

ENTREPRENEURIAL MINDFULNESS AND AMBIDEXTROUS LEADERSHIP IN STRENGTHENING RESILIENCE: THE MEDIATING ROLE OF SCALING-UP PERFORMANCE CAPACITY IN INDONESIAN FAMILY BUSINESSES

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ABSTRACT

Entrepreneurial resilience is crucial for the sustainability of family businesses, especially in dynamic and uncertain environments. Despite the growing interest in entrepreneurial resilience, existing research has yet to fully explore how both cognitive (entrepreneurial mindfulness) and strategic (ambidextrous leadership) leadership factors collectively shape resilience, particularly in the family business context. This study addresses this gap by investigating how scaling-up performance capacity mediates these relationships, providing a more integrative perspective on resilience-building mechanisms in family firms. Using a quantitative approach, data was collected through questionnaires from 265 family business owners in Indonesia. The data was analyzed utilizing Smart PLS (Partial Least Squares Structural Equation Modeling) to evaluate the proposed hypotheses. The results reveal that entrepreneurial mindfulness and ambidextrous leadership have a positive and significant impact on entrepreneurial resilience. Furthermore, the capacity for scaling-up performance functions as an important mediator, enhancing the connection between leadership behaviors and resilience. Theoretically, this study contributes to the expanding literature on family business sustainability by integrating resilience-building strategies with leadership and performance capacity constructs. These findings provide practical contributions for family businesses in adopting effective leadership strategies and increasing adaptive capacity to enhance resilience against market uncertainties and generational transitions.

Keywords: Entrepreneurial Resilience; Entrepreneurial Mindfulness; Ambidextrous Leadership; Scaling-Up Performance Capacity; Family Business

INTRODUCTION

The increasingly complex and competitive development of the global economy has required organizations, including family businesses, to continue to innovate and adapt in order to maintain their competitiveness. A family business is a type of business owned and managed by family members, where family members play a key role in strategic decision-making, operations, and leadership of the company (Chrisman, 2019). These businesses can be micro, small, medium, or large, but what distinguishes them from non-family businesses is the family's involvement in the managerial process and significant control of the company (Guadalupe et al., 2023). The definition of a family business is not only about share ownership, but also the extent to which the family plays a role in the day-to-day operations and strategy determination of the company. Unique characteristics of family businesses include a close relationship between ownership and management, the influence of family values on organizational culture, and long-term goals that tend to focus more on business continuity than short-term profits (Basco, 2017). This creates a different dynamic compared to non-family businesses, where personal and emotional relationships between family members often play a role in business decision-making (Fang et al., 2020).

Family businesses play a vital role in the global economy and this is true in many countries, including Indonesia. Family businesses, especially small and medium-sized ones, make significant contributions to job creation, economic growth, and local community development (Adriansah & Mubarak, 2023; Weinberg, 2023). According to research conducted by Daya Qarsa, 95% of Indonesian companies are family businesses that contribute 82% of the national Gross Domestic Product (GDP) and 40% of the Indonesian market capitalization (Dayainara, 2022). This significant contribution shows that many family businesses in Indonesia not only create jobs but also help stimulate the economy in rural areas, improve the welfare of local communities, and strengthen social structures through kinship and community values (Salsabillah et al., 2023; Limanseto, 2022). In addition, family businesses often focus on long-term sustainability, making them more stable and resilient to economic crises than companies that are oriented towards short-term profits (Yilmaz et al., 2024; Eckey & Memmel, 2023; Ye, 2021).

Despite its many advantages, family businesses face unique challenges that may not be found in non-family businesses. One of the biggest challenges is business continuity between generations. According to the research by the family business institute, only 30% of family businesses operate into the second generation, 12% survive to the third generation, and only 3% of all family businesses are still viable into the fourth generation or beyond (Taylor-Martin, 2022). This means that most family businesses are unable to survive generational transitions, which are often caused by a lack of clear succession planning, conflict between family members, and differences in vision between the founding and succeeding generations (Bizri, 2016).

Conflict between family members is a very common internal challenge in family businesses. This conflict can arise from various sources, such as differences in views on the direction of the company, power struggles, or personal problems between family members (Gavrić & Braje, 2024). If not managed properly, this conflict can disrupt the stability of the company and even cause the collapse of the family business. Moreover, family businesses often experience limitations in the development of business skills and knowledge in the next generation. The founding generation may have built the business in their own way, but the next generation may not have the same skills or insights to manage and grow the business in a

different era, especially in an era full of technological change and global competition (Suddaby & Jaskiewicz, 2020).

