

SOCIAL CAPITAL, DIGITAL LITERACY, AND COMMUNITY BUSINESS RESILIENCE

Arif Budi Raharja, Farida Yulianty

Affiliation(s): Universitas Mathla'ul Anwar, Banten; Universitas Sangga Buana YPKP

Corresponding email(s): budiraharja1970@gmail.com; Fys@usbykp.ac.id

Abstract

Background: Digital tools provide access to information and markets, but resilient use relies on trusted relationships, collective learning, reciprocal support, and the ability to evaluate online risks. **Aim:** The present study explains how the relationship between the focal practices and community business resilience operates in community businesses and local enterprise networks responding to market shocks and digital transition. **Method:** A conceptual narrative synthesis draws on selected scholarly and institutional publications. The discussion is organized around mechanisms, boundary conditions, and practical implications. **Results:** The synthesis identifies six linked mechanisms: bonding and bridging social capital, digital information evaluation, peer learning, collective access to markets and finance, cyber-risk awareness, network adaptation during shocks. The literature examination indicates that outcomes depend less on nominal adoption than on application quality, governance, learning, and fit with local capacity. **Conclusion:** Decision makers should define the expected outcome, assign responsibility, establish a small set of auditable indicators, and revise the intervention when available findings contradicts its assumptions. **Contribution:** The investigation provides a conditional framework without claiming primary data that were not collected.

Keywords: social capital; digital literacy; community business; resilience; peer learning; local enterprise

Introduction

Digital tools provide access to information and markets, but resilient use relies on trusted relationships, collective learning, reciprocal support, and the ability to evaluate online risks. This issue is particularly important for community businesses and local enterprise networks responding to market shocks and digital transition. The central managerial question is not whether the focal practice is fashionable or technically available, but whether it changes information, incentives, coordination, and action in ways that improve community business resilience.

The investigation asks three questions. First, which mechanisms plausibly connect the focal practice with community business resilience? Second, which organizational and institutional conditions strengthen or weaken those mechanisms? Third, which application and measurement choices allow accountable managers to distinguish genuine capability from surface-level adoption?

Literature Review

Research relevant to social capital, digital literacy, and community business resilience crosses strategy, organization, technology, finance, and public-policy perspectives. Vial (2019) describes digital transformation as a process that changes value creation and organizational arrangements, while Teece (2007) emphasizes the capacity to sense change, seize opportunities, and reconfigure resources. Read together, these perspectives shift attention from possession of an input to the capability to use it reliably.

An input may be a platform, infrastructure asset, financial instrument, reporting rule, training program, or relationship. A capability is the repeated ability to combine that input with judgment and coordinated action. In community businesses and local enterprise networks responding to market shocks and digital transition, the distinction is decisive because adoption is observable immediately, while community business resilience often emerges later and may be influenced by several conditions at once.

For community businesses and local enterprise networks responding to market shocks and digital transition, efficiency and resilience create a specific tension. Bonding and bridging social capital may reduce routine friction, yet digital information evaluation determines whether that improvement survives disruption. An intervention that raises average speed while concentrating dependence on one system, person, supplier, or channel can weaken community business resilience. The literature must therefore be read against both normal operations and periods of stress.

Information credibility is especially relevant to peer learning and collective access to markets and finance. Participants will not alter behavior merely because information is available; they assess its timeliness, intelligibility, source, and practical relevance. In the present setting, trust is produced through consistent execution and fair exception handling. This helps explain why nominal adoption can coexist with weak community business resilience.

The resulting model places bonding and bridging social capital, peer learning, and cyber-risk awareness on the governance side, while digital information evaluation, collective access to markets and finance, and network adaptation during shocks describe execution and learning. Their interaction is expected to shape community business resilience; no single mechanism is assumed to have the same effect across every organization, region, or user group.

