

The Resilience of Islamic SMEs in Facing Economic Crises

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ABSTRACT

Micro, Small, and Medium Enterprises (SMEs) play a strategic role in supporting economic growth, employment creation, income generation, and local economic development. However, SMEs are also among the business groups most vulnerable to economic crises due to limited access to capital, managerial capacity, technology, markets, and financial resources. In the context of Islamic economics, the resilience of SMEs cannot be measured solely by their ability to survive financially, but must also consider their adherence to Islamic principles, including halal, justice, trustworthiness (*amanah*), honesty (*sidq*), social responsibility, and *maslahah*. This study aims to examine the concept of Islamic SME resilience in facing economic crises and to identify strategies that can strengthen the ability of SMEs to survive, adapt, recover, and transform after a crisis. This research employs a literature review method using a qualitative and descriptive-analytical approach. The sources consist of scientific journal articles, academic books, research reports, and other relevant literature concerning SMEs, business resilience, economic crises, Islamic economics, Islamic financing, digitalization, and *maqashid al-shariah*. The literature was analyzed through identification, classification, comparison, interpretation, and synthesis. The findings indicate that Islamic SME resilience is strengthened through financial resilience, business adaptation, product and market diversification, digitalization, innovation, access to Islamic financing, human resource development, business networks, and adherence to Islamic principles. Ultimately, resilience should not only ensure business continuity but also contribute to *maslahah* for business owners, employees, consumers, and society.

Keywords: Islamic SMEs, Business Resilience, Economic Crisis, Islamic Economics, Islamic Financing, *Maslahah*, *Maqashid al-Shariah*

INTRODUCTION

Micro, Small, and Medium Enterprises (SMEs) constitute one of the fundamental pillars of economic development. Their contribution extends beyond the production of goods and services to include employment creation, household income generation, entrepreneurship development, and the distribution of economic activities across different regions. Because SMEs are generally closely connected to local communities and consumer needs, they play an important role in maintaining economic activity, particularly during periods of economic uncertainty and crisis. Despite their strategic importance, SMEs are simultaneously among the business sectors that are most vulnerable to economic shocks. Their relatively small scale often results in limited access to capital, technology, skilled human resources, market information, managerial capabilities, and business networks (El Junusi & Mubarok, 2020). Many SMEs also depend heavily on their owners, who are responsible for making major decisions related to production, marketing, finance, procurement, and customer relationships. Consequently, disruptions in one area of the business can quickly affect other aspects of business operations. Economic crises can emerge in various forms, including recessions, inflation, financial instability, increases in raw material prices, supply chain disruptions, changes in government policies, pandemics, and natural disasters. Although these crises differ in their causes and characteristics, they generally create uncertainty and place pressure on businesses to maintain a balance between revenues and expenditures. For SMEs, the impact can be particularly severe

because they often have limited financial reserves and a relatively low capacity to absorb unexpected losses.

The effects of an economic crisis are not limited to the demand side. SMEs may simultaneously experience disruptions in supply, financing, labor availability, distribution, and marketing. For example, when raw material prices increase while consumer purchasing power declines, SMEs may face a difficult choice between maintaining prices, reducing profit margins, or increasing prices at the risk of losing customers. Such conditions demonstrate that the ability to make rapid and appropriate decisions is a crucial component of business resilience. Therefore, the ability of SMEs to survive an economic crisis cannot be adequately explained solely through financial performance. A business may demonstrate strong financial performance before a crisis but still experience significant difficulties when confronted with severe environmental changes (Fitri et al., 2026). Conversely, an SME with limited resources may demonstrate greater resilience when it possesses flexibility, strong social networks, innovation capabilities, and organizational learning capacity. This suggests that resilience is a broader concept than simply maintaining profitability. Business resilience generally refers to an organization's ability to anticipate disruptions, withstand pressure, maintain essential functions, adapt to changing circumstances, recover from disturbances, and develop new capabilities. Resilience therefore has a dynamic and multidimensional nature. Before a crisis, businesses require the capacity to anticipate risks. During a crisis, they need the ability to cope with pressure and maintain critical operations. After the crisis, they must recover while learning from the experience and developing stronger capabilities to deal with future disruptions.

