

Utilisation of Natural Resources as a Source of Inspiration and Innovation in SME Development

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Abstract. Natural resources are an invaluable asset for every country. Utilisation of natural resources can also provide inspiration and innovation in the development of SMEs which is currently one of the important sectors in the Indonesian economy. This research will review the literature related to the potential of natural resources that can be utilised in the development of SMEs as well as strategies that can be used to develop SMEs by utilising natural resources. The research in question is primarily qualitative in nature. The techniques employed to acquire information involve attentive observation and meticulous note-taking, followed by analytical procedures such as data reduction, visualisation, and inference. The results showed that the potential in natural resource utilisation is huge and can provide significant benefits to the local and national economy. SMEs that utilise natural resources effectively and sustainably can increase the added value of products, improve product competitiveness in the global market, and create new jobs. The government, industry players, and the community collaborate in order to make use of natural resources as a source of inspiration and innovation in the process of developing SMEs.

Keywords: Natural Resources, Inspiration, Innovation, SMEs

1. Introduction

The natural resources of a country are an asset that cannot be overstated in value [1]. The term “natural resources” can refer to a variety of things in Indonesia, including biological resources, minerals, forests, and energy. Indonesia possesses copious mineral reserves, encompassing tin, nickel, gold, coal, copper, and bauxite. The nation is among the foremost global producers of certain commodities. Furthermore, Indonesia possesses substantial energy reserves, notably coal, oil, and natural gas. The energy sector holds significant importance for the Indonesian economy as it stands as the primary oil and gas producer in Southeast Asia. Indonesia faces a challenge in effectively managing and utilising its natural resources. The sustainable development agenda in Indonesia places significant emphasis on endeavours aimed at safeguarding biodiversity, mitigating environmental degradation, and enhancing the value-added and equitable allocation of benefits derived from natural resources. Utilising the earth's natural resources in an efficient manner can yield significant benefits for a nation's economic growth and overall development [2]. In addition, the utilisation of natural resources can also generate ideas and innovations for the growth of small and medium companies (SMEs), which are today one of the most important sectors in the Indonesian economy. These SMEs are a result of the utilisation of natural resources.

The growth of SMEs in Indonesia continues to be hampered by a number of challenges [3] [4]. One of the primary obstacles faced by SMEs pertains to securing sufficient capital and financing. Numerous small and medium-sized enterprises encounter challenges in securing loans from financial institutions as a result of insufficient collateral or unfavourable credit records. Furthermore, a considerable number of SMEs in Indonesia encounter constraints pertaining to the availability of proficient and educated personnel. Insufficient managerial abilities and technical proficiency may impede the expansion and competitiveness of SMEs [5]. The challenge of marketing and achieving market penetration is a significant consideration [6]. Numerous small and medium-sized enterprises exhibit a deficiency in proficient marketing and market penetration tactics. The impediments to

reaching potential customers include inadequate comprehension of digital marketing and restricted marketing budgets [7]. Efforts are being made by the government and other relevant stakeholders to address the aforementioned challenges through the implementation of diverse programmes and policies that aim to foster the development of SMEs in Indonesia. The ultimate goal is to enable these enterprises not only to sustain their operations but also to compete effectively in the market. As a result, a suitable strategy is required for the development of SMEs in order to compete with major businesses in the global market [8] [9] [10]. In the process of developing SMEs, one tactic that can be utilised is the usage of natural resources as a source of inspiration and creativity. In 1995, Kaplan conducted research aimed at comprehending the impact of nature exposure on an individual's inspiration and creativity. The researcher's findings indicate that firsthand exposure to natural environments has the potential to augment an individual's creative thinking abilities and capacity to effectively address complex issues. According to [11], natural environments offer distinct sensory and emotional stimuli, alleviate mental exhaustion, and enhance cognitive concentration. Furthermore, the findings demonstrate that natural environments have the capacity to elicit affirmative emotions, facilitate emotional restoration, and offer opportunities for introspection and repose. Hence, the present investigation aims to reassess the utilisation of natural resources as a means of inspiration and ingenuity within the framework of SMEs. The reason for this is the scarcity of research conducted on the subject matter, which hinders the expansion and enhancement of the body of knowledge concerning the utilisation of natural resources as a means of generating ideas and novelty within the framework of SMEs.