Research Method

This article uses a purposive conceptual narrative synthesis of the selected publications cited in the references. It develops relationships through analytical interpretation rather than an exhaustive database search or pooled statistical estimation. No systematic screening count, interview sample, administrative dataset, or newly observed causal effect is reported. The framework and proposed indicators are intended for subsequent testing in the specified setting.

The analysis separates the focal outcome, the mechanisms that may connect actions to that outcome, the conditions that could weaken those mechanisms, and the observations needed to test the resulting propositions. These categories organize the discussion; they are not a report of independently validated coding or a quantitative evidence synthesis. Illustrative decision rules and measurement proposals should therefore be read as conceptual contributions.

Analytical theme	Central question	Operational evidence
Bonding and bridging social capital	How does bonding and bridging social capital influence community business resilience?	Ownership, routine, exception records, user behavior, and outcome indicators related to bonding and bridging social capital.

Analytical theme	Central question	Operational evidence
Digital information evaluation	How does digital information evaluation influence community business resilience?	Ownership, routine, exception records, user behavior, and outcome indicators related to digital information evaluation.
Peer learning	How does peer learning influence community business resilience?	Ownership, routine, exception records, user behavior, and outcome indicators related to peer learning.
Collective access to markets and finance	How does collective access to markets and finance influence community business resilience?	Ownership, routine, exception records, user behavior, and outcome indicators related to collective access to markets and finance.
Cyber-risk awareness	How does cyber-risk awareness influence community business resilience?	Ownership, routine, exception records, user behavior, and outcome indicators related to cyber-risk awareness.
Network adaptation during shocks	How does network adaptation during shocks influence community business resilience?	Ownership, routine, exception records, user behavior, and outcome indicators related to network adaptation during shocks.

The principal limitation is that the investigation need not use original interviews, surveys, experiments, or administrative microdata. Its results are therefore propositions supported by synthesis instead of merely estimates of effect size. The named authors should verify the interpretation, references, affiliations, and practical relevance before submission.

Results and Discussion

Bonding and bridging social capital

For the focal enterprises, bonding and bridging social capital becomes material when it alters who receives information, who acts, and how quickly an exception is resolved. Its effect is conditional on skills, authority, incentives, and the credibility of the supporting information. Digital tools provide access to information and markets, but resilient use relies on trusted relationships, collective learning, reciprocal support, and the ability to evaluate online risks. For this topic, bonding and bridging social capital needs to be examined together with digital information evaluation, because both shape community business resilience in community businesses and local enterprise networks responding to market shocks and digital transition. A bounded pilot, named owner, documented exception log, and explicit review threshold provide a defensible application path.

A useful test of bonding and bridging social capital is whether participants can apply it consistently when operating conditions depart from plan. Variation in size, governance, infrastructure, and exposure means that identical adoption levels need not produce identical results. Digital tools provide access to information and markets, but resilient use relies on trusted relationships, collective learning, reciprocal support, and the ability to evaluate online risks. For this topic, bonding and bridging social capital needs to be examined together with peer learning, because both shape community business resilience in community businesses and local enterprise networks responding to market shocks and digital transition. This interpretation favors transparent learning over a one-time declaration

that the initiative has succeeded.

Analysis of bonding and bridging social capital begins with a practical distinction between formal availability and dependable use in everyday work. The mechanism can fail when ownership is diffuse, feedback is delayed, or users cannot challenge an implausible output. Digital tools provide access to information and markets, but resilient use relies on trusted relationships, collective learning, reciprocal support, and the ability to evaluate online risks. For this topic, bonding and bridging social capital needs to be examined together with collective access to markets and finance, because both shape community business resilience in community businesses and local enterprise networks responding to market shocks and digital transition. A bounded pilot, named owner, documented exception log, and explicit review threshold provide a defensible application path.

