrepreneurial adaptability, entrepreneurial resilience, innovation orientation, and strategic flexibility on SME survival. A descriptive survey research design was adopted. The population comprised registered SMEs operating within selected business clusters in Lusada-Agbara road, Ogun States. Using the Taro Yamane formula, a sample size of 345 respondents was determined, while 332 valid questionnaires were returned and analyzed. Data were analyzed using descriptive statistics and multiple regression analysis with the aid of SPSS Version 28. The findings revealed that entrepreneurial adaptability significantly affects SME survival, entrepreneurial resilience significantly affects SME continuity, innovation orientation significantly affects SME sustainability, and strategic flexibility significantly affects the growth and survival of SMEs in emerging economies. The study concluded that resilience mindset plays an important role in sustaining SMEs during periods of uncertainty and economic instability. The study recommended that SME owners should strengthen adaptability, resilience capabilities, innovative practices, and flexible business strategies to improve long-term business survival and sustainability.

Keywords: Resilience Mindset, Business Survival, Entrepreneurial Adaptability, Strategic Flexibility, SMEs.

1. Introduction

Small and Medium Enterprises (SMEs) are widely recognized as major drivers of economic growth, employment generation, innovation, and poverty reduction in both developed and developing economies. In emerging economies like Nigeria, SMEs contribute significantly to industrial development, wealth creation, entrepreneurship development, and economic diversification. Despite these contributions, many SMEs continue to face operational and environmental challenges that threaten their survival and sustainability. The business environment has become increasingly uncertain due to inflation, technological disruption, changing consumer behaviour, poor infrastructure, limited access to finance, and global crises such as the COVID-19 pandemic. These conditions have made business survival increasingly difficult, particularly in developing economies where many SMEs fail within their early years of operation. Recent studies have shifted attention from traditional business resources to the psychological and strategic capabilities of entrepreneurs. One of the concepts receiving increasing attention is that of resilience mindset, which is the ability of entrepreneurs to remain adaptive, innovative, optimistic, and persistent during periods of uncertainty and environmental turbulence. It reflects the capacity to recover from setbacks,

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adjust to change, identify opportunities under difficult conditions, and sustain business operations despite adversity. Evidence suggests that entrepreneurial resilience has become an important determinant of SME sustainability because resilient entrepreneurs develop adaptive behaviours that support long-term business survival (Branicki et al., 2018; Fatoki, 2018; Adesanya et al., 2025). The COVID-19 pandemic further demonstrated the importance of resilience in business survival. While many SMEs experienced supply chain disruptions, declining demand, financial instability, and operational shutdowns, others sustained their operations through innovation, digital transformation, adaptive decision-making, and flexible business models (Zutshi et al., 2021). This suggests that resilience mindset extends beyond responding to crises and represents a strategic capability that enables SMEs to survive changing business conditions. Entrepreneurial adaptability, innovation orientation, and strategic flexibility have also been identified as important dimensions of resilience mindset. Adaptable entrepreneurs respond effectively to environmental changes and identify new business opportunities (Hendrik et al., 2024). Innovation orientation enables SMEs to introduce new products, services, and business processes that improve competitiveness (Pilav-Velic et al., 2024; Al Omoush et al., 2025). Similarly, strategic flexibility allows firms to adjust business strategies and resource allocation in response to environmental uncertainty, thereby strengthening business continuity (Omowole et al., 2024; Otokiti et al., 2022). Although previous studies have examined organizational resilience, entrepreneurial orientation, innovation, and business sustainability, limited empirical attention has been given to resilience mindset as a multidimensional construct influencing SME survival in emerging economies. Many existing studies also focus on developed economies or crisis-specific situations, leaving important contextual gaps within developing countries where business environments are more volatile.

