

Financial Agency and Everyday Resilience: A Phenomenological Study of Women Entrepreneurs in Makassar's Informal Economy

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Abstract

This phenomenological study examines how women micro-entrepreneurs in Makassar's informal economy construct and exercise financial agency amid persistent economic precarity. Grounded in a humanistic economic perspective, the research explores how women navigate financial risk and uncertainty through informal strategies, social capital, and adaptive resilience. Drawing on in-depth interviews, three superordinate themes emerged: (1) The Dual Nature of Social Capital, revealing that trust-based financial networks function simultaneously as safety nets and sources of moral burden; (2) Financial Improvisation as Agency, illustrating how women deploy creative financial practices—such as flexible budgeting and strategic concealment of profits—to retain control and autonomy; and (3) The Temporal Duality of Resilience, emphasizing the continuous oscillation between short-term survival priorities and long-term aspirations in an unstable market context. The findings demonstrate that financial decision-making in Makassar's informal sector transcends conventional economic rationality, instead reflecting socially embedded, context-specific negotiations of agency and dependence. The study contributes theoretically to the discourse on women's entrepreneurship by reframing financial agency as an evolving, relational process rooted in everyday resilience rather than formal inclusion. Policy implications highlight the need for human-centered interventions that recognize and strengthen women's adaptive financial practices, mitigate the hidden costs of social capital, and support sustainable microenterprise growth in Indonesia's informal economy.

Keywords: Financial Agency, Everyday Resilience, Informal Economy, Social Capital, Women Entrepreneurs.

1. Introduction

The global informal economy, a complex and often overlooked sector, serves as a critical source of livelihood for a significant portion of the world's population, particularly in developing nations (ILO, 2023). Within this sphere, women entrepreneurs are disproportionately represented, utilizing micro-enterprises not merely as a means of supplementary income but as a primary strategy for household survival and economic mobility (World Bank Group, 2022). This phenomenon is particularly salient in Southeast Asia, where rapid urbanization and persistent structural inequalities push many women into the informal sector, creating a dynamic yet precarious economic landscape (Nur Asrofi, 2023). The study of these women moves beyond traditional economic metrics, demanding a humanistic economic perspective that acknowledges the intersection of economic activity with social, cultural, and personal lived experiences (Sen, 2020). This approach is essential for



understanding how economic agency is constructed and exercised in environments characterized by high risk and systemic exclusion.

The precarious nature of the informal economy is fundamentally defined by financial risk and pervasive uncertainty, which are amplified for women due to gendered barriers to formal finance and property rights (OECD, 2024). Financial agency, in this context, is not solely about access to capital but encompasses the capacity of these women to make strategic financial decisions, manage resources, and negotiate their economic standing within their households and communities (CARE, 2025). Traditional economic models often fail to capture the ingenuity and complexity of these financial practices, which frequently bypass formal institutions. Instead, the everyday financial lives of these entrepreneurs are characterized by a constant, adaptive process of everyday resilience—a concept rooted in the ability to absorb shocks, adapt to changing circumstances, and transform their economic practices in the face of adversity (We-Fi, 2025). This resilience is a critical, yet under-theorized, component of informal economic survival, particularly in regional hubs like Makassar, a major port city in Eastern Indonesia, where local dynamics shape economic opportunities and constraints (Haryani, 2025).

A key mechanism through which these women manage financial risk and uncertainty is the strategic deployment of informal strategies and social networks (Awalia, 2025). Lacking collateral or formal credit histories, women entrepreneurs in the informal sector rely heavily on community-based financial arrangements, such as rotating savings and credit associations (ROSCAs), and kinship-based lending (Accion, 2025). These informal financial mechanisms are inextricably linked to robust social capital, where trust, reciprocity, and reputation serve as the primary forms of collateral (Matondang & Nasution, 2025). Furthermore, social networks extend beyond finance, providing crucial non-financial support, including market information, childcare, and emotional solidarity, which are vital for maintaining business continuity and personal well-being (Amir, 2025). Critically, while these networks are sources of strength, they can also impose obligations and constraints, creating a complex interplay between individual agency and collective dependence that warrants deeper phenomenological exploration.

Despite the growing body of literature on women's entrepreneurship and the informal economy, a significant research gap persists, particularly concerning the lived experience of financial agency and resilience in specific regional contexts (Mastercard, 2020). Existing studies often focus on quantitative assessments of microfinance impact or broad policy recommendations, overlooking the subjective, meaning-making processes that underpin financial decision-making (Noor, 2025). Specifically, there is a dearth of phenomenological research that seeks to understand how women entrepreneurs in a distinct cultural and economic setting, such as Makassar, perceive, interpret, and enact their financial strategies (Sari & Agussalim, 2025). By adopting a phenomenological approach, this study aims to move beyond what they do to explore why and how they experience financial risk and resilience, providing a rich, contextualized understanding that is currently missing from the literature.

