

MSME Resilience Framework



Connectivity

- The degrees and ways in which an enterprise engages with other actors that provide support or information to the enterprise.
- Can facilitate access to alternative suppliers or customers, credit, government support or information on topics such as customer demand and the trade environment.



Cooperation

- The ways in which an enterprise collaborates with other market actors to achieve a mutually beneficial aim.
- The willingness and ability for an enterprise to collaborate with other actors in normal circumstances—such as through collective purchasing agreements, participation in an industry group, shared transport or distribution, or participation in group policy advocacy—can support an enterprise's ability to respond to shocks when they occur.



Business Strategy

- The plans and tactics an enterprise applies to achieve its objectives. May orient a business to apply adaptive or absorptive measures in the face of a shock, while others can lead to negative coping mechanisms.
- Includes *crisis management* sub-domain, which considers operational resilience strategies (adaptations to continue operating during a shock), as well as commercial resilience strategies (adaptations to respond to changing market or consumer pressures).



Evidence-Based Decision Making

- The practice of an enterprise seeking and utilizing fact-based information to solve problems or make decisions (rather than relying on informal sources of information or not using information to make decisions).
- Enterprises that learn from the experiences of other market actors and from their own business experience are equipped to take preventative measures and adapt their business activities to mitigate the impacts of shocks for their own business and for their customers, and to recover from shocks more quickly.



Entrepreneurial Orientation

- An enterprise's characteristics and actions that are, by nature, entrepreneurial. Includes three critical elements: innovation, risk-taking, and proactiveness.
- An enterprise that has more entrepreneurial characteristics and behaviors is better positioned to develop and implement adaptive and transformative strategies in response to a shock, and are also more likely to plan shock mitigation responses before the need occurs.