

Impact of Family Capital on Entrepreneurial Resilience During Crisis: A Case of Indian Family-Managed MSMEs

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Abstract

This study examines the influence of family capital on the entrepreneurial resilience of Indian family-managed Micro, Small, and Medium Enterprises (MSMEs) during periods of crisis. Following the disruptive events such as the COVID-19 pandemic, family-managed MSMEs are employing resilience as a strategic approach to develop a crisis management ecosystem. The article conceptualizes entrepreneurial resilience as a socially embedded mechanism that relies on family capital, contributing to a sustainable MSME ecosystem. Drawing from Bourdieu's theory of capital and entrepreneurial resiliency theory, we explore the interdependencies of the two crucial subsystems for entrepreneurial resilience: family and firm. A qualitative research of fifteen family-owned MSMEs suggests that cultural, social, and symbolic capitals enhance hardiness, resourcefulness, and optimism, leading to a sustainable entrepreneurial ecosystem to withstand the challenges of the Covid-19 crisis. This study provides a novel conceptual framework that synthesizes dimensions of family capital to examine entrepreneurial resilience. By incorporating a range of social indicators—such as familial trust, relational networks, and intergenerational commitment—the framework enables a multidimensional assessment of resilience at both the firm and ecosystem levels. This integrative approach offers a nuanced understanding of how family capital contributes to crisis management and adaptive capacity within resource-constrained environments.

Keywords: family managed MSMEs, family-capital, entrepreneurial resilience, sustainable ecosystem, Covid-19, Bourdieu

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Introduction

Family-managed MSMEs play a crucial role in Indian socio-economic development due to their significant contribution to GDP and employment generation. Approximately 90% of India's family businesses are MSMEs and contribute to 60–70% of the GDP (CII; Chahal and Sharma, 2020). Family-owned businesses make up 60% of all businesses and play a significant role in contributing 80% of a country's GDP (Duran et al. 2016). Despite the numerous policies introduced by the government to revive this sector (Ghosh 2020), it is still struggling with post-crisis survival issues (Ghosh, 2020). Although resiliency is salience for sustainability of businesses, arguably it is the most challenging for micro, small and medium enterprises (MSMEs) (Asgary et al., 2020). Therefore, it is essential for the government to guarantee the sustainability of this sector after the Covid crisis. Family-managed MSMEs offer a great framework for examining the interconnected family-business components that foster entrepreneurial resilience to survive crises. Resilience research points to the increasing

prevalence of external factors' adaptability as a critical component of entrepreneurial resilience while ignoring the critical contribution of internal intangible factors such as culture, family, and capital in influencing resilience (Danes et al. 2009; Asgary et al., 2020). Family-managed MSMEs are subject to sociocultural influences (Chahal and Sharma, 2020) and their long-term resiliency depends on their ability to use family resources (Danes et al., 2009). The relationship between family culture and entrepreneurial resilience is frequently recognized as a critical factor in helping companies navigate crises (Gill and Kaur, 2015). However, family, culture, and intangible capitals in resilience are understudied. This study investigates how family capital influences entrepreneurial resilience and business sustainability. Our goal is to investigate how family-managed MSMEs employ their family capitals (social, cultural, and symbolic) to withstand crises. Can social, cultural, and symbolic capitals improve entrepreneurs' resilience? We have chosen two time periods to achieve our goals. The first period is during the Covid-19 outbreak, which provides a suitable context to analyze the strategies used by family-managed MSMEs in effectively handling the crisis. The second scenario is January 2023, after the Covid pandemic. We draw on resilience theory' for its concept of hardiness, optimism, and resourcefulness to discover entrepreneurial resilience during the Covid-19 crisis. Prior studies have examined these concepts, focusing mostly on psychological perspectives rather than social contextual incorporations (Asgary et al., 2020; Korber & Mcnaughton, 2018), while this research explicitly focuses on the social context. Additionally, we applied Bourdieu's theory of capital to demonstrate how entrepreneurs' embeddedness within their families provides them with opportunities to acquire social, cultural, and symbolic capital. This, in turn, enhances their ability to adapt and persevere in the face of adversity (Bourdieu 1986; Feranita et al. 2017).

This research is useful. First, the findings demonstrate that social factors affect entrepreneurial resilience, underscoring the need to address MSMEs' social environments while theorizing resilience. Thus, it addresses the lack of attention to family capitals as intangible resources in entrepreneurial resilience (Duchek, 2018). The study's empirical nature will assist policymakers and practitioners uncover contextual factors, capitals, and strategies for managing risks, exploiting opportunities, and responding to crises.

Different countries define MSMEs differently. For this study, MSMEs are those industries defined according to India's MSME Act of 2006. The subsequent segment of the paper presents a theoretical framework, followed by the presentation of findings and culminating in a discussion and conclusion.

Family-Managed MSMEs (family MSMEs)

Family-managed MSMEs play a crucial role in driving economic growth throughout the world (Miller & Le Breton-Miller, 2005). All types of MSME businesses exhibit certain peculiar characteristics, like small manufacturing capacity, restricted market reach, limited supply chain capacity, raw material shortages, and market cash flow restrictions (Ray and Subramanian, 2022), which make them vulnerable to withstand crisis. However, in the case of family MSMEs, family act as buffer to safeguard the enterprise from the crisis (Chrisman et al., 2011). Therefore, the family MSMEs show positive outcomes while handling crisis (Gill & Kaur, 2015). Several comparative studies on family and non-family businesses' response mechanism to adverse situation postulate that family enterprises are more prompt than non-family firms due to their reduced agency costs, long-term commitment to protecting family legacy, shared family objectives and values, and better social interactions and corporate culture (Chahal and Sharma, 2020).