Digital information evaluation

A useful test of digital information evaluation is whether participants can apply it consistently when operating conditions depart from plan. Local constraints shape both the feasible design and the pace at which the practice may legitimately be expanded. Digital tools provide access to information and markets, but resilient use relies on trusted relationships, collective learning, reciprocal support, and the ability to evaluate online risks. For this topic, digital information evaluation needs to be examined together with peer learning, because both shape community business resilience in community businesses and local enterprise networks responding to market shocks and digital transition. The appropriate response is to test assumptions locally, preserve reversibility, and expand only after the operating mechanism is demonstrated.

Analysis of digital information evaluation begins with a practical distinction between formal availability and dependable use in everyday work. Operational reliability relies on how the practice is connected to adjacent workflows and existing accountabilities. Digital tools provide access to information and markets, but resilient use relies on trusted relationships, collective learning, reciprocal support, and the ability to evaluate online risks. For this topic, digital information evaluation needs to be examined together with collective access to markets and finance, because both shape community business resilience in community businesses and local enterprise networks responding to market shocks and digital transition. Managers should consequently compare activity records with available findings of reliability, user response, and consequences for community business resilience.

For the focal enterprises, digital information evaluation becomes material when it alters who receives information, who acts, and how quickly an exception is resolved. Within community businesses and local enterprise networks responding to market shocks and digital transition, responsibility, usable records, and exception routines determine whether the mechanism functions. Digital tools provide access to information and markets, but resilient use relies on trusted relationships, collective learning, reciprocal support, and the ability to evaluate online risks. For this topic, digital information evaluation needs to be examined together with cyber-risk awareness, because both shape community business resilience in community businesses and local enterprise networks responding to market shocks and digital transition. The appropriate response is to test assumptions locally, preserve reversibility, and expand only after the operating mechanism is demonstrated.

Discussion by Analytical Theme

Peer learning

Analysis of peer learning begins with a practical distinction between formal availability and dependable use in everyday work. Its effect is conditional on skills, authority, incentives, and the credibility of the supporting information. Digital tools provide access to information and markets, but resilient use depends on trusted relationships, collective learning, reciprocal support, and the ability to evaluate online risks. For this topic, peer learning must be examined together with collective access to markets and finance, because both shape community business resilience in community businesses and local enterprise networks responding to market shocks and digital transition. Kraus et al. (2022) and Teece (2007) indicate that capability must be observed through repeated performance, not inferred from expenditure or installation.

For the focal enterprises, peer learning becomes material when it alters who receives information, who acts, and how quickly an exception is resolved. Variation in size, governance, infrastructure, and exposure means that identical adoption levels need not produce identical results. Digital tools provide access to information and markets, but resilient use relies on trusted relationships, collective learning, reciprocal support, and the ability to evaluate online risks. For this topic, peer learning needs to be examined together with cyber-risk awareness, because both shape community business resilience in community businesses and local enterprise networks responding to market shocks and digital transition. Evaluation should combine a leading indicator for peer learning with a lagging measure of community business resilience.

A useful test of peer learning is whether participants can apply it consistently when operating conditions depart from plan. The mechanism can fail when ownership is diffuse, feedback is delayed, or users cannot challenge an implausible output. Digital tools provide access to information and markets, but resilient use depends on trusted relationships, collective learning, reciprocal support, and the ability to evaluate online risks. For this topic, peer learning must be examined together with network adaptation during shocks, because both shape community business resilience in community businesses and local enterprise networks responding to market shocks and digital transition. Teece (2007) and Vial (2019) indicate that capability must be observed through repeated performance, not inferred from expenditure or installation.

Collective access to markets and finance

For the focal enterprises, collective access to markets and finance becomes material when it alters who receives information, who acts, and how quickly an exception is resolved. Local constraints shape both the feasible design and the pace at which the practice may legitimately be expanded. Digital tools provide access to information and markets, but resilient use relies on trusted relationships, collective learning, reciprocal support, and the ability to evaluate online risks. For this topic, collective access to markets and finance needs to be examined together with cyber-risk awareness, because both shape community business resilience in community businesses and local enterprise networks responding to market shocks and digital transition. A bounded pilot, named owner, documented exception log, and explicit review threshold provide a defensible application path.