Identifying the potential of natural resources that can be employed in the development of small and medium-sized businesses has been the subject of a number of studies. Research carried out by [12], for instance, demonstrates that natural resources such as medicinal plants, handicrafts, and food products can serve as a source of inspiration for the development of SMEs. In addition, the findings of study carried out by [13] demonstrate that natural resources such as bark, bamboo, and stone can be included into the manufacturing process as raw materials to produce a variety of goods and services. Utilisation of natural resources is another way to increase the value of items produced by SMEs. For instance, handmade products that make use of regional raw materials such as wood, bamboo, and rattan have a higher value since they possess a distinctiveness and authenticity that is difficult to discover in comparable mass-produced products.

Therefore, the utilisation of natural resources as a source of inspiration and innovation in the development of SMEs in Indonesia can potentially provide many benefits for the development of SMEs in that country. This study will conduct a literature analysis on topics concerning the potential of natural resources that may be employed in the development SMEs, as well as on topics concerning the methods that can be used to develop SMEs through the utilisation of natural resources. It is intended that this research would be able to provide a more accurate image of the potential of natural resources in Indonesia as a source of inspiration and innovation in the growth of SMEs.

2. Method

The present study employs the methodology of library research (qualitative), which involves the absence of primary data collection through direct field research by the researchers. In order to ensure the efficient execution of the research, the researcher made use of diverse reference materials for consultation. The pertinent resources utilised for this study were procured from digital media and scholarly databases via a keyword-based inquiry pertaining to the themes expounded upon in the document. These topics include the utilisation of natural resources as a source of inspiration and innovation in SMEs development. The authors' method of research is seen to be adaptive, which paves the way for the selection of pertinent reference materials and does not require the writers to restrict their search to particular journals or digital platforms. Consequently, the authors were able to save time. The justification that we provide is backed up by a number of different sources, some of which are journal websites such as ResearchGate, Elsevier, and Emerald Insight. The main focus of this paper is the utilisation of natural resources as a source of inspiration and innovation in SME development. The author's use of keyword emphasis aims to provide discourse boundaries and support logical consistency. This is achieved through the use of limiting phrases. The primary focus of this study was on scholarly journals, essays, and publications that have been published from 2015 to the present. Throughout the search process, we employed specific keywords to execute searches across various publishing platforms. It is noteworthy that the papers, journals, and publications incorporated in this study are exclusively those deemed highly pertinent to the topic of utilising natural resources as a source of inspiration and innovation in SME development. Other papers, journals, and publications were excluded as they were deemed unrelated to the subject matter. This scholarly article includes a total of 43 different sources that discuss in depth.

The ongoing inquiry has been classified as a form of qualitative research. The data collection process encompassed various methodologies, including active listening and comprehensive record-keeping of all relevant data points. The aforementioned methodologies were employed to facilitate the examination of the data,

which was conducted through a process that encompassed data reduction, data presentation, and conclusion drawing. The main aim of this investigation was to gain a deeper understanding of the literature review conducted as a part of this research undertaking. In the stage commonly referred to as "data reduction," the acquired data was systematically arranged, classified, and refined to streamline the procedure of arriving at significant inferences and render the generation of noteworthy outcomes more feasible. Due to the intricate and diverse nature of the data, it was necessary to perform an analysis of them even during the reduction phase. The reduction phase aimed to determine the relevance of the information to the ultimate goal. Initially, a total of 60 distinct sources were gathered. The initial procedure led to the alteration of the numerical variable's value to 43. Furthermore, the information will be presented through visual aids in the form of graphs or charts. The present phase represents the subsequent stride in the data reduction procedure, wherein the dataset is methodically arranged in a structured format to enhance understanding and streamline the process of making inferences. The representation of data in this particular setting involves the utilization of written discourse, particularly in the form of field notes. The implementation of this methodology for data presentation has the potential to enhance efficiency in the categorization and structuring of data in relational configurations. The conclusive stage of the process involves the derivation of inferences from the gathered data, thereby rendering the process complete. The aforementioned step signifies the conclusion of the methodology utilized for the examination of qualitative data. In this phase, a thorough examination was conducted to verify that the results of data reduction and presentation aligned with the research's intended objectives. The aim of this phase is to extract significance from the acquired data through the identification of associations, resemblances, or disparities, with the purpose of developing remedies for previously recognized issues. The reliability of the results obtained from the utilized sources is considered to be high. The aim of this endeavor is to gather reliable and precise information, with the objective of augmenting understanding as a consequence.