The ability of MSMEs to effectively plan for crises is facilitated by the presence of essential resources, networks, and previous practical experiences within the family unit, together referred to as family capital (Danes et al., 2009). Family enterprises typically employ strategic planning to assess crises and effectively allocate resources to manage business operations. Extensive scholarly investigations have underscored the significance of relative resource abundance in fostering resilience within large-scale family enterprises (Gittell et al., 2006). Nevertheless, the existing body of research on family MSMEs regarding their strategic crisis planning and resource allocation is insufficient.

In the context of India, family firms exhibit distinctive characteristics owing to culture that encompasses a wide range of values, norms, and behavioural patterns that serve as guiding principles for entrepreneurs. Indian family businesses, regardless of their size, ranging from micro to large scale, exhibit specific structural and relational aspects that contribute significantly to entrepreneurial resilience. This can be attributed to the cultural traditions that are deeply ingrained within these businesses (Chahal and Sharma, 2020). One of the unique features of Indian family businesses is the predominance of few castes (Aggarwals, Guptas, Chettiars, Jains, Parsees and Marwaris), which are the connotation for family-owned businesses in India (Gill and Kaur, 2015). Research points to certain peculiarities of family businesses in India like all members in the business follow a presiding culture pursued by the caste to which they belong and family members, relatives and extended family have a strong feeling of trust and sincerity to the family that naturally construe trustworthy partners for business (Chahal and Sharma, 2020). Historical participation in business makes family businesses a reservoir of knowledge, norms, rules, networks and practices that act as an intangible resource for entrepreneurs (Sirmon and Hitt, 2003).

Entrepreneurial Resilience and Family Capital

The term ‘resilience’ originates from the Latin verb ‘resilire,’ which signifies the ability to rebound or recover (Fatoki, 2018). According to the theory of resilience, entities possess specific traits that enable them to adapt and endure change (Fatoki, 2018). Regarding entrepreneurial resilience, these attributes can be categorized as adaptability, individual success orientation, resource mobilization, and networking (Duchek, 2018). Asgary et al. (2020) categorized the attributes of entrepreneurial resilience as hardiness, resourcefulness, and optimism. The essence of strength to overcome challenges and get stronger is hardiness. Resourceful entrepreneurs manage their networks, finances, cash flow, and social and natural resources. A quality that enables entrepreneurs to see the future favourably and helps them in decision-making to handle crises and lower risks is optimism.

Family MSMEs are owned and managed by entrepreneurs, making entrepreneurial resiliency an intriguing subject. Here, family interactions and the social milieu create entrepreneurial attributes, which can be strengthened by using family resources. Thus, we propose that individual and entrepreneurial resilience are unique but compatible. As such, one should note that individual resilience is a product of personality traits honed in a protective family environment.

Although, entrepreneurial resilience is frequently linked to the success of family MSMEs (Duchek, S., 2018), the strategies to promote entrepreneurial resilience in family businesses have received relatively modest attention in literature (Brewton et al. 2010; Salvato et al., 2020; Santoro et al., 2021). In MSMEs, organizational resilience is strongly associated with entrepreneurial resiliency (Duchek, 2018), yet, neither a standard definition nor substantial

academic research on MSME's entrepreneurial resilience has been identified (Korber & Mcnaughton, 2018).

Family capital

The notion of family capital comprises a harmonious amalgamation of diverse forms of capital derived from the family, including cultural, human, social, and financial capital (Brewton et al. 2010; Asgary et al., 2020).

Drawing from Bourdieu's theory of capital, we conceive of entrepreneurs' access to family capital as an important source of entrepreneurial resilience that cannot be treated as separate from the relevant business field because capital is a facet of power that is inherently social and tied to the relationships between the family and firm (Bourdieu 1986; Bourdieu and Wacquant, 1992). Bourdieu's theory of capital posits that capital is a crucial element in elucidating resilience process, as it enables us to comprehend the influence of the family environment on entrepreneurs' crisis management (De Clercq et al. 2018). Social, cultural, and symbolic capitals best capture business intangibles (De clercq & Voronov, 2009). Entrepreneurs' socially ingrained education, skills, regulations, and beliefs make culture capital beyond human capital. Entrepreneurs use symbolic capital—family legacy, name, and fame—to their advantage (Bourdieu and Wacquant, 1992). In resilience context, entrepreneur can utilize symbolic capital to impose their interpretation of the situation on others and control the perception through belief formation (De Clercq et al. 2018; Bourdieu 1986). Social capital as embodiment of relationships reflects family business' strength and is always regarded a key feature to explain entrepreneurial resilience and recovery. Entrepreneurs' social capital comes from family bonds, trust, respect, and shared vision (Bourdieu 1986) in relational, structural, and cognitive dimensions. Social capital helps entrepreneurs to develop institutional logic and act according to the field's expectations and thereby facilitate resource generation through relational networks (Brewton et al., 2010). All three capitals work together to generate sustainable ecosystem at firm level by providing access to resources, creation of norms, language, rules and practices. Research posit that the inadequacies of MSMEs which are inherent in their nature is compensated by the availability family capital in family MSMEs (Nahapiet and Ghoshal, 1998; De Clercq et al. 2018).