In this context, SME resilience can be understood through at least four interconnected capabilities: anticipation, coping, adaptation, and recovery or transformation. This framework is important because the success of SMEs should not be assessed merely by whether they remain operational during a crisis, but also by whether they are able to strengthen their organizational capabilities after the crisis. The characteristics of SMEs make this process highly dependent on the quality of decision-making by business owners or managers. SME owners are frequently directly involved in purchasing raw materials, production, marketing, customer service, and financial management. This condition can become a weakness when managerial capabilities are limited, but it can also become an advantage because it enables faster decision-making. Entrepreneurial competence, experience, creativity, risk awareness, and the ability to recognize market changes are therefore important components of SME resilience. In addition to internal capabilities, SME resilience is strongly influenced by the external business environment. Access to financing, market information, technology, government policies, supplier networks, business communities, and institutional support can strengthen the ability of SMEs to withstand crises. Resilience should therefore not be viewed solely as an individual characteristic of a business, but as the result of interaction between internal capabilities and the broader economic ecosystem. The development of the digital economy has created new opportunities to strengthen SME resilience. Digital technologies allow businesses to reduce their dependence on conventional sales channels through the use of e-commerce platforms, marketplaces, social media, digital payment systems, and online communication tools. Digitalization can also support transaction recording, customer relationship management, promotion, market analysis, and communication with suppliers (Adlina et al., 2023).

However, digitalization can also generate new forms of vulnerability. Competition becomes more intense, consumers have more choices, and business reputation can change rapidly. SMEs may also face challenges related to limited digital literacy, cybersecurity, technology costs, and the ability to integrate technology into their business strategies. Therefore, digitalization should not be regarded as an end in itself, but as a strategic instrument that must be integrated with managerial capabilities and business objectives. For

Islamic SMEs, the issue of resilience becomes more complex because business continuity must operate within the framework of Islamic principles (Ismail, 2025). Islam views business activities as part of muamalah, which cannot be separated from ethical and moral considerations. Profit is permitted, but the process of generating profit must comply with principles such as halal, justice, honesty, trustworthiness, transparency, and social responsibility. These principles are particularly relevant during economic crises. Economic pressure may encourage business owners to adopt short-term strategies merely to preserve their businesses. Under severe conditions, some businesses may be tempted to reduce product quality, provide misleading information, exploit employees, engage in unfair pricing, or use financing mechanisms that do not comply with Islamic principles. From an Islamic perspective, surviving through such practices cannot be considered an ideal form of resilience. Resilience should preserve both business continuity and moral integrity. In other words, Islamic SMEs need to develop the capacity to survive and adapt without compromising Islamic values.

The principle of amanah, or trustworthiness, is one of the fundamental foundations of Islamic business resilience. It implies that the management of business resources, capital, products, information, and stakeholder relationships represents a responsibility that must be fulfilled properly. In relationships with consumers, amanah is reflected in honest product information and the fulfillment of quality standards. In relationships with employees, it involves respecting rights and providing fair treatment. In relationships with suppliers and business partners, it involves honoring agreements and fulfilling contractual obligations. The principle of sidq, or truthfulness, is also important in building resilience. During periods of economic uncertainty, trust becomes an increasingly valuable business asset. Islamic SMEs that maintain honesty in communication, promotion, pricing, product quality, and transactions are more likely to develop sustainable relationships with customers and business partners. The principle of 'adl, or justice, provides another important dimension. Economic crises frequently create unequal bargaining positions among stakeholders. Businesses may attempt to shift the burden of the crisis onto employees, suppliers, or consumers. From an Islamic perspective, crisis management should consider the interests of all parties and avoid exploitative practices. Furthermore, the concept of maslahah, or public benefit, provides a broader orientation for understanding resilience. Islamic SMEs are not expected merely to preserve their own existence but also to generate benefits for business owners, employees, consumers, communities, and the environment. Thus, business resilience is closely connected with the sustainability of benefits generated by economic activities (Batubara et al., 2026).