A useful test of collective access to markets and finance is whether participants can apply it consistently when operating conditions depart from plan. Operational reliability relies on how the practice is connected to adjacent workflows and existing accountabilities. Digital tools provide access to information and markets, but resilient use relies on trusted

relationships, collective learning, reciprocal support, and the ability to evaluate online risks. For this topic, collective access to markets and finance needs to be examined together with network adaptation during shocks, because both shape community business resilience in community businesses and local enterprise networks responding to market shocks and digital transition. This interpretation favors transparent learning over a one-time declaration that the initiative has succeeded.

Analysis of collective access to markets and finance begins with a practical distinction between formal availability and dependable use in everyday work. Within community businesses and local enterprise networks responding to market shocks and digital transition, responsibility, usable records, and exception routines determine whether the mechanism functions. Digital tools provide access to information and markets, but resilient use relies on trusted relationships, collective learning, reciprocal support, and the ability to evaluate online risks. For this topic, collective access to markets and finance needs to be examined together with bonding and bridging social capital, because both shape community business resilience in community businesses and local enterprise networks responding to market shocks and digital transition. A bounded pilot, named owner, documented exception log, and explicit review threshold provide a defensible application path.

Discussion by Analytical Theme

Cyber-risk awareness

A useful test of cyber-risk awareness is whether participants can apply it consistently when operating conditions depart from plan. Its effect is conditional on skills, authority, incentives, and the credibility of the supporting information. Digital tools provide access to information and markets, but resilient use relies on trusted relationships, collective learning, reciprocal support, and the ability to evaluate online risks. For this topic, cyber-risk awareness needs to be examined together with network adaptation during shocks, because both shape community business resilience in community businesses and local enterprise networks responding to market shocks and digital transition. The appropriate response is to test assumptions locally, preserve reversibility, and expand only after the operating mechanism is demonstrated.

Analysis of cyber-risk awareness begins with a practical distinction between formal availability and dependable use in everyday work. Variation in size, governance, infrastructure, and exposure means that identical adoption levels need not produce identical results. Digital tools provide access to information and markets, but resilient use relies on trusted relationships, collective learning, reciprocal support, and the ability to evaluate online risks. For this topic, cyber-risk awareness needs to be examined together with bonding and bridging social capital, because both shape community business resilience in community businesses and local enterprise networks responding to market shocks and digital transition. Managers should consequently compare activity records with available findings of reliability, user response, and consequences for community business resilience.

For the focal enterprises, cyber-risk awareness becomes material when it alters who receives information, who acts, and how quickly an exception is resolved. The mechanism can fail when ownership is diffuse, feedback is delayed, or users cannot challenge an implausible output. Digital tools provide access to information and markets, but resilient use relies on trusted relationships, collective learning, reciprocal support, and the ability to evaluate online risks. For this topic, cyber-risk awareness needs to be examined together with digital information evaluation, because both shape community business resilience in

community businesses and local enterprise networks responding to market shocks and digital transition. The appropriate response is to test assumptions locally, preserve reversibility, and expand only after the operating mechanism is demonstrated.

Network adaptation during shocks

Analysis of network adaptation during shocks begins with a practical distinction between formal availability and dependable use in everyday work. Local constraints shape both the feasible design and the pace at which the practice can be expanded. Digital tools provide access to information and markets, but resilient use depends on trusted relationships, collective learning, reciprocal support, and the ability to evaluate online risks. For this topic, network adaptation during shocks must be examined together with bonding and bridging social capital, because both shape community business resilience in community businesses and local enterprise networks responding to market shocks and digital transition. OECD (2023) and World Bank (2022) indicate that capability must be observed through repeated performance, not inferred from expenditure or installation.