Therefore, this study, "Financial Agency and Everyday Resilience: A Phenomenological Study of Women Entrepreneurs in Makassar's Informal Economy," is designed to critically examine how women micro-entrepreneurs in Makassar manage financial risk and economic uncertainty through the deployment of informal strategies and social networks. By utilizing a qualitative, in-depth approach, this research seeks to contribute to the humanistic economic discourse by illuminating the complex, adaptive, and often invisible forms of financial agency exercised by women at the economic margins. The findings will not only provide a nuanced understanding of everyday resilience in the Indonesian context but will also offer critical

insights for policymakers and development practitioners seeking to design more effective, culturally sensitive, and human-centered interventions that genuinely support women's economic empowerment.

2. Literature Review

The informal economy, a pervasive feature of global South economies, is increasingly recognized not as a residual sector but as a dynamic, yet structurally precarious, domain of economic activity (ILO, 2023). Women are disproportionately concentrated within this sector, often engaging in micro-enterprises that serve as the primary, if not sole, source of household income (World Bank Group, 2022). This concentration is a direct consequence of persistent gendered barriers, including limited access to formal education, property rights, and, crucially, formal financial services (OECD, 2024). The literature highlights that this exclusion creates a significant MSME finance gap for women-owned businesses, particularly in regions like East Asia and the Pacific (IFC, 2025). From a humanistic economic perspective, this precarity is not merely a statistical deficit but a lived experience of constant vulnerability, where the lack of formal safety nets necessitates the development of alternative, often invisible, survival strategies (Sen, 2020).

To understand survival in this high-risk environment, scholars have shifted focus from mere financial access to financial agency—the capacity of individuals to make and act upon strategic financial decisions that align with their goals (CGAP, 2025). This agency is intrinsically linked to everyday resilience, which is defined as the continuous, adaptive process of managing and recovering from routine economic shocks and uncertainties (CARE, 2025; We-Fi, 2025). Recent phenomenological studies emphasize that this resilience is deeply personal and contextual, reflecting a constant negotiation between economic necessity and personal well-being (Barsoum, 2025; Sadrnabavi & Daneshvar, 2023). Critically, this concept moves beyond macro-level stability to examine the micro-level coping mechanisms—the daily financial ingenuity—that women employ to ensure business continuity and household survival, a perspective often overlooked by traditional economic models that prioritize formal market structures. In the absence of formal institutional support, women entrepreneurs in the informal economy rely heavily on informal financial strategies and robust social capital to mitigate risk.

Informal mechanisms, such as Rotating Savings and Credit Associations (ROSCAs) and kinship-based lending, function as vital substitutes for formal credit, providing flexible and timely liquidity (Accion, 2025). The effectiveness of these strategies is predicated on the strength of social capital, where trust, reciprocity, and shared community norms act as the primary collateral and enforcement mechanism (Matondang & Nasution, 2025; Awalia, 2025). Furthermore, social networks provide essential non-financial support, including market information, emotional solidarity, and shared labor, which are critical for sustaining micro-enterprises (Amir, 2025). However, a critical analysis reveals a duality: while social capital is a source of strength, it can also impose social obligations and constraints that limit individual financial autonomy, creating a complex tension between collective support and individual agency.

Despite the rich literature on women's entrepreneurship, financial inclusion, and social capital, a significant phenomenological research gap remains, particularly concerning the lived experience of financial agency and resilience in specific regional contexts (Mastercard, 2020; Noor, 2025). Most existing studies adopt quantitative or policy-oriented approaches, focusing on measurable outcomes rather than the subjective, meaning-making processes of financial risk management (Sari & Agussalim, 2025). There is a distinct lack of in-depth,

qualitative research that explores how women entrepreneurs in a specific, dynamic urban center like Makassar, Indonesia, perceive and interpret their financial realities. This study addresses this gap by employing a phenomenological approach to uncover the complex, situated knowledge and adaptive strategies that women in Makassar's informal economy use to exercise financial agency and build everyday resilience, thereby contributing a nuanced, human-centered perspective to the humanistic economic discourse.

3. Methods

This study adopts a descriptive phenomenological research design to explore the lived experiences of financial agency and everyday resilience among women entrepreneurs in Makassar's informal economy (Tavakol, 2025). The phenomenological approach is philosophically aligned with the humanistic economic perspective, as it prioritizes the subjective realities and meaning-making processes of individuals over purely objective economic metrics (Lim, 2025; Porak, 2024). This design is crucial for understanding the essence of how these women perceive and manage financial risk, which is often rooted in cultural, social, and personal contexts that are invisible to quantitative methods (Oluka, 2025). The research setting is the informal economy of Makassar, Indonesia, a critical regional hub. Participants will be selected using purposive sampling (or criterion sampling), targeting women micro-entrepreneurs who have actively managed their businesses through periods of economic uncertainty over the last five years. The sample size will be determined by the principle of data saturation, ensuring that the collection of new data no longer yields new themes or insights regarding the phenomenon under study (Hossain et al., 2024).