The framework of maqashid al-shariah can further strengthen this perspective. The preservation of wealth (hifz al-mal) is relevant to capital management, financial sustainability, asset protection, and risk management. The preservation of life (hifz al-nafs) relates to occupational safety, product safety, and consumer protection. The preservation of intellect (hifz al-'aql) is associated with education, knowledge development, and human resource capacity. The preservation of progeny (hifz al-nasl) relates to family welfare and intergenerational sustainability, while the preservation of religion (hifz al-din) provides the foundation for ensuring that business activities remain within Islamic boundaries. Accordingly, maqashid al-shariah enables resilience to be understood not merely as the preservation of financial performance but as the protection of various forms of human and social welfare associated with business activities. Financing represents another critical dimension of SME resilience (Salma et al., 2023). Limited working capital can weaken the ability of SMEs to maintain operations during periods of declining revenue. From an Islamic perspective, access to financing should be directed toward instruments that comply with Sharia principles. Mudharabah, musyarakah, murabahah, and qard hasan have different characteristics and may contribute to the development of an Islamic financing ecosystem according to the needs and structures of individual businesses. Nevertheless, access to

financing alone does not guarantee resilience. SME owners also require financial literacy to manage funds, understand risks, determine capital requirements, and avoid financing decisions that may increase financial pressure. Financial resilience should therefore be understood as a combination of access to funding and the ability to manage financial resources responsibly.

Previous studies on SME resilience have examined innovation, adaptive capabilities, digital transformation, financial access, social capital, business networks, and government support. Meanwhile, studies of SMEs from an Islamic economic perspective have focused on Islamic financing, Islamic business ethics, halal business practices, economic empowerment, and *maqashid al-shariah*. However, there remains an opportunity to integrate these perspectives into a comprehensive conceptual framework explaining how Islamic SMEs can develop resilience while maintaining their adherence to Islamic values. This conceptual gap is important because Islamic SME resilience cannot simply be constructed by adopting conventional business resilience strategies without modification. Such strategies need to be selected, adapted, and guided by Islamic principles. Digitalization, for example, can improve efficiency and market access, but it must be accompanied by honesty in digital marketing and consumer protection. Diversification can reduce business risks, but products and sources of revenue must remain halal. Financing can strengthen working capital, but the underlying contracts and transactions must comply with Islamic principles. Based on these considerations, this study conceptualizes Islamic SME resilience as a multidimensional capability encompassing financial resilience, operational flexibility, innovation, digitalization, diversification, social capital, access to Islamic financing, and adherence to Islamic principles. These capabilities are directed toward business continuity, sustainable development, and the achievement of *maslahah*. This study aims to analyze the concept of Islamic SME resilience in facing economic crises, identify the factors influencing resilience, and formulate strategies for strengthening resilience from an Islamic economic perspective. Conceptually, the study contributes to the development of Islamic business management literature by emphasizing that successful crisis management is determined not only by financial survival but also by the ability to adapt ethically, maintain stakeholder trust, and generate sustainable *maslahah*.

METHOD

This study employs a literature review method using a qualitative and descriptive-analytical approach. The method was selected because the research focuses on a conceptual analysis of existing literature concerning SME resilience, economic crises, business adaptation strategies, and Islamic economic principles. The sources consist of scientific journal articles, academic books, previous research findings, and other relevant literature concerning SMEs, business resilience, economic crises, adaptation strategies, innovation, SME digitalization, Islamic financing, Islamic business ethics, *maqashid al-shariah*, and *maslahah*. The literature was analyzed through several stages (Assyakurrohim et al., 2022; Connaway & Radford, 2021). First, the researchers identified the major concepts related to SMEs and business resilience. Second, the literature was classified according to major themes, including SME vulnerability to crises, adaptive capabilities, financial management, digitalization, innovation, access to financing, business networks, and Islamic principles. The next stage involved comparing different arguments and findings to identify relationships between SME resilience factors and Islamic economic principles. Particular attention was given to the application of *amanah*, *‘adl*, *sidq*, *tawakkul*, *maslahah*, and *maqashid al-shariah* in crisis-management strategies. The findings were subsequently interpreted and synthesized to develop a conceptual understanding of Islamic SME resilience. The synthesis focused on the relationship between crisis pressures, internal SME capabilities, adaptive capacity, external support, Sharia compliance, and the achievement of *maslahah*. This study is a conceptual literature

review and does not employ surveys, interviews, field observations, PRISMA, systematic literature review procedures, or bibliometric analysis.