Therefore, our research suggests that the sustainable ecosystem of family MSMEs is achieved through entrepreneurial resiliency, which is fostered by the presence of family capital. This proposition is illustrated in our conceptual model (fig. 1).

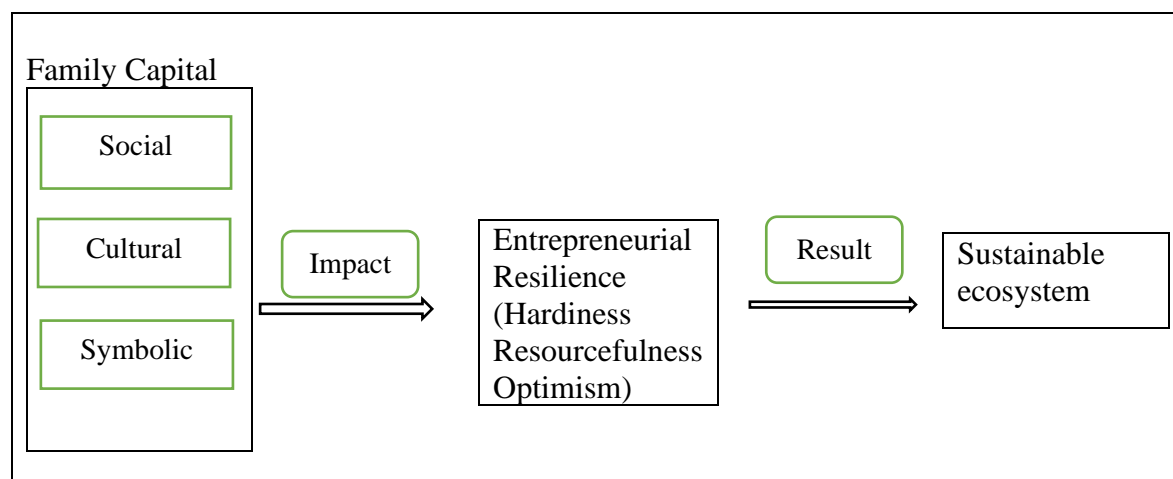


Figure 1. Conceptual framework of family capital and its impact on Entrepreneurial resilience leading to sustainable ecosystem of MSMEs

Methodology

This study applies exploratory qualitative research analysis to produce the rich data about the entrepreneurial resilience and family capitals. The qualitative approach is appropriate for deeply investigating the socio-cultural context to understand entrepreneurial resilience (Yin, 2018).

Data collection: the data collection begins with the focus group discussions to understand the resiliency among family MSMEs. Focus groups are informal conversations about specific topics within a selected group (Yin, 2018). Each 1- to 2-hour session has included government officials, MSME owners/managers, employees, and sometimes family members. Multiple interviews (face to face/telephonic) were conducted with MSMEs owners/managers, employees, family members, and suppliers to ensured entrepreneurial ecosystem mapping (Yin, 2018). The fifteen MSME entrepreneurs were interviewed in two or three sessions: from April to July 2020 (telephone and online meetings), from November to December 2022 (personal meetings and phone), and from Jan to Feb 2023 (personal visits) to study their crisis response, post-crisis adoptions, and long-term effects. Pilot interviews with two MSME entrepreneurs tested the questions, and accordingly interview guidelines were prepared.

The Covid-19 crisis was chosen to investigate entrepreneurs' crisis decision-making. Closed-ended, pre-structured questions with ranking or grading alternatives generate pandemic experiences. Open-ended questionnaires solicit free-form responses. Family-MSMEs received three-part electronic surveys. Part A covers respondent networks, background, and profiles. Part B discusses resilience's resourcefulness, optimism, and hardiness during and after the pandemic. This matches crisis and resilience studies (Williams & Shepherd, 2016). Post-Covid risk management is in Part C.

Sample of the study: Purposive or judgmental sampling is complemented with snowball sampling to meet requirements (Yin, 2018). The initial participant selection was based on MSME sector membership specifications (MSME regulation 2022 identifies industries with an annual turnover of less than Rs. 250 crores as MSME) and the option of interviewing entrepreneurs who may give relevant data during Covid-19. After consulting MSME-DI government personnel, industries were chosen. Table 1 shows interviewed family MSMEs' characteristics.