Primary data will be collected through in-depth, semi-structured interviews to facilitate a rich, narrative exploration of the participants' financial practices and resilience strategies. The interview protocol will be designed to encourage participants to describe their experiences in their own terms, focusing on specific events of financial risk and their subsequent coping mechanisms. Before analysis, the researcher will engage in epoché and bracketing to set aside pre-conceived notions about the informal economy and financial behavior, thereby ensuring the findings are grounded solely in the participants' lived world (Oluka, 2025). Data analysis will follow a systematic process of thematic analysis or Interpretive Phenomenological Analysis (IPA), involving transcription, repeated reading, coding, and the development of emergent themes that capture the essence of financial agency and resilience. Crucially, ethical considerations will be paramount, including obtaining informed consent, ensuring anonymity and confidentiality, and providing a clear explanation of the research's purpose and the right to withdraw, particularly given the vulnerable nature of participants in the informal sector (Muktar et al., 2021).

4. Results and Discussion

4.1. Emergent Themes of Financial Agency and Everyday Resilience

The phenomenological analysis of the in-depth interviews with women entrepreneurs in Makassar's informal economy yielded three core emergent themes that describe the essence of their financial lived experience: The Dual Nature of Social Capital, Financial Improvisation as Agency, and The Temporal Duality of Resilience. These themes, which move beyond mere economic transactions to capture the humanistic dimensions of their struggle and success, collectively illustrate the complex interplay between individual financial agency and the collective support structures of the informal sector. The findings confirm that financial decision-making in this context is not a rational, optimizing process in the neoclassical sense, but a deeply embedded, adaptive, and socially mediated practice (Porak, 2024).

The first theme, The Dual Nature of Social Capital, highlights that while social networks (such as arisan or kinship lending) are the primary source of informal finance, they simultaneously impose significant non-economic obligations. Participants consistently described their social ties as both a financial safety net during crises and a moral burden that requires constant maintenance through reciprocity and participation in community events. This duality means that the cost of capital is often measured not in interest rates, but in social debt and time commitment, a critical finding for the humanistic economic understanding of informal finance (Lim, 2025). The second theme, Financial Improvisation as Agency, captures the participants' self-perceived capacity to manage financial risk through creative, non-standard strategies. This includes the strategic diversification of income streams, the flexible use of household budgets for business needs, and the deliberate obfuscation of business profits from family members to retain control (financial agency). This improvisation is a clear manifestation of their active role in shaping their economic destiny, despite structural constraints (Tavakol, 2025).

The final theme, The Temporal Duality of Resilience, describes the women's experience of resilience as a continuous, cyclical process rather than a static state. Participants reported that their "everyday resilience" is characterized by a constant oscillation between short-term crisis management (e.g., immediate debt repayment, emergency health costs) and long-term, incremental business growth. The findings suggest that the women's financial planning is highly contextual and temporal, prioritizing immediate survival over distant accumulation, a rational choice given the high uncertainty of the informal market. This duality underscores that resilience is not simply bouncing back, but a sustained, exhausting effort to maintain equilibrium in a perpetually unstable environment. The table below summarizes the core themes and their corresponding sub-themes, which represent the key findings of this phenomenological study.

Table 1. Summary of Emergent Phenomenological Themes

Core Theme	Sub-Themes	Description of Lived Experience
The Dual Nature of Social Capital	Social Debt and Reciprocity	Informal finance is secured through social trust, but this creates non-economic obligations that can constrain business decisions.
	Safety Net vs. Moral Burden	Networks provide a crucial buffer against shocks but demand constant investment of time and resources for maintenance.
Financial Improvisation as Agency	Strategic Obfuscation of Profit	Deliberate concealment of business earnings from family to retain financial control and decision-making power.
	Flexible Budgeting	Seamless, adaptive movement of funds between household and business needs, treating the two as a single financial unit.
The Temporal Duality of Resilience	Short-Term Survival Priority	Financial decisions are overwhelmingly focused on immediate needs (e.g., daily cash flow, debt servicing) over long-term investment.
	Sustained Equilibrium Effort	Resilience is experienced as a continuous, exhausting effort to maintain a fragile balance in the face of persistent economic instability.