RESULTS AND DISCUSSION

RESULTS

The literature indicates that SME resilience represents a multidimensional capability to maintain essential business functions, cope with pressure, adapt strategies, recover operations, and transform the business after experiencing disruption. Therefore, resilience should not be equated merely with the ability to remain operational. There is an important distinction between survival and resilience. Survival refers to the ability of a business to remain in existence under particular circumstances, whereas resilience encompasses the capacity to respond to disruption and rebuild organizational capabilities. A resilient SME does not merely maintain its operations but also learns from the causes and consequences of a crisis and develops new capabilities. Resilience can be understood through four interconnected processes. The first is anticipation, which refers to the ability to identify potential risks before they materialize. The second is coping, referring to the ability to manage pressure when disruption occurs. The third is adaptation, referring to the ability to modify operational processes and business strategies. The fourth is recovery and transformation, which involves restoring business activities while simultaneously developing stronger capabilities for the future. This framework indicates that crises can function not only as threats but also as mechanisms for organizational learning. SMEs that experience severe disruption may develop new capabilities when they possess adequate reflection, learning, and innovation capacity (Salma et al., 2023).

The literature reveals several characteristics that contribute to SME vulnerability. Limited working capital reduces the ability of firms to absorb declining revenues and unexpected costs. Heavy dependence on business owners can also create risks when strategic decisions depend primarily on individual experience and knowledge. Limited access to information and technology may slow responses to market changes. Similarly, dependence on a small number of suppliers can increase operational risks when raw material prices rise or supply chains are disrupted. These vulnerabilities demonstrate the importance of diversification and flexibility in strengthening resilience. The greater the diversity of revenue sources, suppliers, marketing channels, and technological capabilities, the greater the opportunity for SMEs to adjust when disruptions occur. SME resilience is strongly influenced by internal capabilities, including financial management, human resources, leadership, innovation, technological competence, and decision-making capabilities. Financial management is one of the most important foundations. SMEs with proper financial records are better able to monitor cash flows, identify unnecessary expenditures, and determine capital requirements. Conversely, mixing personal and business finances can make it difficult for owners to assess the actual financial condition of the enterprise. Innovation capability is also crucial. Economic crises can alter consumer preferences, meaning that products that previously generated strong demand may no longer be relevant. SMEs therefore need to innovate in terms of products, packaging, pricing, distribution channels, and service models. Leadership is equally important because SMEs generally have relatively simple organizational structures. Business owners must be able to make decisions under uncertainty while maintaining relationships with customers, employees, suppliers, and other stakeholders (Puspitasari et al., 2023).

The literature indicates that adaptive capability is one of the defining characteristics of resilient SMEs. Adaptation may involve modifying products, prices, distribution channels, marketing strategies, or methods of customer engagement. Diversification also functions as a risk-reduction mechanism. SMEs that depend heavily on a single product or market segment are more vulnerable to changes in demand. Diversification provides alternative sources of

revenue and reduces excessive dependence on one business activity. However, diversification in Islamic SMEs cannot be implemented without boundaries. New products, suppliers, markets, and sources of revenue must comply with halal requirements and avoid prohibited transactions. Thus, Islamic principles function both as ethical boundaries and strategic guidelines for business adaptation. Digitalization provides significant opportunities to strengthen SME resilience by expanding markets and improving operational efficiency. SMEs can use social media for communication and promotion, e-commerce platforms for sales, and digital payment systems to facilitate transactions. Digital technology can also support customer relationship management and provide information about consumer behavior. Transaction data can be used to support more informed business decisions. Nevertheless, digital capability should be understood as an organizational capability rather than merely the adoption of technology. SMEs need the ability to select appropriate technologies, integrate them into business processes, and use them productively. From an Islamic perspective, digital business activities must also comply with ethical principles. Online promotions should provide accurate information, avoid manipulation, and protect consumers from misleading claims. Consumer data should also be managed responsibly as part of the principle of amanah (Trinanda et al., 2025).