Table 1: Characteristics of the Interviewed MSMEs

Sr. no.	Firm/Company pseudonym	Category (Family Business -FB)	Year of establishment	Industry/ activity	Market	Entrepreneur's education
1	Adobe	Micro	1991	Fabrication	National	Graduation
2	Blush	Micro	2012	Incense sticks	Local	Science graduate
3	Cadform	Small	2010	Bakery Products	National	Graduation

4	Dglass	Small	1994	Glass processing	National	Graduation
5	ENaturelife	Micro	1992	Ayurveda cosmetics and toiletries	National	Graduation
6	Future	Small	1999	Herbal cosmetics and Ayurveda toiletries	National and International	Engineering
7	Glower	Small	1957	Herbal cosmetics and Aroma products.	National and International	Post-graduation
8	Ventures	Small	1982	Metal works	Local	Graduation
9	Cathexix	Small	2011	Glass processing for industrial work	National	Graduation
10	Furnitech	Micro	1991	Furniture works	National	12 th class
11	Aroback	Medium	1990	Metalworks	Local, National and International	Graduation
12	AMO	Medium	1990	Industrial services	Local, National and International	Post-graduation
13	Soan	Micro	2010	Consumer goods	Local	Post-graduation
14	Ohio	Small	2015	Health care manufacturing	Local	Post-graduation
15	Bhivani	Micro	2000	Bakery products manufacturing	Local	Graduation

Source: Interview and an online survey conducted by authors

Data Analysis: Data collection and analysis were done simultaneously to better understand the process and determine if interview questions needed to be changed (Yin, 2018). Qualitative interviews and other data sources were analysed using content and thematic analysis. Phrases, words, and paragraphs were transcribed from the interviews. Table 2 presents the aggregate codes and themes that emerged from the coding and thematic analysis of the data, focusing on resilience and sociocultural factors. We transcribed the interview data and familiarized ourselves with it to identify any meanings and patterns within the data set. After a rigorous literature review, we documented the themes of hardiness, resourcefulness, and optimism as representative of resilience. Literature postulate that Hardiness is reflected either through Authoritative Controlling of Situations (ACS) or Adaptation to Situation (AS) (Windle, 2011). Ann Masten's work integrates both ACS and AS by highlighting the role of adaptive systems and authoritative control in fostering resilience (2014).

At first, phrases, words, and paragraphs were transcribed from the interviews. For example, “I spent countless nights reflecting on the risks we faced and what responsibilities I had as a leader. The gravity of the situation was clear – we had to navigate through this crisis not just for the survival of the business, but also for the livelihoods of our employees. This realization drove me to make tough decisions, like cutting costs and finding new revenue streams, to keep us afloat” (Interview transcript from Adobe). In order to encapsulate their qualities within the concept of hardiness, the expressions "self-reflection on risk" and "sense of responsibility towards their employees" were categorized under the second-order code of "Authoritative Controlling of Situations (ACS)." Finally, we have categorized comparable codes into prospective themes that exhibit both internal consistency and external distinctiveness. Three themes of hardiness, resourcefulness and optimism were formulated to capture the essence of MSME resilience. **Table 2: Emerging Themes and Dimensions of Resilience in Fifteen MSMEs**

1st order concepts from the interviews (words and phrases)	Themes (2nd order categories) (Codes and clusters)	Dimension of resilience (final aggregate) (Themes)
Willingness to act proactively, self-reflection on risk, realization of one’s own responsibilities; support to employees’ families. Parents’ respect and trust in community people. Entrepreneurialism is in our blood. Attachment to caste	Authoritative Controlling of Situations (ACS)	Hardiness
Adaption according to a situation, respecting family legacy, use of family stories, self-motivation, introspection, self-respect, informal contacts, Attachment to friends and government officials. Motivation for grievance redressal, raising funds, and meetings to improve the situation of covid-19.	Adaptation to Situation (AS). Self-efficacy Collectivism -	
Raising loans from relatives, business friends, banks, and loyal customers. Fundraising through the community people. Community support group to provide resources on rent. Training by self-help groups. Collaboration to raise facilities. Comfortable communication with employees to multitask. Continuous interactions with suppliers, consumers, and employees.	Diverse approaches to securing financial resources. Leveraging community support Skill Development Communication skills Social contagion Collective optimism Social networking	Resourcefulness

Community interaction for motivation and mental support. Online chatting with stakeholders

Open to change, shifting business practices as per the need, Reduction in operation cost to cut expenses.

Flexibility

We all have an innate belief in success, positive talking in family for pandemic. Belief in government support and community.

Collective optimism

Optimism

Trust in relatives, family trustworthiness
Open discussion about a pandemic with family members. Employer and employee interactions for finding solutions, Collective spirit to work. Planning.

Trust in external support systems

Positive communication

Motivation for survival in a pandemic. Family motivation. Continuous discussions with employees to alleviate their stress.

Motivation to oneself and others- social contagion

Education and training in relevant trade. Entrepreneur's decision-making for adaptations.

Perseverance, Planning

Source: Interview and an online survey by authors

Findings and Discussion

Crisis Analysis and Dimensions of Entrepreneurial Resilience

Resilience development relies on a deep understanding of crises that further transforms into subsequent development of solutions (Santoro et al., 2021), which is defined as crisis management. It is strategies and actions that firms employ to address unforeseen and detrimental conditions, have a detrimental impact on MSME's ability to survive, generate profits, and maintain sustainability. Therefore, crisis management is one of the crucial aspects of business operators that help entrepreneurs in shaping the sustainable ecosystem development (Lai and Wong, 2020). Resilience in family MSMEs during the Covid-19 crisis involves acquiring resources from their family environment to meet fundamental needs and survive disasters. This thematic analysis of the data reveals that hardiness, resourcefulness, and optimism are crucial traits that small industries leverage to build resilience in crisis. By acting proactively, adapting to changes, seeking diverse resources, and maintaining a positive outlook, these industries can navigate and thrive amid challenges.