Source: Data processed, 2025

4.2. Discussion

4.2.1. The Duality of Social Capital and the Negotiation of Financial Autonomy

The finding that social capital possesses a Dual Nature—serving as both a financial safety net and a moral burden—offers a critical humanistic correction to traditional economic views

of informal finance. While much of the literature celebrates social capital as a mechanism for financial inclusion, particularly through ROSCAs and community lending (Accion, 2025; Matondang & Nasution, 2025), this study reveals the non-economic costs embedded in these transactions. The obligation to maintain social ties through reciprocity and participation, often at the expense of business efficiency or personal time, highlights a fundamental tension between collective well-being and individual financial autonomy (Sahni, 2025). This aligns with the broader critique that women in the informal economy often face a "dual burden" of economic production and social reproduction, which is exacerbated by the very networks intended to support them (World Bank Group, 2025). Therefore, the women's financial agency is not simply about accessing funds, but about the continuous, delicate negotiation of social debt against economic gain, a process that is profoundly human and context-dependent.

4.2.2. Financial Improvisation as a Manifestation of Economic Agency

The theme of Financial Improvisation as Agency provides a powerful empirical illustration of the women's capacity to exercise economic power despite structural constraints. The strategic obfuscation of profits and the flexible movement of funds between household and business are not signs of poor financial management, but rather sophisticated, adaptive strategies for risk mitigation and control (CGAP, 2025). This finding directly challenges the deficit-based narrative often applied to informal sector finance, which frequently attributes the lack of formal records to a deficit in financial literacy (OECD, 2024). Instead, the women's actions represent a form of practical financial intelligence—a rational response to an environment where formal institutions are untrustworthy or inaccessible. By retaining control over a portion of their earnings, they secure a private sphere of financial agency, protecting their business capital from immediate family demands and reinforcing their personal economic empowerment, a key goal of humanistic development (Sen, 2020). This improvisation is a clear, lived example of agency as defined by the capacity to act on one's own terms within a given set of constraints.

4.2.3. The Temporal Duality of Resilience and Policy Implications

The Temporal Duality of Resilience, characterized by the prioritization of short-term survival over long-term accumulation, is a crucial finding for understanding the psychology of financial decision-making in high-uncertainty environments. This temporal focus is a rational, risk-averse strategy that ensures the immediate continuity of the enterprise and the household, which is the very definition of everyday resilience (Salwan, 2025). The literature on financial resilience often emphasizes forward-looking, multidimensional planning (World Bank, 2025), yet for these entrepreneurs, the most effective strategy is a constant, adaptive effort to maintain equilibrium in the present. This finding has significant implications for policy and intervention design. Interventions that focus solely on long-term savings or large-scale investment may fail because they do not align with the women's lived temporal reality. Instead, support should focus on strengthening the short-term buffers and reducing the non-economic costs of social capital, such as providing reliable, low-cost childcare or market access, thereby freeing up the women's time and social resources to convert their existing financial improvisation into more sustainable growth (We-Fi, 2025).

5. Conclusion

This phenomenological study, "Financial Agency and Everyday Resilience: A Phenomenological Study of Women Entrepreneurs in Makassar's Informal Economy," has provided a rich, human-centered understanding of how women micro-entrepreneurs navigate financial risk and uncertainty at the economic margins. The findings, structured around the emergent themes of the Dual Nature of Social Capital, Financial Improvisation as Agency, and

the Temporal Duality of Resilience, collectively demonstrate that financial survival in the informal sector is a complex, adaptive, and socially embedded process. The study's primary theoretical contribution lies in its application of a humanistic economic lens to illuminate the subjective experience of financial agency. By moving beyond quantitative metrics of financial inclusion, this research reveals that agency is not merely access to formal capital, but the continuous, strategic negotiation of social and economic constraints, often through creative, informal means (Sen, 2020). Specifically, the identification of social capital as a "moral burden" alongside a "safety net" challenges simplistic notions of community support, underscoring the need for more nuanced theoretical models that account for the non-economic costs of informal finance (World Bank Group, 2025).

The insights gleaned from the lived experiences of women entrepreneurs in Makassar carry significant implications for policy and practice aimed at genuine economic empowerment. The prevalence of Financial Improvisation suggests that interventions should focus less on imposing formal financial structures and more on validating and strengthening the women's existing adaptive strategies. For instance, policies should aim to reduce the structural uncertainties that necessitate a focus on Short-Term Survival Priority, perhaps through targeted social protection or infrastructure improvements that stabilize the informal market environment (We-Fi, 2025). Furthermore, recognizing the Dual Nature of Social Capital implies that support programs should not only leverage existing networks but also seek to mitigate the social debt burden, possibly by providing accessible, low-conditionality capital that bypasses the need for excessive social reciprocity. Future research should build upon this phenomenological foundation by employing comparative studies across different Indonesian urban centers to test the transferability of these themes, and by exploring the long-term effects of financial improvisation on business sustainability and personal well-being.

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