Inadequate education, training, and guidance for the next generation are often the causes of failed intergenerational transitions in family businesses (Bizri, 2016). On the external side, family businesses also face challenges from increasingly fierce market competition, rapid technological change, and global economic fluctuations (Zaidi et al., 2024). Family businesses that fail to adapt to these changes risk being left behind and losing their competitiveness. Technological change, for example, can threaten businesses that rely on traditional methods and are not ready to adopt new technological innovations (Solberg et al., 2020; Radicic & Petković, 2023). Meanwhile, economic fluctuations can have a significant impact on family businesses that may be more vulnerable to financial risk than large companies that have wider access to capital resources. This shows the importance of entrepreneurial resilience that allows family business leaders to adapt, recover, and continue to function effectively despite facing significant challenges or major setbacks, as well as the leader's scaling-up performance capacity to manage and improve business performance sustainably across generations (Yilmaz et al., 2024). Given these challenges, a critical question remains: What leadership factors can effectively enhance entrepreneurial resilience in family businesses, ensuring their continuity and adaptability? While entrepreneurial resilience has been widely studied, most research (Boers et al., 2024; Conz et al., 2023; Abdelwahed & Basly, 2023; Salvato et al., 2020; Anggadwita et al., 2023) has focused on external market factors or general leadership traits rather than the specific interplay of cognitive and strategic leadership styles in family business settings.

One strategic approach that is increasingly gaining attention is the application of ambidextrous leadership. Ambidextrous leadership is the ability of a leader to manage the exploration of new opportunities and the exploitation of existing resources (Alghamdi, 2018). Exploration includes innovation, finding new markets, and developing new products or services, while exploitation includes optimizing existing processes, increasing efficiency, and managing risks. In the context of family businesses, ambidextrous leadership is crucial because it helps organizations balance maintaining family traditions and heritage with the need to innovate and adapt to market changes. This leadership style also ensures that while the organization explores new opportunities, it also refines existing processes, thereby enhancing overall performance capacity (Martínez-Climent et al., 2019).

In addition to ambidextrous leadership, entrepreneurial mindfulness is also an important element in supporting the success of family businesses. Entrepreneurial mindfulness denotes the capacity of leaders to maintain focus, adaptability, and responsiveness to opportunities and challenges in a fluctuating business landscape. Mindful leaders, by recognizing the subtleties of the business environment, can execute initiatives that scale-up performance capability, thereby preparing the organization for sustainable success (Gelderen et al., 2019).

Entrepreneurial mindfulness is becoming increasingly important in this digital era, where changes in technology and consumer preferences occur very quickly. Mindfulness helps entrepreneurs to enhance their creativity by fostering openness to novel ideas and diverse opinions. It makes them more resilient, enabling people to cope with stress and recover from failures (Kelly, 2023). Family business leaders who have a high entrepreneurial awareness will be better able to identify new opportunities, better navigate risks, and make wiser decisions in the face of uncertainty (Dayan et al., 2019). Ambidextrous leadership, when combined with entrepreneurial mindfulness, has been shown to increase entrepreneurial resilience through scaling-up performance capacity (Indrianti et al., 2024), providing resilience and the ability for businesses to grow sustainably.

Building upon resilience theory and leadership ambidexterity literature, this study merges cognitive and strategic viewpoints to propose a comprehensive model of resilience development in family businesses. Focusing on the mediating function of scaling-up performance capability, the research seeks to address the gaps by studying the impacts of ambidextrous leadership and entrepreneurial mindfulness on the resilience of Indonesian family enterprises. It aims to enrich the literature by clarifying an integrated approach that combines leadership styles, cognitive processes, and performance measurements to bolster company resilience. This viewpoint is anticipated to provide actionable insights for family business leaders who seek to fortify their firms against external disruptions.

LITERATURE REVIEW

Entrepreneurial Mindfulness and Entrepreneurial Resilience

Mindfulness in the context of entrepreneurship, an elevated level of consciousness and attention to the here and now, is a key component of entrepreneurial resilience. When entrepreneurs practice mindfulness, they are better equipped to deal with the risks and difficulties that come with running a firm (Aránega et al., 2020). Research shows that entrepreneurs who make mindfulness a regular part of their lives are more resilient and able to manage stressful situations. With regular exercise of mindfulness practices like body scanning and mindful breathing, entrepreneurs may learn to control their stress reactions and feel better overall. Stress regulation skills are essential to make sound strategic judgments and maintain operations running effectively under trying times.

When it comes to family enterprises, where work and personal life frequently mix, practicing mindfulness can help build resilience. Epstein & Krasner (2013) defined resilience as the capacity to handle stress in a constructive manner, allowing for the accomplishment of goals while keeping psychological and physical costs low, individuals who are resilient recover from difficulties and simultaneously grow stronger. Entrepreneurial mindfulness helps family businesses endure challenges by fostering better communication and interpersonal connections among family members engaged in the enterprise. As a result of their increased resilience in the face of adversity and their capacity to harmonize personal and professional priorities, entrepreneurs who recite mindfulness are better able to build sustainable businesses (Charoensukmongkol, 2019). Since personal relationships can have a major influence on company operations, this alignment is crucial in family enterprises.