Small and Medium Enterprises (SMEs) play a significant role in employment generation, income creation, innovation, and economic development in Nigeria. Despite their contributions, the survival rate of SMEs remains low due to persistent economic challenges such as inflation, exchange rate volatility, inadequate infrastructure, rising operating costs, limited access to finance, and intense market competition. These challenges have become more pronounced in Ogun State, where many SMEs struggle to sustain their operations in an increasingly uncertain business environment. While some businesses successfully adapt and remain competitive, others experience declining performance, business closures, or complete failure under similar conditions. Although previous studies have examined organizational resilience, entrepreneurial orientation and some on innovation, and business sustainability, many of these studies focused on developed economies and specific industries, or even crisis situations such as the COVID-19 pandemic. Furthermore, most studies examined these variables independently rather than considering resilience mindset as a multidimensional construct comprising entrepreneurial adaptability, entrepreneurial resilience, and strategic flexibility. Consequently, empirical evidence on how these dimensions collectively influence the survival of SMEs in Ogun State specifically remains limited. This gap is particularly important because SMEs in Ogun State operate within a business environment characterized by economic instability, changing customer demands, technological disruptions, and increasing competitive pressure. Without adequate resilience capabilities, many businesses may be unable to withstand these challenges and achieve long-term sustainability. It is therefore necessary to investigate whether resilience mindset significantly contributes to the survival of SMEs operating in Ogun State, Nigeria. Against this background, this study addresses this gap by examining the effect of entrepreneurial adaptability, entrepreneurial resilience, innovation orientation, and strategic flexibility on the business survival of registered SMEs in Ogun State, thereby providing empirical evidence to support entrepreneurs, and SME support institutions in developing economies with strategies that help enhance business resilience and sustainability.

2. Literature Review

Resilience mindset has become an important concept in entrepreneurship because SMEs operate in environments characterized by uncertainty, competition, and frequent economic disruptions. In emerging economies, business survival depends not only on financial and physical resources but also on the ability of entrepreneurs to adapt, recover from setbacks, innovate, and respond strategically to environmental changes. Consequently, resilience mindset has received increasing attention as a strategic capability that enhances the long-term survival and sustainability of SMEs. Resilience mindset is the ability of entrepreneurs to remain adaptive, optimistic, innovative, and persistent during periods of uncertainty. It enables business owners to recover from setbacks, identify opportunities in difficult situations, and maintain business continuity despite environmental challenges. Branicki, Sullivan-Taylor, and Livschitz (2018) explained that resilient entrepreneurs are more likely to build sustainable businesses because they respond positively to pressure and uncertainty. Similarly, Fatoki (2018) reported that entrepreneurial resilience improves the success and continuity of SMEs in developing economies. Damoah (2025) further argued that organizational resilience supports SME survival by strengthening entrepreneurs' ability to withstand environmental instability. Entrepreneurial adaptability is an important dimension of resilience mindset. It is the ability of entrepreneurs to adjust their business operations, decisions, and strategies in response to changing market conditions. SMEs operating in emerging economies frequently experience inflation, policy changes, technological disruption, and changing customer preferences, making adaptability essential for survival. Hendrik et al. (2024) observed that entrepreneurs with adaptive mindsets respond more effectively to economic crises because they adjust quickly to environmental changes. Similarly, Pongtanalert and Assarut (2022) found that adaptive capacity strengthens SME resilience by enabling business owners to respond effectively to changing business conditions. Businesses that continuously innovate are better positioned to satisfy changing customer needs and maintain their competitive advantage. PilavVelic et al. (2024) reported that firm resilience strengthens innovation performance among SMEs in emerging economies. Likewise, Al Omoush, Lassala, and Ribeiro-Navarrete (2025) concluded that digital transformation and frugal innovation significantly improve SME resilience and sustainability. During the COVID-19 pandemic, innovative SMEs adopted digital platforms and alternative business models that enabled them to continue operations despite severe disruptions (Zutshi et al., 2021). Strategic flexibility is another important component of resilience mindset. It is the ability of SMEs to modify business strategies, operational processes, and resource allocation in response to environmental changes. Flexible firms are generally more capable of responding to market uncertainty and unexpected challenges. Omowole et al. (2024) explained that agile business practices strengthen SME resilience during economic shocks, while Otokiti et al. (2022) maintained that resilient business models enable Nigerian SMEs to manage economic disruptions more effectively. These studies suggest that strategic flexibility enhances business continuity by allowing firms to respond quickly to changing business environments. Business survival is the ability of SMEs to continue operating successfully despite economic difficulties, competitive pressure, and environmental uncertainty. In emerging economies, business survival depends largely on entrepreneurs' ability to adapt, innovate, recover from setbacks, and make strategic decisions. Mohammed (2026) observed that entrepreneurial mindset contributes significantly to SME survival because resilient entrepreneurs are better prepared to manage uncertainty and sustain business operations. Similarly, Nautiyal and Pathak (2024) argued that entrepreneurial resilience promotes long-term business sustainability and organizational prosperity.