During the analysis of the content, it was observed that the transmission of social, cultural, and human capital from the family plays a significant role in both navigating the crisis and gaining an implicit understanding of the crisis situation. Family being a social unit, provides nurturing ground in the form of cultural and social capital that provides entrepreneur a business endurance, which refers to the capacity to navigate crisis situations (Duchek, 2018; Liu, 2020).

“We have not previously encountered a crisis, and our current resources may be insufficient. My uncle, who resides in the United States, has faced numerous challenges and adapted to the climate of his new country. Given his extensive experience, he has

been a valuable source of assistance during these challenging times of the Covid-19 pandemic” explains the entrepreneur (Cadform).

Scholarly literature on crises has emphasized the significance of demonstrating emotional solidarity during times of crisis (Bourdieu, 1986; De clerq & Voronov, 2009). In studies MSMEs, solidarity is demonstrated as a mix of cultural and social capital induced life style practices. A respondent stated that, “we have strong relations who provides us natural environment. During Covid-19, I got emotional support from my relatives”, (ENaturelife).

The role of family in transmitting wisdom across generations is crucial in crisis management. Entrepreneurs often discuss crisis analysis in their daily conversations throughout the pandemic. It subsequently enters the realm of routine business discourse within the confines of entrepreneurs’ homes. Commonly led to better ability to handle future crises, strengthen organizational memory, and eventually build a resilient company (Christianson et al., 2009).

“We all discuss business problems with family members. This is our everyday affair, no need to learn from any school” expresses entrepreneur (Ventures).

The findings suggest that in order for entrepreneurs to develop resilience, they need to possess not just knowledge about unexpected events (crisis comprehension), but also the ability to leverage historical knowledge from relationships in order to take advantage of opportunities that arise (crisis management). As explained by the entrepreneur, “I obtained a loan from a private lender that I was unable to repay. Subsequently, Covid happened, and a financial crisis ensued. The lender issued a threat that our business and premises would be seized if we did not repay his principal and interest. A distant relative of mine has helped us and repaid our loan”, entrepreneur (Glower).

Entrepreneurial Resilience and Family Capitals

The following sections analyse three distinct categories of family capitals in order to discern their effects on three entrepreneurial resilience attributes. Table 3 provides a concise summary of this effect.

Table 3: Impact of family capital on Entrepreneurial Resilience

Family capital	Hardiness	Optimism	Resourcefulness
Social	Relatives maintain loyal support, facilitate decision making 1. Authoritative Controlling Situations (ACS)-relationships boost confidence. 2. Adaptation to Situation (AS): social network validates the decision making	Networks validation generates positive feelings. Relationships provide emotional supports that creates positive outlook for future	Social relations acts as assets to access resources.
Cultural	Tacit Knowledge transmission among family	Family’s tacit knowledge/Educated/skills prepare entrepreneur for	Education/skills, common language, codes and values

	generations facilitate decision making in ACS Legitimate position: understanding of socially accepted values, rules and practices in AS. Emotional support	future shocks and make them positive about future Generate trustworthiness and psychological support system	connect entrepreneurs to likeminded people.
Symbolic	Family legacy provides ability to take decisions authoritatively / act as patron to the employees	Entrepreneur practice for larger aim of protecting family image	Image of the firm help to generate resources in times of crisis, word of mouth is sufficient to raise funds.

Source: Interview by authors

Hardiness:

Hardiness in terms of entrepreneurial resilience is all about having an agency of one's own, and an ability to perform authority without surrendering to others' control (Liu, 2020). The thematic analysis demonstrates that the presence of family capitals (cultural, social, and symbolic), enhances entrepreneurial hardiness, which in turn enables effective management of the Covid-19 pandemic through two significant mechanisms.: 1. Authoritative Controlling of Situations (ACS), and 2. Adaptation to Situation (AS).

Authoritative Controlling of Situations (ACS): These family resources collectively enable entrepreneurs to gain access to and utilize societal institutions and cultural products. Furthermore, they empower entrepreneurs to persuade other individuals in the field to adopt particular interpretations of phenomena. The intuitive comprehension of self-presentation by entrepreneurs, which allows them to exert patron-like control over other field participants, is a characteristic reflected by many studied entrepreneurs. The term ACS was used to describe this phenomenon. Similar kind of expression is discussed in entrepreneurial resilience research as the concept of locus of control as a significant "protective factor" in times of crisis (Bimrose and Hearne, 2012). These entrepreneurs frequently serve as patrons for their employees, exert authoritarian control and thereby try to manage the times of crises.

"behaving with authority means I am responsible towards my employees wellbeing, in this difficult time I have to protect them", says an entrepreneur (Aroback).

It is noticed that the more family capital the entrepreneur possesses, the more authoritative-patron he behaves with other stakeholders (Bourdieu 1986). This control over situations in turn influences the agency behaviour among entrepreneurs, and positively impacts their ability to gain legitimacy in the eye of stakeholders by taking care of dependent stakeholders. As discussed by entrepreneur,

"I know covid-19 is the reality and I know what I've got to do. I mean frankly we have no resources to run the business. However, as a leader, it is my responsibility to effectively manage the situation and prioritize the well-being of my employees" (Blush). "This practise has been passed down through generations in our family" (Blush, entrepreneur's father).