For the focal enterprises, network adaptation during shocks becomes material when it alters who receives information, who acts, and how quickly an exception is resolved. Operational reliability relies on how the practice is connected to adjacent workflows and existing accountabilities. Digital tools provide access to information and markets, but resilient use relies on trusted relationships, collective learning, reciprocal support, and the ability to evaluate online risks. For this topic, network adaptation during shocks needs to be examined together with digital information evaluation, because both shape community business resilience in community businesses and local enterprise networks responding to market shocks and digital transition. Evaluation should combine a leading indicator for network adaptation during shocks with a lagging measure of community business resilience.

A useful test of network adaptation during shocks is whether participants can apply it consistently when operating conditions depart from plan. Within community businesses and local enterprise networks responding to market shocks and digital transition, responsibility, usable records, and exception routines determine whether the mechanism functions. Digital tools provide access to information and markets, but resilient use depends on trusted relationships, collective learning, reciprocal support, and the ability to evaluate online risks. For this topic, network adaptation during shocks must be examined together with peer learning, because both shape community business resilience in community businesses and local enterprise networks responding to market shocks and digital transition. Vial (2019) and OECD (2023) indicate that capability must be observed through repeated performance, not inferred from expenditure or installation.

Integrated Mechanism Framework

The six mechanisms form a connected operating system for community businesses and local enterprise networks responding to market shocks and digital transition, not a checklist. Weakness in bonding and bridging social capital can restrict digital information evaluation, while poor cyber-risk awareness may prevent lessons from reaching network adaptation during shocks. For community business resilience, the value of one mechanism therefore relies on whether neighboring routines supply credible information, authority, and feedback.

The first pathway connects information to judgment. Bonding and bridging social capital and digital information evaluation improve visibility, but decision quality also requires interpretation and an agreed response. The second pathway connects organization to execution through peer learning and collective access to markets and finance. The third

pathway connects accountability to adaptation through cyber-risk awareness and network adaptation during shocks.

The proposed structure predicts that community business resilience will be strongest when all three pathways reach a minimum viable level. Excellence in a single component cannot fully compensate for basic weakness elsewhere. This complementarity explains why enterprises may invest substantially yet observe limited results: resources are allocated to the visible technology or program while less visible routines, responsibilities, and feedback processes remain unchanged.

Sequence matters for social capital, digital literacy, and community business resilience. A credible application starts with the concrete problem: Digital tools provide access to information and markets, but resilient use relies on trusted relationships, collective learning, reciprocal support, and the ability to evaluate online risks. It then documents the current process, assigns ownership for bonding and bridging social capital, pilots changes affecting digital information evaluation, and records exceptions before wider adoption. Available findings from the pilot should determine whether expansion is justified.

Governance in this framework protects the purpose of improving community business resilience. It specifies authority for peer learning, acceptable risk around collective access to markets and finance, documentation for cyber-risk awareness, and escalation when network adaptation during shocks reveals failure. Proportionate controls make adaptation safer without turning every local decision into a centralized approval.

Managerial and Policy Implications

Decision makers should translate the objective of improving community business resilience into a small measurement architecture. Leading indicators capture whether the mechanism is operating; lagging indicators capture whether the intended outcome follows. Both are needed because an early increase in activity may reflect application effort instead of merely sustainable value.

Priority	Owner	Leading indicator	Review question
Bonding and bridging social capital	Named process owner	Completion and exception evidence for bonding and bridging social capital	Is bonding and bridging social capital changing decisions or only activity?
Digital information evaluation	Named process owner	Completion and exception evidence for digital information evaluation	Is digital information evaluation changing decisions or only activity?
Peer learning	Named process owner	Completion and exception evidence for peer learning	Is peer learning changing decisions or only activity?
Collective access to markets and finance	Named process owner	Completion and exception evidence for collective access to markets and finance	Is collective access to markets and finance changing decisions or only activity?
Cyber-risk awareness	Named process owner	Completion and exception evidence for cyber-risk awareness	Is cyber-risk awareness changing decisions or only activity?

Priority	Owner	Leading indicator	Review question
Network adaptation during shocks	Named process owner	Completion and exception evidence for network adaptation during shocks	Is network adaptation during shocks changing decisions or only activity?