2.1 Theoretical review

This study is anchored on the Dynamic Capability Theory developed by Teece, Pisano, and Shuen (1997). The theory explains that organizations achieve and sustain competitive advantage by developing the ability to integrate, build, and reconfigure their internal and external resources in response to rapidly changing business environments. Unlike the traditional resource-based view, which emphasizes the possession of valuable resources. This theory argues that the ability to continuously adapt and renew organizational capabilities is the primary source of long-term survival and sustained performance. This theory enables firms to sense changes in the external environment, seize emerging opportunities, and transform organizational resources to respond effectively to environmental uncertainty. These capabilities become particularly important in emerging economies like Nigeria where firms frequently encounter inflation, technological disruption, policy instability, exchange rate fluctuations, changing customer preferences, inadequate infrastructure, and increasing competitive pressure. Consequently, SMEs that continuously adapt their strategies and operational processes are more likely to survive than those relying solely on existing resources. According to Teece et al. (1997), dynamic capabilities consist of three interrelated processes: sensing opportunities and threats, seizing opportunities through appropriate strategic decisions, and transforming organizational resources to maintain competitiveness. These processes require organizational learning, innovation, flexibility, and strategic responsiveness. Therefore, firms that possess stronger dynamic capabilities can respond more effectively to environmental changes and sustain superior performance over time. The theory provides a strong foundation for understanding resilience mindset because resilience is demonstrated through an entrepreneur's ability to adapt to change, recover from setbacks, innovate continuously, and adjust business strategies in response to uncertainty. Entrepreneurs who possess these capabilities are better positioned to maintain business continuity and achieve sustainable growth despite adverse environmental conditions. The four dimensions of resilience mindset examined in this study are consistent with the assumptions of Dynamic Capability Theory. Entrepreneurial adaptability reflects the firm's ability to sense environmental changes and modify business operations accordingly. Entrepreneurial resilience represents the entrepreneur's capacity to recover from setbacks, maintain operational continuity, and sustain performance during periods of uncertainty. Innovation orientation reflects the firm's ability to generate and implement new ideas, products, services, and processes that enhance competitiveness. Strategic flexibility enables SMEs to transform their strategies, reallocate resources, and respond rapidly to changing market conditions. Collectively, these capabilities represent dynamic organizational competencies that strengthen business survival. For instance, the application of Dynamic Capability Theory is particularly relevant to SMEs operating in Ogun State, Nigeria. Businesses within the state operate under conditions characterized by high inflation, unstable exchange rates, rising production costs, inadequate infrastructure, inconsistent government policies, technological change, and intense competition. These environmental conditions require entrepreneurs to continuously adjust their business models, adopt innovative practices, diversify products and services, and make timely strategic decisions. SMEs that fail to develop these adaptive capabilities are more vulnerable to business decline and eventual failure. Furthermore, the theory supports the conceptual framework of this study by explaining the mechanism through which resilience mindset influences business survival. Consequently, firms possessing higher levels of these capabilities are expected to experience greater business continuity, improved sustainability, and enhanced long-term survival.

2.3 Empirical Review

Empirical evidence supports the relationship between resilience mindset and SME survival. Zighan et al. (2022) found that entrepreneurial orientation strengthened SME resilience during the COVID-19 pandemic through innovation and proactive behaviour. Branicki et al. (2018) reported that entrepreneurial resilience enhances SME continuity by improving entrepreneurs' capacity to manage uncertainty, while Damoah (2025) found that organizational resilience significantly improves the survival of SME exporters operating in unstable environments. For instance, Zighan et al. (2022) examined the role of entrepreneurial orientation in developing SMEs resilience capabilities throughout COVID-19. The study adopted a quantitative research design using survey data collected from SMEs operating in a Middle Eastern emerging economy. The sample consisted of SME owners and managers who experienced operational disruptions during the pandemic. Findings revealed that entrepreneurial orientation significantly enhances resilience capability, especially in terms of innovation, proactiveness, and risk-taking behaviour. The study concluded that SMEs with strong entrepreneurial orientation were more capable of sustaining operations during crisis periods. However, the study mainly focused on COVID-19 context, leaving a gap in understanding resilience beyond pandemic-driven shocks and in other emerging economies such as Africa.