Financial resilience is a central dimension of SME resilience. Economic crises may reduce revenue while operational expenses continue, making working capital particularly important. From an Islamic economic perspective, several financing instruments can contribute to the resilience of SMEs. Mudharabah and musyarakah may provide partnership-based financing structures based on profit and risk sharing according to the terms of the contracts. Murabahah may be applied to certain financing needs through a sale-based structure. Meanwhile, qard hasan has a social dimension and may provide assistance to businesses that require financial support without a profit motive for the lender. However, financing must be accompanied by adequate financial management. Additional capital without proper planning may increase financial risks. Islamic financial literacy is therefore an important component of resilience. SME resilience is also influenced by social capital. Strong relationships with customers, suppliers, communities, financial institutions, government agencies, and other business actors can provide access to information, resources, markets, and support. From an Islamic perspective, these relationships can be associated with the principle of ta'awun, or mutual assistance (Kasim et al., 2024).

SMEs can establish cooperatives, business communities, joint distribution networks, collective marketing activities, or supplier partnerships. Business networks can also reduce dependence on a single stakeholder. When one supplier experiences disruption, for example, a broader network can provide alternative sources. Similarly, collaboration among SMEs can generate efficiencies through joint promotion, distribution, or collective purchasing. The literature suggests that Islamic values do not merely function as normative restrictions but can also guide business behavior during crises. Amanah encourages responsible resource management. Sidq ensures that information provided to consumers and business partners remains truthful. 'Adl promotes fairness in the distribution of benefits and burdens. Ihsan encourages businesses to improve product quality and service. Meanwhile, maslahah provides a broader orientation toward generating benefits for stakeholders and society. Therefore, Islamic values can shape the quality of resilience. Two SMEs may both survive financially, but the SME that maintains honesty, fairness, transparency, and social responsibility demonstrates a form of resilience that is more consistent with Islamic economic principles (Islam et al., 2024).

DISCUSSION

Islamic SME resilience needs to be distinguished from mere business survival. While business continuity is an important indicator, Islamic economics requires consideration of how that continuity is achieved and what consequences it produces. Two dimensions can therefore be distinguished: resilience of the business and resilience with integrity. The first emphasizes the firm's ability to preserve economic functions, while the second emphasizes the ability to maintain economic functions while preserving ethical and Islamic values. This distinction is important because economic crises can create tensions between short-term survival and long-term principles. SMEs may face pressure to reduce product quality, engage in misleading promotion, exploit employees, or use inappropriate financing mechanisms. Within an Islamic resilience framework, such strategies must be evaluated not only according to short-term profitability but also according to halal requirements, justice, risk, and *maslahah*. An economic crisis represents a disruption to the existing equilibrium of a business. However, it can also provide an opportunity to evaluate and redesign business models (Mahadi et al., 2024). When traditional strategies become ineffective, SMEs are encouraged to identify new ways of creating and delivering value. Resilience is therefore not merely defensive but also transformational. Defensive strategies seek to maintain business continuity through cost reduction, risk control, and cash-flow management. Transformational strategies focus on developing new capabilities through product innovation, digitalization, market diversification, new distribution channels, and stronger networks. Islamic SMEs need to combine these two approaches. Cost control is necessary to preserve financial stability, but innovation is required to prevent the business from becoming trapped in an increasingly irrelevant business model. From an Islamic perspective, transformation can be guided by the principle of *maslahah*. Changes should not be undertaken merely to maximize short-term growth but to ensure that the business continues to generate benefits while avoiding harm.