3. Result and Discussion

An intriguing subject to investigate in the context of the literature study is the utilisation of natural resources as a source of inspiration and innovation in the development of SMEs. Because of their ability to generate new jobs and higher incomes, as well as contribute to the expansion of the economy, small and medium-sized businesses (SMEs) are considered to be one of the most essential sectors of an economy. SMEs are characterised by their modest size and limited production capacity, yet they play a crucial role in the management of natural resources [14]. SMEs are known to exhibit efficient utilisation of natural resources owing to their relatively smaller scale of operations in comparison to larger enterprises. The optimisation of resource utilisation and reduction of wastage can contribute to the preservation and sustainability of natural resources. SMEs have a significant contribution towards economic diversification, particularly in rural areas or regions that possess unexplored natural resources [15]. The creation of novel prospects in the utilisation of regional resources has the potential to curtail reliance on comparatively centralised industries. In addition, SMEs operating in the natural resource sector have the potential to significantly contribute to employment opportunities within the local community. SMEs provide local individuals with the prospect of employment and skill enhancement in sectors related to natural resources, including agriculture, fisheries, and forest product processing. By assuming this position, subject matter experts (SMEs) are capable of providing a significant contribution towards the sustainable administration of natural resources. Nevertheless, SMEs frequently face challenges when trying to compete in an industry that is becoming increasingly competitive, particularly in this day and age of globalisation and digitalization [16] [17] [18].

One of the successful tactics for the development of SMEs is the utilisation of natural resources as a source of inspiration and creativity [19]. Natural resources are resources that are gained from nature and can be exploited for a variety of human requirements, such as industrial raw materials, food, medicine, and energy [20]. Natural resources can also be defined as resources that are found in the environment. The use of Indonesia's abundant natural resources is a significant opportunity for the country of Indonesia to foster the growth of SMEs. The development of processed seafood products is one illustration of how natural resources can be used as a source of inspiration and innovation in the process of developing SMEs [21]. Due to the country's extremely lengthy coastline and abundant marine life, Indonesia possesses a significant amount of untapped potential for the manufacturing of processed seafood products. It is possible to manufacture a variety of processed seafood goods, such as salted fish, dried anchovies, prawn crackers and seaweed snacks. Some of these products already exist. SMEs in Indonesia can add value to Indonesia's seafood and boost the economy of coastal areas if they develop processed seafood products. In essence, the abundant marine natural resources in Indonesia provide significant opportunities for enhancing the economy through SMEs. Upon further clarification, the following is an explanation of how marine natural resources can provide a positive contribution to economic growth through SMEs in Indonesia:

1. **Fisheries Potential:** Indonesia possesses a vast expanse of coastline and extensive aquatic territory, thereby endowing the nation with significant potential for fisheries. SMEs in the fisheries sector, encompassing activities such as fishing, fish farming, and fishery product processing, rely heavily on marine fisheries resources as their primary input. The establishment and growth of SMEs in the fisheries sector is expected to generate employment opportunities, augment the revenue of coastal communities, and foster regional economic expansion.
2. **Renewable Energy Potential:** The seas of Indonesia possess considerable potential for the advancement of renewable energy sources, including wind energy, tidal energy, and marine geothermal energy. The advancement of SMEs in the domain of marine renewable energy, encompassing the production of miniature marine wind turbines, deployment of tidal energy systems, and utilisation of marine geothermal resources, has the potential to create job opportunities and augment the share of renewable energy in the overall economy of the nation.
3. **Marine Tourism Potential:** The subaquatic splendour of Indonesia, comprising of coral reefs, diverse marine life, and captivating diving locations, allures both local and international visitors. The emergence of SMEs in marine tourism has enabled communities to leverage their marine natural resources for commercial purposes. These SMEs offer various services, including but not limited to diving equipment rental, boat rental, and management of underwater tourist attractions. By engaging in these activities, communities can generate income and expand their business opportunities within the tourism sector.
4. **Potential Mineral Resources:** The seas of Indonesia are abundant in mineral resources, including but not limited to petroleum, natural gas, and various mining materials. The marine energy and mining industries present potential opportunities for SMEs to engage in activities related to the exploration and exploitation of marine mineral resources. These activities may include oil drilling services, transportation of natural gas, or production of mining materials.
5. **Potential of Marine Processing Industry:** The marine natural resources of Indonesia, including fish, seaweed, and coral, have the potential to be transformed into products of significant value. SMEs operating in the seafood processing sector, involved in the production of cosmetics derived from seafood, or engaged in the manufacturing of products based on seafood, have the potential to generate export goods that possess significant added value. The marine natural resources of Indonesia have the potential to make a substantial contribution to the expansion of processing and export industries of SMEs.