The entrepreneurs' ability to demonstrate authoritative behavior towards other stakeholders who rely on them is a part of their impression management strategies. By conforming to the age-old norms and values of patriarchal society wherein senior most person is a patron or care giver of the family, entrepreneurs gain from fitting into the expected norms of social context. As entrepreneur expresses,

“I am the leader and paternal figure for my staff. We have supported our staff by consistently disbursing their salaries and delivering food to their homes. We have exhausted all possible actions within our capacity” (Aroback)

“My Bangladeshi grandfather often recounted to me stories from his childhood, describing the hardships and upheaval resulting from forced migration. This serve as my motivational intervention to combat Covid-19. I will persevere through this setback” (Ventures).

Family relationships serves as mentors to entrepreneurs, effectively transmitting cultural knowledge and thereby facilitating leadership in a constructive manner. Therefore, entrepreneurs could strive to manage the crisis through behaving as patrons for their stakeholders. This has helped them to generate resources as well.

Adaptation to Situation (AS): Another theme identified in this study is that first-generation entrepreneurs typically refrain from employing authoritative control when managing crisis situations. Entrepreneurial ventures are surrounded in uncertainty that prompt entrepreneurs to seek validity from stakeholders (Low and Abrahamson, 1997). The studied entrepreneurs report that they conform to socially validated norms, practices and values to demonstrate the normal functioning of enterprises (Bourdieu and Wacquant1992). This in turn provides them with legitimate stakeholderhood of the market and hence claim to various resources. Entrepreneur explains, “I am self-motivated to adhere to Good Manufacturing Practises (GMP) principles. My packaging materials are entirely recyclable. So, we have credit in a market that enabled me to obtain loans during and after the Covid-19 period” (ENaturelife). Currently, sustainability has emerged as a prominent topic in the business world and is highly valued by the present stakeholders from producers to investors to consumers. Therefore, following good manufacturing practices can be referred to as institutionalized cultural capital that helps entrepreneurs to confirm to socially validated values. This signals trustworthiness of the firm in the eyes of stakeholders (Low and Abrahamson, 1997) and this symbolic capital facilitates the emergence of self-efficacy among entrepreneurs.

Research indicates that self-efficacy is a significant predictor of resilience among entrepreneurs, that contributes to the success of businesses in post-crisis situations (Pantano et al., 2020). Entrepreneurs' access to family capital act as source of power that potentializes their relationships with other stakeholders and manages interrelationship either through authoritative patronizing or adapting to situations. In both the cases, it is power dynamics embedded in social context that govern the relationship between entrepreneur and other stakeholders. As Bourdieu argued that some specific forms of capital are crucial to entrepreneurial resilience (Bourdieu, 1986). The cultural capital facilitates entrepreneurs to know naturally what are the fields' expectations and how to respond it. For instance, entrepreneurs know how to act like patrons for aggrieved employees during the Covid-19 crisis. They are cognizant of the prevailing business practices and, with the assistance of other familial social capital, conform to them and thereby seeks to generate resources necessary for their survival. This aspect of resourcefulness is further elaborated upon in the following paragraph.

Resourcefulness is all about MSME entrepreneurs' accessing crucial resources, capabilities, and skills that add to their resilience by reducing vulnerability in times of crisis (Santoro et al. 2021; Salvato et al 2020).

Cultural and symbolic capital: From the preceding arguments, it can be deduced that entrepreneurs acquire legitimacy as individuals who possess the authority to act on behalf of stakeholders. This capability persuades stakeholders that the entrepreneur is a part of the field who possesses knowledge of the market's risks and profit regulations, and is therefore a reliable recipient of resources. Thus, connection to one's familial heritage establishes cultural and symbolic capital that assist entrepreneurs in acquiring resources for their business endeavour. The entrepreneur articulates. "Amidst the Covid-19 pandemic, my family, who has been involved in business for multiple generations, has gained recognition. Lenders have provided financial assistance based on our family's creditworthiness, and distributors have helped us expand our reach" (Glower).

MSME entrepreneurs emphasize that their socialization, skill development, and acquisition of trade knowledge are their main advantages, representing a form of tacit knowledge that equips them with both short-term and long-term business management methods. This particular manifestation of cultural capital is in alignment with socially recognized values and rules, thus serving as valuable resources that allow individuals to hold an inherent comprehension of crises and adeptly fulfill the demands of their social context. This is why the pandemic presented both obstacles and opportunity for these companies.

"Although my father was initially unfamiliar with online commerce, the impact of covid-19 has compelled him to embrace new avenues in the business world. I possess expertise in conducting internet business, which I have taught to my cousins. As a result, we not only managed to endure the Covid-19 problem but also witnessed a twofold increase in our sales after the pandemic", say an entrepreneur (Abode).

MSMEs have addressed the challenges by seeking alternative methods of acquiring resources and implementing innovative business models. Entrepreneurs are capitalizing on pandemic-induced opportunities, such as implementing home delivery services in local interior areas and utilizing online communication channels to connect with suppliers and consumers.