Financial resilience is one of the fundamental foundations of business resilience. SMEs with healthy cash flows have greater flexibility to withstand declining revenues and increasing costs. From the perspective of *maqashid al-shariah*, this dimension is closely related to *hifz al-mal*, or the preservation of wealth. The preservation of wealth involves not only maintaining financial assets but also managing them responsibly, avoiding waste, protecting property rights, and preventing harmful transactions. Consequently, financial management in Islamic SMEs should emphasize prudence and sustainability. Financial records, cost control, inventory management, and cash-flow planning are not merely technical management practices but also forms of responsibility in managing entrusted resources. Financial resilience should also not be equated with accumulating as much capital as possible. Excessive capital without proper management can become inefficient, whereas well-managed capital can strengthen business sustainability. Adaptation is essential when markets and economic conditions change. However, adaptation should not be understood as unrestricted change. In Islamic SMEs, adaptation must remain consistent with the objectives and values of Islamic economics. The principle of *maslahah* can serve as a framework for evaluating whether an adaptation generates genuine benefits. Product innovation, for example, should provide value to consumers while maintaining halal and *tayyib* standards. Price adjustments should reflect costs and market conditions without exploiting consumers. Promotional strategies should remain persuasive but truthful. Thus, *maslahah* can function as a criterion for evaluating innovation and adaptation. A strategy should not be considered successful merely because it increases sales; it should also create benefits while avoiding harm (Suleman et al., 2025).

Digitalization has significant potential to strengthen SME resilience because it reduces dependence on conventional business channels. SMEs can interact with customers without relying exclusively on physical locations. However, the benefits of digitalization depend on organizational capabilities. Technology only generates sustainable value when business owners possess the ability to use it effectively. Digital transformation therefore requires the

integration of technology, human capabilities, and business-process changes. From an Islamic perspective, digitalization must also be accompanied by ethical governance. Truthful product descriptions, transparent pricing, responsible customer communication, consumer data protection, and fulfillment of delivery commitments are manifestations of amanah in the digital environment. Consequently, digital resilience among Islamic SMEs should not simply refer to the ability to sell through digital platforms. It should refer to the ability to use technology to expand market access and improve efficiency while preserving Islamic ethical standards. Financing is directly related to the ability of SMEs to withstand economic crises. When cash flows are disrupted, businesses may require additional funds to maintain operations (Shaukat et al., 2024). However, financing that exceeds the business's repayment or operational capacity can increase financial pressure. Islamic finance emphasizes contractual clarity, fairness, risk awareness, and the avoidance of prohibited elements. This perspective suggests that financing should be selected according to the actual needs and capacity of the business. Musyarakah and mudharabah can theoretically provide opportunities for risk and profit sharing, while murabahah may be appropriate for specific transaction-based financing needs. Qard hasan has potential as a social financing instrument for businesses requiring temporary support. Nevertheless, these instruments require a supportive ecosystem. Islamic financial institutions, government agencies, zakat institutions, business communities, and social organizations can contribute to the development of financing mechanisms and capacity-building programs for SMEs.

Trust is an important intangible asset for SMEs. During periods of economic uncertainty, consumers often become more cautious in making purchasing decisions. They need assurance regarding product quality, pricing, safety, and the accuracy of information. The principles of amanah and sidq can strengthen this trust. SMEs that consistently fulfill their promises and provide accurate information are more likely to establish long-term customer relationships. Trust also plays a significant role in interorganizational relationships. Suppliers who trust an SME may provide greater flexibility in transactions, while trusted business partners may be more willing to engage in collaborative arrangements. Thus, amanah should not be understood merely as an individual moral value. It can also function as relational capital that strengthens organizational resilience. An important issue during economic crises concerns how economic burdens are distributed among stakeholders. When costs increase, businesses may respond by raising prices, reducing employee compensation, delaying payments to suppliers, or lowering product quality. From the perspective of 'adl, such decisions should consider the interests and rights of all stakeholders. Justice does not necessarily mean that all parties receive identical outcomes; rather, it means that each party is treated fairly according to their rights, responsibilities, and circumstances. Islamic SMEs should therefore develop crisis-management policies that balance business survival with stakeholder protection. Cost-reduction strategies should not automatically transfer the greatest burden to parties with the weakest bargaining power (Aassouli & Ahmed, 2023).