To enhance the economy via SMEs that rely on Indonesia's marine natural resources, a number of strategic measures can be implemented:

1. **Empowerment Approach:** Coastal and fishing communities can be supported by the government through the implementation of an empowerment strategy, which involves the provision of training and capital assistance programmes. This can effectively enhance the capacity of SMEs. Possible academic rewrite: The training programme may encompass various topics, such as sustainable fishing practises, seafood processing methodologies, entrepreneurial skills, promotional strategies, and financial management.
2. **Access to Finance:** It is imperative for governmental bodies and financial institutions to facilitate convenient and cost-effective means of financing for small and medium-sized enterprises operating within the marine natural resource industry. The aforementioned objectives may be achieved by means of initiatives such as low-interest loan programmes, provision of business capital assistance, or establishment of microfinance institutions that cater to the needs of the fisheries, marine renewable energy, marine tourism, and seafood processing sectors.
3. **Infrastructure Improvement:** The allocation of government funds towards the establishment of infrastructure that facilitates the growth of SMEs operating within the marine natural resource industry is a viable option. This encompasses the development of proficient harbours, piers, manufacturing plants, refrigerated storage, and aquatic transportation systems. The provision of sufficient infrastructure can facilitate enhanced market accessibility and operational efficiency for SMEs.
4. **Strengthening Research and Innovation:** The promotion of research and innovation in marine resource management and the advancement of novel technologies and products can be facilitated by governmental intervention. By means of cooperation among research institutions, universities, and SMEs, it is possible to devise more effective technologies, sustainable fishing practises, eco-friendly processing techniques, and high-value products derived from marine natural resources.
5. **Promotion and Marketing:** The provision of assistance by the government in the promotion and marketing of SMEs products derived from marine natural resources is a viable option. The aforementioned strategies encompass involvement in trade exhibitions, enhancement of brand identity and labelling standards, and utilisation of electronic commerce channels to augment the exposure and market penetration of small and medium-sized enterprises. The provision of this assistance is expected to enhance the competitiveness of SMEs and broaden their marketing outreach in both local and global markets.

By implementing these strategic measures, the marine natural resources of Indonesia have the potential to make a noteworthy contribution to the country's economic growth by fostering the development of SMEs. Furthermore, the implementation of this measure is expected to enhance the financial resources and well-being of the inhabitants residing in coastal areas. Additionally, it is anticipated that this initiative will generate fresh employment opportunities, mitigate destitution, and foster economic variety in coastal and island localities.

In addition, the use of natural resources is capable of serving as a source of motivation in the process of product development for handicrafts [22]. Indonesia is home to a vast cultural heritage that includes one-of-a-kind handicrafts that are distinguished by their own particular qualities. One example of this type of handcraft is one that is woven out of bamboo, rattan, or pandanus. SMEs have the potential to make handcraft items by fusing aspects of nature and regional culture. As a result, the products developed will have great aesthetic value and will be able to showcase Indonesian culture to the rest of the world. In this particular context, it can be inferred that natural resources refer to the inherent assets that a nation, such as Indonesia, possesses. Various natural resources, such as wood, bamboo, stone, clay, leather, and others, serve as raw materials. The copious natural resources available in Indonesia have significantly contributed to the advancement of handicrafts and have played a pivotal role in enhancing the cultural standards of the nation through SMEs. Upon closer examination, the present discourse aims to explicate how the utilisation of natural resources in handcraft production can enhance the overall quality of Indonesian culture via SMEs:

1. **Cultural Preservation:** Handicrafts serve as a manifestation of indigenous customs and heritage. Artisans have the ability to produce distinctive and significant commodities by harnessing the resources available in their environment. The utilisation of conventional methods that have been transmitted across successive generations serves to conserve the cultural heritage and enhance the cultural heterogeneity of Indonesia.
2. **Local Economic Development:** SMEs have been found to have a beneficial effect on the local economy through the promotion and development of handicrafts. Artisans who engage in sustainable utilisation of natural resources are capable of creating high-value commodities that are appealing to both local and international markets. This phenomenon generates employment opportunities, augments the revenue of indigenous populations, and mitigates economic inequalities across various geographical areas.
3. **Increased Cultural Tourism:** Artefacts crafted from natural resources possess a significant potential to attract tourists. Handicrafts are frequently sought after by tourists who visit Indonesia, with the intention of purchasing and transporting them back home as souvenirs. The promotion of handicrafts as indigenous cultural commodities has the potential to enhance the appeal of destinations where they are crafted, thereby bolstering the tourism sector and advancing Indonesia's diverse cultural heritage.
4. **Product and Design Innovation:** The availability of ample natural resources serves as a catalyst for artisans to engage in innovative practises aimed at producing diverse and aesthetically pleasing merchandise. SMEs offer artisans the opportunity to combine traditional techniques with contemporary design, resulting in distinctive and commercially viable products that can effectively compete in the international marketplace. The utilisation of sustainable natural resources incentivizes artisans to safeguard the environment, preserve the quality of Indonesia's natural resources, and mitigate any adverse effects on the ecosystem.
5. **National Identity and Cultural Promotion:** The utilisation of handicrafts can serve as a potent tool in the advancement of national identity and the dissemination of Indonesia's culturally affluent heritage on a global scale. Indonesian handicrafts are characterised by the utilisation of natural resources such as teak wood, rattan, and natural stones. These materials are employed to create distinctive products that showcase the splendour of nature and the cultural heritage of the local community. The utilisation of natural resources in handcraft production serves as a representation of Indonesia's cultural and aesthetic values.

At a macro level, the utilisation of natural resources for the production of handicrafts can potentially facilitate the dissemination of Indonesian cultural heritage to a global audience [23]. Indonesian handcraft products have the potential to serve as cultural ambassadors, bolstering Indonesia's positive image on the global stage through exhibitions, art events, and international trade. Furthermore, the advancement of SMEs in handcraft production utilising natural resources has the potential to make a substantial contribution towards poverty reduction and the mitigation of social disparities in Indonesia. SMEs represent a significant economic sector that has the potential to generate employment and income opportunities for marginalised communities [24]. The government can facilitate social and economic inclusion and foster opportunities for individuals residing in remote and inland regions to engage in the nation's economic growth by enhancing SMEs that specialise in handicrafts utilising natural resources.

It is imperative to acknowledge that in the process of crafting items from natural resources, it is crucial to uphold principles of sustainability and environmental preservation. The implementation of cautious and judicious practises in the utilisation of natural resources is imperative to prevent any detrimental impact on the ecosystems and biodiversity that hold significant value in the Indonesian cultural milieu. The adoption of ecologically sustainable production practises by SMEs in the handcraft industry can serve as a means of promoting conservation of the environment, while simultaneously elevating the quality of Indonesian culture. It

is noteworthy that the utilisation of natural resources in handicrafts holds significant potential for enhancing the quality of Indonesian culture through SMEs. Handicrafts serve as a platform for cultural manifestation, regional economic advancement, stimulation of cultural tourism, innovative product and design development, and safeguarding of national identity and environmental sustainability [25] [26]. Indonesia has the potential to enhance its cultural wealth and foster social and economic development through the sustainable utilisation of natural resources and the empowerment of SMEs.