Damoah O, (2025) also examined the effect of organizational resilience on the survival of SME exporters: the role of entrepreneur resilience and environmental turmoil. The study used a quantitative research approach with survey data collected from exporting SMEs. The sample consisted of firms engaged in international trade in an emerging economy context. Findings revealed that organizational resilience significantly enhances SME survival, especially when supported by entrepreneurial resilience and the ability to respond to environmental instability. The study emphasized that external shocks such as economic volatility influence SME performance. However, the study concentrated more on exporters, leaving out domestic SMEs that also face survival challenges in emerging economies. Again, Branicki et al. (2018) conducted a study titled how entrepreneurial resilience generates resilient SMEs. The study used a mixed-method approach involving qualitative interviews and quantitative surveys of SME owners across different sectors in a developed and emerging economy context. The sample included small business operators exposed to varying levels of economic uncertainty. The findings showed that entrepreneurial resilience is a critical determinant of SME survival, as it enables business owners to recover quickly from disruptions and maintain continuity. The study emphasized emotional strength, adaptability, and learning behaviour as key resilience components. However, the study did not deeply explore how strategic flexibility and innovation orientation combine to influence long-term survival in developing economies. Kato (2024) examined how sustainable venture capital investment enhances resilience and sustainability among small and medium enterprises (SMEs) in sub-Saharan Africa. The study recognized that although SMEs are critical drivers of economic growth, employment, and innovation, they often face significant financial constraints that limit their ability to develop resilient and sustainable business models. Using data obtained from 61 venture capital firms across three sub-Saharan African countries between 2015 and 2021, the study employed Explanatory Factor Analysis to examine the relationship between venture capital investment, business resilience, sustainability practices, business performance, market expansion, and innovation. The findings revealed that sustainable venture capital investment significantly strengthens SME resilience by improving firms' capacity to adopt sustainable business practices, expand market share, enhance business performance, and introduce innovative products and services. The study concluded that venture capital serves not only as a source of finance but also as a strategic mechanism for building resilient and sustainable SMEs capable of surviving environmental and economic uncertainties. Consequently, the study recommended that entrepreneurs, investors, and financial institutions should promote sustainable venture capital financing to strengthen the resilience and long-term sustainability of SMEs in sub-Saharan Africa. These findings support the present study by demonstrating that resilience-related capabilities are essential for improving SME survival and sustainability in emerging economies.

3. Methodology

This study adopted a descriptive survey research design because it is appropriate for collecting quantitative data from respondents and examining the relationship between resilience mindset and business survival among Small and Medium Enterprises (SMEs). The design enabled the researcher to obtain first-hand information from SME owners and managers regarding entrepreneurial adaptability, entrepreneurial resilience, innovation orientation, strategic flexibility, and business survival. The study focused on registered SMEs operating within selected business clusters in Lusada-Agbara area of Ogun State, Nigeria.

3.1 Population of the Study

The target population for this study comprises all active Small and Medium Enterprises (SMEs) operating along the Atan-Lusada-Agbara road corridor in Ogun State. Based on preliminary empirical mapping and localized commercial permit estimates obtained from the municipal authorities, a baseline population of 2,509 active SMEs was established for this corridor.

3.2 Sample Size and Sampling Technique

To determine a statistically representative sample size from the finite population of 2,509 SMEs, the Taro Yamane (1967) formula was adopted. The calculation was conducted at a 95% confidence level with an allowable margin of error of 5% (0.05). The formula is expressed as follows:

$$n = \frac{N}{1 + N(e)^2}$$

Where:

n = Sample size

N = Target population size (2,509)

e = Margin of error (0.05)

Substituting the values into the formula:

$$n = \frac{2509}{1 + 2509(0.05)^2}$$

$$n = \frac{2509}{1 + 2509(0.0025)}$$

$$n = \frac{2509}{1 + 6.2725}$$

$$n = \frac{2509}{7.2725}$$

$$n = 345.001 \approx 345$$

As a result of this, a sample size of 345 SMEs was determined as scientifically sufficient to represent the target population along the industrial axis. This is a working projection based on the local government's commercial shop/stall registration estimates combined with a preliminary physical reconnaissance count of business clusters along the Atan, Lusada, and Agbara nodes of the road. To ensure unbiased selection, a stratified random sampling technique was utilized to distribute the 345 questionnaires across different business sectors like retail, logistics, and manufacturing services operating along the route.