SME resilience cannot be separated from the broader economic ecosystem. During crises, relationships within business communities can provide access to information, markets, raw materials, financing, and knowledge. The principle of ta'awun provides an Islamic foundation for developing such collaborative relationships. SMEs can establish business cooperatives, shared distribution systems, collective marketing programs, joint procurement arrangements, or community-based financing initiatives. Such approaches can reduce the individual burden of crisis management. When multiple businesses experience similar challenges, collaboration can generate efficiencies and resources that would be difficult to obtain individually. Therefore, Islamic SME resilience can be strengthened through an ecosystem involving Islamic financial institutions, government agencies, business communities, social organizations, corporations, and SME associations. Maqashid al-shariah provides a useful framework for evaluating whether resilience strategies are consistent with

the objectives of Islamic economics. Hifz al-mal concerns the protection of wealth and financial sustainability. Hifz al-nafs relates to human safety, employee welfare, and consumer protection. Hifz al-'aql is associated with education, literacy, and competency development. Hifz al-nasl relates to family welfare and intergenerational sustainability, while hifz al-din provides the foundation for ensuring that economic activities remain consistent with Islamic values. This framework enables resilience to be assessed more comprehensively. An SME that survives economically by exploiting employees, deceiving consumers, or engaging in prohibited transactions may achieve short-term financial survival but does not necessarily demonstrate resilience from the perspective of maqashid al-shariah. Accordingly, maqashid al-shariah can serve as a bridge between business strategy and the normative objectives of Islamic economics (Nurunnabi, 2020).

The findings have implications for SME owners, Islamic financial institutions, government agencies, and policymakers. For SME owners, resilience-building should begin with strengthening internal capabilities. Financial recordkeeping, cash-flow management, diversification, innovation, and digital literacy should become integral components of business management. For Islamic financial institutions, there is a need to develop financing products that better reflect the characteristics and challenges of SMEs, including greater flexibility during economic crises. Financing should also be accompanied by business mentoring to ensure productive use of funds. For governments and policymakers, SME resilience requires a supportive ecosystem. Policies should not focus solely on emergency assistance during crises but should also strengthen pre-crisis capabilities through financial literacy, digitalization, market access, halal certification, entrepreneurship training, and business networking. For Islamic business management research, the concept of resilience provides an opportunity to expand conventional measures of SME success. Business performance should not be evaluated only through revenue and profit but also through adherence to Islamic principles, stakeholder trust, social responsibility, and the creation of sustainable *maslahah*. Therefore, Islamic SME resilience represents a strategic approach that integrates business survival, adaptive capacity, Islamic business ethics, and sustainability (Ali et al., 2026).

CONCLUSION

This literature review demonstrates that SME resilience in facing economic crises is a multidimensional capability encompassing survival, adaptation, recovery, and transformation. Resilience is influenced not only by financial conditions but also by managerial capabilities, innovation, digitalization, diversification, human resources, business networks, and external institutional support. From the perspective of Islamic economics, SME resilience contains an additional dimension involving adherence to halal principles, *amanah*, honesty, justice, responsibility, and *maslahah*. The ability to survive an economic crisis should not be achieved through business practices that violate Islamic principles. Therefore, resilience should be developed through strategies that preserve both business continuity and ethical integrity. The literature synthesis indicates that the main strategies for strengthening Islamic SME resilience include improving financial resilience, diversifying products and markets, strengthening innovation and digitalization, increasing access to Islamic financing, developing human resources, building business networks, and applying the principles of *amanah*, *sidq*, and *'adl* in stakeholder relationships. Islamic financing can serve as an instrument for strengthening financial resilience, while digitalization can enhance business flexibility and market access. At the same time, social capital and networks based on *ta'awun* can strengthen SME access to information, resources, markets, and support during periods of crisis. Therefore, Islamic SME resilience should not be understood merely as the ability to survive but also as the ability to adapt and transform in ways that are halal, fair, ethical, and socially responsible. Within the framework of maqashid al-shariah, resilience ultimately aims to protect wealth, human welfare, business continuity, and broader social *maslahah*.

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