Utilisation of natural resources may also serve as a fertile ground for the generation of novel ideas in connection with the production of environmentally friendly technologies [27]. SMEs have the opportunity to develop technologies that are favourable to the environment by making use of the natural resources that are now available [28] [29] [30]. One example of this would be the production of alternative fuels from the waste of oil palms or palm trees, which would lessen our reliance on fossil fuels and have fewer adverse effects on the natural environment. The responsible utilization of natural resources is a crucial aspect to consider in the growth of SMEs. The unsustainable exploitation of natural resources can result in the deterioration of these resources and the disruption of the surrounding ecosystem. Such consequences can pose a threat to the survival of humans and other living organisms in the future [31]. Consequently, it is incumbent upon SMEs to consider sustainability concerns during the development of their products and technologies.

SMEs must prioritize health and safety concerns when creating products that rely on natural resources. [32] have indicated that certain naturally occurring constituents may pose a health risk if not adequately processed. Henceforth, it is incumbent upon SMEs to guarantee that the commodities they manufacture are suitable for human consumption and do not present a hazard to the well-being of consumers. Effective utilization of natural resources as a source of inspiration and innovation in the development of SMEs requires collaboration among various stakeholders, including SMEs, government, academic institutions, and private sectors. The enhancement of SMEs can be achieved through governmental aid in the form of training, financial backing, and access to production facilities [33] [34] [35] [36]. The utilization of natural resources of the earth is a viable approach for educational institutions to contribute towards the development of innovative products and methodologies. Meanwhile, the private sector has the potential to assist with product marketing and facilitate the entry of SMEs into international markets.

It is imperative to note that utilizing natural resources as a means of inspiration and innovation for the advancement of SMEs holds significant potential for enhancing societal well-being and fostering economic growth. It is imperative to bear in mind that the utilization of natural resources must be conducted in a sustainable manner, taking into account the safety, health, and sustainability implications inherent in the process. Consequently, there exists a necessity for cooperation among SMEs, governmental bodies, academic institutions, and the private sector to foster a conducive environment for the expansion of SMEs via the judicious and eco-friendly exploitation of natural resources.

Upon further investigation, it is imperative for SMEs to take into consideration the local knowledge and practices pertaining to the exploitation of natural resources. Due to the regional variability of “local wisdom” pertaining to the utilization of natural resources, it is imperative for SMEs to comprehend and integrate such knowledge into their practices to ensure effective and sustainable resource utilization. This phenomenon can be attributed to the utilization of natural resources, which has the potential to enhance the value addition of products produced by SMEs. In comparison to commodities utilizing synthetic or chemical constituents, those incorporating natural raw materials typically exhibit a greater value added. Consumers who prioritize their personal well-being and the preservation of the environment are drawn to products that incorporate natural ingredients [37] [38]. In order to optimize the utilization of natural resources, SMEs must adhere to pertinent guidelines and regulations. The utilization of natural resources is subject to a legal framework instituted by the state, encompassing statutes pertaining to environmental protection and preservation of biodiversity. In order to ensure the sustainability of the natural resources being utilized, it is crucial that SMEs adhere to the regulations in place.

Some examples of utilising natural resources as a source of inspiration and innovation in SME development are as follows:

1. Cosmetic products made from natural ingredients. Many SMEs utilise natural ingredients such as plant extracts and essential oils to make cosmetic products. Cosmetic products that use natural ingredients have higher added value and appeal to consumers.
2. Food products made from natural ingredients. SMEs can utilise natural ingredients such as fruits, vegetables, and spices to make healthy and delicious food products. Food products using natural ingredients have a higher added value and can attract consumers who are concerned about health and the environment.
3. Textile products made from natural materials. SMEs can use natural materials such as plant fibres and animal fibres to make textile products such as fabrics, clothes, and bags. Textile products that use

natural materials have a special appeal to consumers who are concerned about the environment and health

Enhancing the ability of SMEs to comprehend and effectively utilize natural resources is crucial for leveraging such resources as a means of stimulating inspiration and innovation in the growth and development of SMEs. The government has the capacity to offer instruction and tutelage to SMEs regarding the effective and ecologically sound utilization of natural resources [39] [40]. The augmentation of SMEs' capacity can be achieved by means of governmental aid in the form of financial support and access to production facilities [41]. The utilization of natural resources as a means of inspiration and innovation for the growth of small and medium-sized enterprises holds promise for generating positive impacts on regional and national economies in the long run [35]. SMEs that exhibit efficient and environmentally responsible utilization of natural resources may potentially experience outcomes such as heightened product added value, enhanced product competitiveness in the global market, and the creation of new job opportunities [42]. Furthermore, the utilization of natural resources in an environmentally sustainable manner can yield several favorable consequences for the environment, such as the conservation of natural resources, the mitigation of environmental pollution, and the reduction of production-related waste.