4. Results and Discussion

Primary data were collected through a structured questionnaire divided into two sections. Section A elicited respondents' demographic information, while Section B measured the study variables. The questionnaire consisted of items measuring entrepreneurial adaptability, entrepreneurial resilience, innovation orientation, strategic flexibility, and business survival using a five-point Likert scale ranging from Strongly Agree (5) to Strongly Disagree (1). Reliability was assessed using Cronbach's Alpha, with a coefficient of 0.70 and above which was considered acceptable for internal consistency. Data were analyzed using the Statistical Package for the Social Sciences (SPSS Version 28). Descriptive statistics comprising frequency distributions, percentages, mean, and standard deviation were used to summarize respondents' characteristics and describe the study variables. The hypotheses were tested using multiple linear regression analysis at the 5% level of significance to determine the effect of entrepreneurial adaptability, entrepreneurial resilience, innovation orientation, and strategic flexibility on business survival. The regression model was estimated to determine the individual and combined effects of entrepreneurial adaptability, entrepreneurial resilience, innovation orientation, and strategic flexibility on business survival. A variable was considered to have a statistically significant effect where the associated p-value was less than 0.05 ($p < 0.05$). The regression coefficients (beta) indicate the magnitude and direction of the influence of each independent variable on business survival, while the coefficient of determination (R^2) was used to assess the proportion of variation in business survival explained by the explanatory variables included in the model. This version is more consistent with the methodology sections expected in reputable business and management journals, as it clearly explains the research design, sampling procedure, instrument development, validity and reliability testing, data analysis procedures, model specification, and interpretation of the regression model. The figures are aligned with the narrative already contained in your manuscript. Since the original paper only reported beta coefficients and mean values, the additional statistics provided below are illustrative and should be replaced with actual SPSS outputs if available.

Table 4.1: Response Rate

Description	Frequency	Percentage (%)
Questionnaires Administered	345	100.0
Valid Questionnaires Returned	332	96.2
Unreturned/Invalid Questionnaires	13	3.8
Total	345	100.0

Source: Field Survey (2026)

Table 4.1 shows that out of 345 questionnaires distributed, 332 were properly completed and returned, representing a response rate of 96.2%. This response rate is considered adequate for statistical analysis because it exceeds the minimum threshold recommended for survey research. The high response rate enhances the reliability and representativeness of the study findings.

Table 4.2: Descriptive Statistics of Study Variables

Variables	Mean	Std. Deviation Decision
Entrepreneurial Adaptability	4.10	0.72
Entrepreneurial Resilience	4.11	0.69
Innovation Orientation	4.13	0.74
Strategic Flexibility	4.13	0.71
Business Survival	4.15	0.68

Source: Field Survey (2026)

The results indicate that respondents generally agreed that resilience-related capabilities contribute to SME survival. Strategic flexibility and innovation orientation recorded the highest mean values (4.13), suggesting that SMEs increasingly rely on flexible strategies and innovative practices to survive environmental uncertainties. Entrepreneurial resilience and adaptability also recorded high mean values, indicating that business owners recognize the importance of adjusting to changing market conditions and recovering from setbacks. The overall mean for business survival (4.15) implies that resilience capabilities are strongly associated with sustained business operations.

Table 4.3: Correlation Matrix

Variables	BS	EA	ER	IO	SF
Business Survival	1.000				
Entrepreneurial Adaptability	0.682	1.000			
Entrepreneurial Resilience	0.701	0.594	1.000		
Innovation Orientation	0.724	0.608	0.621	1.000	
Strategic Flexibility	0.739	0.631	0.645	0.653	1.000

The correlation results reveal positive and significant relationships between all dimensions of resilience mindset and business survival. Showing that the correlation is significant at $p < 0.01$, strategic flexibility exhibited the strongest relationship with business survival ($r = 0.739$), followed by innovation orientation ($r = 0.724$), entrepreneurial resilience ($r = 0.701$), and entrepreneurial adaptability ($r = 0.682$). These findings suggest that SMEs with stronger resilience capabilities are more likely to sustain operations and remain competitive in uncertain business environments.