Social capital:

Social context within which family relations persists provide ground for continuous communication between entrepreneurs and stakeholders thereby making the venture compelling to stakeholders. "I have established connections with various stakeholders including employees, suppliers, distributors, and wholesalers and often helped them to alleviate their distress" (AMO). Another entrepreneur states, "My father, who is a doctor, has strong and extensive connections within the community. He provided unwavering support to me during the pandemic. With the assistance of my uncle, who is the proprietor of a manufacturing facility in Mumbai, I was able to find local vendors. Several store owners purchased our goods directly, thereby preventing any possible catastrophe" (Furnitech).

Recent research has observed the beneficial influence of family money on the dynamics and resourcefulness of family-owned businesses (Pantano et al. 2020). However, this research also suggest that financial capital requires support of other intangible capitals to generate organizational resilience leading to sustainable ecosystem. As noted, it is not just tangible resources that is sought by entrepreneur, rather gaining intangible resources like networks,

knowledge, values, norms, shared history and symbolic importance, brand image, legacy are resources that boost sustainable ecosystem development in family managed businesses (Carnes & Ireland, 2013).

The entrepreneur asserts, “I experienced sufficient liquidity amidst the Covid-19 pandemic. Nevertheless, the absence of proper guidance and expertise made it useless. In times of crisis, possessing financial resources alone is insufficient; one requires guidance to execute diverse business activities” (Ohio). Another entrepreneur states, “I am highly meticulous when it comes to managing my finances. I do not actively seek financial assistance, but I do require emotional support to overcome difficult situations” (ENaturelife). Entrepreneurs frequently rely on family and relatives as a support system.

An entrepreneur stated that due to the Covid-19 pandemic, they had to downsize their workforce and rely on family members to assist them without compensation (Bhivani).

Studied MSMEs have articulated that a significant proportion of family members have worked in the organization without receiving monetary compensation. An entrepreneur from AMO expressed, “family members (3 people) agreed to forego their salaries until the normal situation prevails, which is close to 5 to 6 lakhs rupees”. According to the ILO. “As per the recent survey of 5000 MSMEs conducted by the All India Manufacturers Organisation, it was found that 71% of MSMEs could not pay salaries to their employees in the month of March.” Entrepreneurs interviewed say the pandemic taught them to use human resources wisely to manage crisis strain. Covid-19 opened many eyes, says an entrepreneur. Our workers originally opposed returning, but now they give full support. They labored overtime to compensate for absentees. Thus, we could optimize workforce operations. This is consistent with the research showing that resilient businesses need qualified, agile, and adaptable workers to manage crisis-related changes 2020 (Salvato et al.)

Entrepreneurs skillfully leverage their relationships to obtain advantages by effectively conveying their stories to different stakeholders and thereby attaining proper resource allocation over time.

Optimism: optimism is all about the positive attitude of an entrepreneur in the midst of all negative situations (Liu, 2020). Collective accomplishing objectives in family MSMEs fosters solidarity and reduces pessimism. Consequently, entrepreneurs seem more positive about managing the Covid-19 pandemic.

Family firms possess unique intangible resource of psychological support system that strengthens the family firm’s ability to face challenges and overcome crisis (Sirmon and Hitt, 2003). The spouse of the entrepreneur expressed that her husband is able to navigate through the current challenging time due to the unwavering emotional support of his friends. The entrepreneur further elaborates,

“I was extremely fearful; the unprecedented nature of the Covid situation has left individuals ill-equipped to handle it. My relatives and friends stood by me, and it has boosted my confidence. I believe I was confident to overcome this challenge only because of them” (Soan).

For others, this crisis has offered opportunities that became a cause of optimism. For example, the entrepreneur states, “Initially, enormous losses have forced me to cease operations. After gaining valuable insight from my distance relative, I initiated online industrial networking and introduced a new entrepreneurial venture” (Adobe). An entrepreneur reiterated, “I was able to

work from home, which has helped me to be optimistic about the future” (AMO). The mosaic of numerous positive emotions helps resilient individuals to bounce back from stressful experiences quickly and efficiently.

In addition to cultural and social capital, symbolic capital also contributes to optimism in family MSMEs. Cognitive legitimacy, a trait act at tacit level, is all about entrepreneurs’ receiving support from stakeholders owing to family legacy, fame and heritage. As an entrepreneur pointed out, “the firm bears not just family name, but the image of the firm affects the family members. It creates certain positive or negative emotions as per company’s image. They can not live indifferent life from the difficulties or gains that the company might face”. A salient feature of the these MSMEs’ resilience is that the firm’s familial capitals generate a strong sense of solidarity among members, a symbolic power that heightens their sense of security, and enables them to confront adversities (Bourdieu, 1986; Sirmon and Hitt, 2003).

Discussion and Conclusion

This study, drawing from Bourdieu’s theory of capital and resilience, examines entrepreneurs’ resilient behaviour during and after Covid-19 and explores that family capital is indispensable in promoting entrepreneurial resilience during a crisis.

Family MSMEs use social, cultural, and symbolic capital like institutional logic or habitus - socially built rules, norms and beliefs constituting field membership, roles and patterns of appropriate conduct—usually transferred through normative and cognitive pathways. (Bourdieu, 1986). The tacit transfer of knowledge is facilitated by the family context, enabling actors to acquire unacknowledged categories and strategic concepts. These acquired skills are then naturally employed in decision-making processes to effectively manage corporate operations. Amidst challenges like as the covid-19 pandemic, the institutional logic along with a strong feeling of familial relationships (referred to as ‘familiness’), offers opportunities to adapt to change and facilitates the production of resources to confront the uncertainty (Sengupta and Jha, 2020; Arregle et al., 2007).