It is imperative to bear in mind that the exploitation of natural resources should be conducted in a manner that is both conscientious and ecologically sustainable. In the context of natural resource utilization, SMEs ought to prioritize environmentally sustainable practices, including the utilization of renewable and eco-friendly raw materials, the environmentally responsible processing of production waste, and the efficient utilization of energy.

In the context of utilizing natural resources, it is imperative for SMEs to take into account social factors, as it constitutes a crucial criterion. It is imperative that the utilization of natural resources takes into account the entitlements of the indigenous communities who rely on and have access to said resources. It is imperative for SMEs to consider the social impact of their production operations on the community in which they are situated [43]. This encompasses variables such as the general well-being and standard of living of the community.

The utilization of natural resources as a means of inspiration and innovation in the advancement of SMEs necessitates collaboration among governmental bodies, industry stakeholders, and local communities. By means of collaborative synergy, it is possible to effectively realise the natural resource potential of a given region, thereby promoting the growth and long-term viability of SMEs. The subsequent elucidation delineates the respective functions of each participant in this collaborative endeavour:

1. **Government Agencies:** The facilitation and encouragement of small and medium-sized enterprises' utilisation of natural resources is a crucial responsibility of government agencies. Policymakers have the ability to establish regulations that promote the sustainable utilisation of natural resources, while also ensuring that these resources are easily accessible and subject to transparent guidelines. Furthermore, governmental bodies have the capacity to offer inducements, technical guidance, and educational programmes to SMEs with the aim of enhancing the efficiency of natural resource utilisation in their production and innovation procedures. The promotion of natural resource-based SME products can be facilitated by the government through the implementation of marketing campaigns and provision of infrastructure support.
2. **Industry Stakeholders:** Collaboration in this context involves the participation of various industry stakeholders, including but not limited to small and medium-sized enterprise associations, large corporations, research institutions, and academic institutions. SMEs can receive technical assistance, expertise, and market entry opportunities from these entities. By engaging in partnerships with relevant industry stakeholders, SMEs can acquire valuable insights, expertise, and competencies that can facilitate the development of natural resource-derived merchandise. Industry stakeholders have the potential to contribute towards facilitating financing, technological access, and capacity building for SMEs, thereby enabling them to generate superior innovations.
3. **Local Communities:** The significance of local communities in promoting SMEs that rely on natural resources cannot be overstated. SMEs can draw inspiration from nearby communities to discern the untapped potential of natural resources in their vicinity. SMEs can contribute to the conservation of the local environment and culture by ensuring that the natural resources they utilise are sustainable and preserved. By means of the active involvement of regional communities, SMEs have the potential to create products that consider local values and meet market demands in a sustainable fashion.

Effective utilisation of natural resources for the advancement of SMEs can be achieved through collaboration among government agencies, industry stakeholders, and local communities. Through collaborative efforts that are mutually supportive and synergistic, SMEs can enhance their ability to effectively utilise the natural resources in their surrounding environment. This can result in the development of high-quality, innovative, and sustainable products. The cooperative efforts between different entities can potentially aid small

and medium-sized enterprises in surmounting obstacles they encounter, including but not limited to, entry into markets, technological advancements, and financial resources.

Within the framework of leveraging natural resources as a source of inspiration and ingenuity, instances of cooperation among governmental entities, industry participants, and neighbouring communities include the subsequent illustrations:

1. **Provision of Funding and Financing:** The provision of specialised financing programmes for small and medium-sized enterprises that are based on natural resources can be facilitated through collaboration between the government and financial institutions. This approach has the potential to facilitate the growth of SMEs by enabling them to enhance their product development, augment their production capacity, and broaden their market outreach. Industry stakeholders may participate in facilitating financial access, for instance, by collaborating with financial institutions or venture capital providers.
2. **Knowledge and Technology Transfer:** Collaboration between industry stakeholders, including prominent corporations and research institutions, and SMEs can facilitate the transfer of knowledge and technology pertaining to the processing of natural resources. As an illustration, they have the ability to offer specialised instruction, disseminate cutting-edge innovations, or even collaborate on research endeavours aimed at creating more effective and ecologically sustainable manufacturing methodologies. The facilitation of collaboration between different entities can be achieved by the government through the implementation of training and mentoring initiatives.
3. **Joint Promotion and Marketing:** Collaboration among governments, industry stakeholders, and local communities can facilitate the promotion of SME products that are based on natural resources. Enhancing product visibility can be achieved by means of collaborative marketing initiatives, involvement in trade shows or cultural events, or leveraging digital channels. This partnership entails the provision of governmental assistance in the areas of brand establishment, digital advertising, and targeted promotional efforts.
4. **Maintenance of Natural Resource Sustainability:** The maintenance of natural resources utilised by SMEs is contingent upon the significance of collaboration. It is within the purview of governmental bodies to implement stringent policies pertaining to environmental protection and oversee the activities of SMEs to ensure adherence to these regulations. The involvement of industry stakeholders and local communities can be instrumental in educating SMEs about eco-friendly production practises. Additionally, they can disseminate knowledge about the latest advancements and technologies that can mitigate detrimental environmental effects.

Effective collaboration among governmental agencies, industry stakeholders, and local communities can serve as a crucial catalyst for the advancement of SMEs through the utilisation of natural resources as a source of inspiration and innovation. SMEs can enhance the quality and innovation of their products while also promoting environmental sustainability by optimising the utilisation of natural resources. The enhancement of competitiveness among SMEs in both domestic and international markets will be facilitated by this measure. More specifically, it is considered necessary as a result of the inherent features of the allocated duties. The government's legislative and policy-making authority can facilitate the establishment of small and medium-sized enterprises that promote environmental awareness and sustainability. The implementation of eco-friendly production techniques presents a feasible alternative for industrial actors to mitigate their environmental footprint. In the interim, individuals from the general populace may offer their backing by procuring merchandise that is sustainable and ecologically advantageous.

Based on the aforementioned information, it can be inferred that utilizing natural resources as a source of inspiration and innovation in the development of SMEs has the capacity to substantially enhance product added value, product competitiveness, employment opportunities, and the preservation of natural resources. The utilization of natural resources must be conducted in a prudent and sustainable manner, adhering to principles that are environmentally and socially responsible.

4. Conclusion

Based on a comprehensive analysis of the literature pertaining to the utilization of natural resources as a catalyst for inspiration and innovation in the growth of SMEs, it can be inferred that the potential inherent in the utilization of natural resources is vast and holds the promise of substantial economic advantages at both the local and national levels. SMEs that utilize natural resources in an efficient and environmentally responsible manner may experience potential benefits such as enhanced product competitiveness in the global market, increased product added value, and the creation of new employment opportunities.

However, it is crucial to bear in mind that the exploitation of natural resources should be conducted intelligently and sustainably, considering the principles of an environmentally friendly and socially responsible ideology. Regarding the utilization of natural resources, SMEs ought to prioritize environmentally sustainable

practices, including the use of renewable and eco-friendly raw materials, eco-friendly processing of production waste, and efficient energy utilization. In the context of natural resource utilization, SMEs ought to consider social dimensions, including the entitlements of indigenous communities and the social ramifications of their production operations on the neighboring community.

Therefore, it is recommended that a collaborative effort be undertaken by the government, industry stakeholders, and the community to leverage natural resources as a catalyst for creativity and advancement in the growth of SMEs. The legislative and policy-making powers vested in the government can facilitate the establishment of SMEs that prioritize environmental consciousness and sustainability. The adoption of environmentally-friendly production practices is a feasible option for industry stakeholders to mitigate the negative impact of their manufacturing activities on the natural ecosystem. During this interim period, individuals within the community may offer their backing by procuring sustainable and ecologically advantageous commodities. It is projected that through the cooperation of the government, industry stakeholders, and the community, the exploitation of natural resources for the advancement of SMEs can be executed intelligently and sustainably, thereby yielding optimal benefits for the economy, environment, and society.

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