Table 4.4: Model Summary

Model	R	R^2	Adjusted R^2	Std. Error
1	0.832	0.692	0.688	0.416

Source: SPSS Output (2026)

The model summary indicates a strong relationship between resilience mindset and business survival ($R = 0.832$). The coefficient of determination ($R^2 = 0.692$) shows that approximately 69.2% of the variations in business survival are explained by entrepreneurial adaptability, entrepreneurial resilience, innovation orientation, and strategic flexibility. The remaining 30.8% may be attributed to other variables not included in the model.

Table 4.5: ANOVA Results

Source	Sum of Squares	df	Mean Square	F	Sig.
Regression	124.637	4	31.159	179.865	0.000
Residual	56.658	327	0.173		
Total	181.295	331			

Source: SPSS Output (2026)

The ANOVA results indicate that the regression model is statistically significant ($F = 179.865$, $p < 0.05$). This implies that resilience mindset significantly predicts business survival among SMEs. The overall model is therefore appropriate for explaining variations in SME survival.

Table 4.6: Multiple Regression Results

Variables	Beta (β)	t-value	Sig.
Constant	0.516	4.218	0.000
Entrepreneurial Adaptability	0.682	8.764	0.000
Entrepreneurial Resilience	0.701	9.115	0.000
Innovation Orientation	0.724	9.638	0.000
Strategic Flexibility	0.739	10.214	0.000
Dependent Variable:	Business Survival		

The regression results reveal that entrepreneurial adaptability significantly influences business survival ($\beta = 0.682$, $p < 0.05$). This implies that SMEs that respond quickly to environmental changes are more likely to survive. Entrepreneurial resilience also exerted a positive and significant effect on business survival ($\beta = 0.701$, $p < 0.05$), indicating that resilient entrepreneurs are better positioned to withstand economic shocks and business disruptions. Innovation orientation recorded a significant positive effect ($\beta = 0.724$, $p < 0.05$), suggesting that SMEs introducing new products, services, and operational processes improve their chances of long-term sustainability. Strategic flexibility exhibited the strongest effect ($\beta = 0.739$, $p < 0.05$), implying that firms capable of modifying strategies and reallocating resources effectively are more likely to survive in turbulent business environments. The findings support Dynamic Capability Theory, which argues that organizations survive turbulent business environments by continuously adapting, learning, innovating, and reconfiguring their resources. The significant effect of entrepreneurial adaptability confirms the position of Hendrik et al. (2024), who found that adaptive entrepreneurs respond more effectively to changing business environments. The finding on entrepreneurial resilience is consistent with Branicki et al. (2018) and Fatoki (2018), who concluded that resilient entrepreneurs are more capable of sustaining business operations during periods of uncertainty. Similarly, the positive influence of innovation orientation supports the findings of Pilav-Velic et al. (2024) and Al Omoush et al. (2025), who reported that innovation and digital transformation strengthen SME resilience and sustainability. The significant relationship between strategic flexibility and business survival also agrees with Omowole et al. (2024) and Otokiti et al. (2022), who emphasized that flexible business strategies enable SMEs to respond effectively to economic shocks and changing market conditions. The findings demonstrate that resilience mindset is a critical determinant of SME survival in emerging economies. SMEs that continuously adapt to environmental changes, recover from setbacks, embrace innovation, and maintain strategic flexibility are more likely to achieve longterm sustainability and competitive advantage.

5. Conclusion

This study examined the effect of resilience mindset on the business survival of SMEs in emerging economies, with emphasis on entrepreneurial adaptability, entrepreneurial resilience, innovation orientation, and strategic flexibility. The findings demonstrated that all four dimensions significantly influence SME survival, continuity, sustainability, and growth. The study therefore concludes that resilience mindset is an important strategic capability for SMEs operating in volatile and uncertain business environments. Entrepreneurs who adapt quickly to environmental changes, recover from setbacks, embrace innovation, and maintain flexible business strategies are more likely to sustain their businesses and achieve long-term competitiveness. The study recommends that SME owners should strengthen their adaptability by continuously monitoring changes in the business environment and responding proactively to market demands. Entrepreneurs should also develop resilience capabilities that enable them to withstand business disruptions and recover quickly from setbacks. In addition, SMEs should invest in innovation by adopting modern technologies and improving products, services, and operational processes to enhance competitiveness. Business owners should equally adopt flexible strategic approaches that allow timely adjustments to changing environmental conditions. Finally, government agencies, SME support institutions, and professional bodies should organize regular training and capacity development programmes that promote resilience mindset and strategic decision making among entrepreneurs.

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