For managers, the immediate task is to establish a baseline, choose one bounded application unit, and review available findings at a frequency matched to the decision cycle. For policy makers and industry bodies, the priority is to reduce avoidable coordination costs, improve access to reliable guidance, and support capability development instead of merely measuring success only by enrollment, installation, or nominal adoption.

Future research on social capital, digital literacy, and community business resilience should define populations and measures explicitly. Longitudinal observation is needed to determine whether network adaptation during shocks produces durable learning or only a temporary response. Mixed methods could connect changes in community business resilience to the routines through which bonding and bridging social capital and collective access to markets and finance are enacted.

Limitations and Future Research

Three limitations qualify the synthesis. Available findings concerning community businesses and local enterprise networks responding to market shocks and digital transition is heterogeneous and cannot establish one effect size for community business resilience. Institutional sources clarify context but cannot replace unit-level causal available findings. In addition, the selected mechanisms may omit practices visible only through fieldwork, particularly where peer learning or cyber-risk awareness is informal. The propositions should consequently guide inquiry instead of merely be treated as universal estimates.

Future research should operationalize community business resilience with measures that distinguish activity, capability, and outcome. Comparative studies can examine whether organization size, ownership, regulatory exposure, location, or digital maturity changes the strength of the proposed relationships. Longitudinal observation is needed to separate temporary application disruption from durable improvement.

Conclusion

The present study examined social capital, digital literacy, and community business resilience through a conceptual narrative synthesis. The synthesis shows that community business resilience need not arise automatically from formal adoption or expenditure. It relies on the interaction of bonding and bridging social capital, digital information evaluation, peer learning, collective access to markets and finance, cyber-risk awareness, network adaptation during shocks.

The central conclusion is conditional. Digital tools provide access to information and markets, but resilient use relies on trusted relationships, collective learning, reciprocal support, and the ability to evaluate online risks. Enterprises should consequently define the decision problem, build proportionate governance, test application in stages, and combine leading indicators with outcome available findings. This approach treats uncertainty as something to manage through learning instead of merely conceal through overly precise claims.

The proposed structure contributes a practical bridge between broad research findings and local decisions. It need not replace author judgment, peer review, or empirical validation. Its value lies in making mechanisms and assumptions explicit so that managers, policy makers, and researchers can examine where an intervention is likely to work, where it may fail, and what available findings should trigger revision.

References

- Kraus, S., Durst, S., Ferreira, J. J., Veiga, P., Kailer, N., & Weinmann, A. (2022). Digital transformation in business and management research: An overview of the current status quo. *International Journal of Information Management*, 63, 102466. <https://doi.org/10.1016/j.ijinfomgt.2021.102466>
- Nahapiet, J., & Ghoshal, S. (1998). Social capital, intellectual capital, and the organizational advantage. *Academy of Management Review*, 23(2), 242-266. <https://doi.org/10.5465/amr.1998.533225>
- OECD. (2023). *OECD SME and Entrepreneurship Outlook 2023*. OECD Publishing. <https://doi.org/10.1787/342b8564-en>
- Teece, D. J. (2007). Explicating dynamic capabilities: The nature and microfoundations of (sustainable) enterprise performance. *Strategic Management Journal*, 28(13), 1319-1350. <https://doi.org/10.1002/smj.640>
- Vial, G. (2019). Understanding digital transformation: A review and a research agenda. *The Journal of Strategic Information Systems*, 28(2), 118-144. <https://doi.org/10.1016/j.jsis.2019.01.003>
- World Bank. (2022). *World Development Report 2022: Finance for an Equitable Recovery*. World Bank. <https://doi.org/10.1596/978-1-4648-1730-4>
- van Deursen, A. J. A. M., & van Dijk, J. A. G. M. (2014). The digital divide shifts to differences in usage. *New Media & Society*, 16(3), 507-526. <https://doi.org/10.1177/1461444813487959>