Through analysis of MSMEs in the COVID-19 pandemic, we found that entrepreneurs' response to the pandemic begins with shock, then disillusionment, then adjustment, and finally equilibrium. Family capital helps enterprises comply to social norms and legitimate their Authoritative Controlling of Situations (ACS) and Adaptation to Situation (AS) during crisis management. Family creates an atmosphere for collaborative decision-making and gives emotional support through social relationships, which seems critical for crisis resilience.

In addition to extending and corroborate prior research (Santoro et al., 2021), this study provides a valuable perspective on the challenges faced by family-managed MSMEs. Family-managed MSMEs have many opportunities, but they also face obstacles that, if ignored, may slow their growth. Challenges are: 1) insufficient knowledge in families limiting entrepreneurs' access to resources and creating crisis challenges; 2) inward-looking practices of family-managed MSMEs often fail to analyze external drivers of organizational competitiveness and impede cost-effective adaptation measures; 3) similar reasons result in these entrepreneurs' inability to accumulate formal financial resources; 4) family's close networks limit technical capacity for executing options; ignorance towards available policies and measures; and uncertainty about social acceptance of adapted options.

The study explored the correlations among entrepreneurs' cultural, social, and symbolic capital in relation to resilience. Socio-emotional wealth—skills, education, power, familial influence,

and family lineage—is closely linked to cultural capital, which promotes hardiness, resourcefulness, and optimism. Social capital attracts personnel and financial resources, giving these enterprises a competitive edge. The entrepreneur can use their family name and legacy to build credibility in the context with symbolic capital, boosting stakeholder confidence. The findings confirm resiliency research showing entrepreneurs need certain skills and networks and increase understanding of human-centred soft processes to build crisis resilience (Windle, 2011).

Although entrepreneurial resilience literature is abundant (Ray and Subramanian, 2022; Salvato et al., 2020; Windle, 2011), it focuses on financial resource development and tangible components (Chahal and Sharmm, 2020). We propose that institutional logic, familial milieu, and intangible capitals are equally important for resilience. Extant research recognises the importance of soft elements like people, motivation, communication, coalition building, and training (Barton and Christianson, 2006). However, no empirical research exists to explore how soft elements support resilience (Salvato et al., 2020; Danes et al. 2009).

Exploring entrepreneurs' resilient behavior using family capitals is vital for crisis management. MSMEs have different ecosystems than major companies (Spigel, 2017; Ray and Subramanian, 2022), they managed by families responding organically. For large-scale industries, employing a highly educated and experienced CEO will ensure resilience. For MSMEs, the entrepreneur serves as the primary decision-maker, and their informal working culture allows room for family members to influence the company's operations. This has profound implications for policy development for this industry.

Limitations and Future Research Directions

One limitation of this qualitative study of fifteen MSMEs is the need for quantitative research on a larger range of industries to generalize the findings for policy recommendations. Entrepreneurial resilience is supported by sociocultural variables; however, this study did not consider economic, political, and technical aspects. This study focuses on one region, however comparing regions may reveal how regional characteristics affect the entrepreneurial ecosystem.

Practical Implications

The present study has important implications for research and practice in the areas of both family business and entrepreneurial resiliency. The discourse on sustainable MSMEs development has increasingly emphasised the significance of multidimensional social contextual configurations to explain resilience (Bourdieu 1986). This calls for an action to adopt a social context-oriented approach to MSME crisis management (Korber and McNaughton, 2018). The theoretical framework of this research may help develop social variable, concepts, and assessments. It facilitates MSME resilience measurement employing social indicators.

The study's shedding light on cross-fertilization of two theoretical stream of sociological capital theory and entrepreneurial resilience would largely contribute to policy development for the betterment of family managed MSMEs'. By examining this correlation between family and firm, policymakers are empowered to enact interventionist measures specifically tailored for the MSME industry. Therefore, the study suggests that MSME support policies must go beyond their current emphasis on monetary assistance. There is a need to develop policies that gear up education and training toward fostering contextually relevant entrepreneurial skills and

the development of business plans and strategies that depend on entrepreneurs' social environments, including culture, values, norm, and practices. The content analysis has revealed the recurring words associated with the necessity for training and the endeavor to build skills. Family enterprises typically acquire cultural capital through training and skill development provided by their family members, a fact they openly emphasize. Furthermore, they also express apprehension regarding the lack of any structured training and skill enhancement platforms for family enterprises. A study of the impact of social solidarity on entrepreneurial resilience could complement the analysis of formal associations and trade groups. It is necessary to acknowledge the sociocultural boundaries of MSME entrepreneur in addition to their geographical boundaries.

A distinctive contribution of this research lies in its illustration of the innate agency possessed by family managed MSMEs, which is exemplified by their ability to exhibit resilience mechanisms. Family-MSMEs contribute significantly to the national economy, and as they are deeply ingrained in local communities, they support local development. Consequently, this research holds significant practical implications for comprehending the entrepreneurial ecosystem of family-MSMEs in order to improve their crisis resilience.

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