Researchers in China discovered that Small and Medium-Sized Enterprises (SMEs) who practiced entrepreneurial mindfulness were better able to withstand the COVID-19 pandemic (Liu et al., 2022). According to the study's findings, company owners who kept a level head in the face of a constantly shifting business climate were more likely to see their companies through to success. Businesses that are resilient are able to change their tactics in reaction to outside forces because of their adaptability.

Family businesses might benefit from an entrepreneurial mindset that encourages receptiveness to new ideas and a commitment to lifelong learning. This culture fosters an environment where family members are encouraged to welcome change and see obstacles as opportunities for personal development, which strengthens the organization's ability to withstand setbacks. The intricacies of family relationships and market needs can be better managed by family enterprises that foster an atmosphere that values mindfulness. Therefore, the first hypotheses states.

H₁: Entrepreneurial mindfulness has a positive and significant effect on entrepreneurial resilience.

Ambidextrous Leadership and Entrepreneurial Resilience

Ambidextrous leadership, which is the ability to balance exploratory and exploitative actions, is very important in improving entrepreneurial resilience, especially in family enterprises. This leadership style allows firms to adapt to changing circumstances while preserving operational efficiency by pursuing innovation (exploration) and optimizing existing processes (exploitation) at the same time (Sant'Anna, 2024). Ambidextrous leadership helps entrepreneurs remain resilient when faced with unexpected changes or crises. Ambidextrous leaders have flexibility in decision-making that allows them to act quickly when faced with external challenges, such as economic crises or regulatory changes, that could threaten business continuity (Trieu et al., 2023).

In family enterprises, ambidextrous leadership helps to combine old beliefs with new methods. It takes part in creating a culture that is focused on learning. This culture of learning helps the organization become more resilient by preparing the business to adapt effectively to problems that arise both internally and externally. Leaders who are able to successfully maintain this equilibrium are more prepared to lead their organizations through times of change and uncertainty (Cohen & Sharma, 2021). Ambidextrous CEOs improve the resilience of family businesses by creating a culture that appreciates both stability and innovation, which helps to ensure that these enterprises will continue to thrive for generations to come.

According to Bawono (2022), ambidextrous leadership has a favorable effect on organizational performance because it encourages flexibility and adaptability. Leaders may create a climate that values continual improvement by promoting the preservation of current processes while also stimulating the search for new information. Gentle & Metselaar (2020) found that executives who demonstrate ambidextrous behaviors can lead their organizations to achieve better performance outcomes, which are indicative of improved resilience. This dual competence enables family firms to take advantage of their current skills while also pursuing new prospects, which helps them maintain their competitive edge (Beh, 2023). Therefore, the second hypotheses states.

H₂: Ambidextrous leadership has a positive and significant effect on entrepreneurial resilience.

The Mediating Role of Scaling-Up Performance Capacity

Scaling-up performance capacity, which is defined as the ability to grow operational capabilities to meet increasing demands, is often faces unique challenges because decisions regarding expansion are based not only on business considerations but also on family values, ownership structures, and intergenerational influences (Camisón-Zornoza et al., 2020). When it comes to family business, scaling-up performance capability means making the most of the trust and unity within the family to successfully execute growth objectives. Good scaling-up capabilities enable family businesses to respond to growing demand and market changes without losing control or quality of service. It provides an opportunity for family businesses to maintain their heritage by remaining adaptive in an ever-changing market, creating resilience in the face of expansion challenges.

Ambidextrous leadership and entrepreneurial mindfulness increase scaling-up performance capacity, which strengthens resilience (Indrianti et al., 2024). Mindfulness in business helps with this process by having the ability to be aware of the leader's thoughts, feelings, and surroundings in a nonjudgmental way. By being mindful, leaders can create space for creativity and innovative thinking, both of which are necessary for expanding operations (Felber, 2020). At the same time, ambidextrous leadership promotes the pursuit of efficiency and innovation (Gerlach et al., 2020), which guarantees that scaling initiatives are progressive

and long-lasting. This highlights the significance of building family businesses' performance capacities to enable scalability and adaptation.

Scaling-up performance capacity acts as a mediator that influences the relationship between mindfulness and resilience because the scaling-up process demands mental resilience and the ability to stay focused despite facing greater risks. When the scaling-up process is well managed, entrepreneurs can not only expand their businesses but also increase their resilience to failure and external threats. Scaling-up capacity also influences the relationship between ambidextrous leadership and entrepreneurial resilience by facilitating the process of business growth without sacrificing stability. When ambidextrous leaders are able to leverage scaling-up performance capacity, they can ensure that their businesses are not only grow but also remain resilient in the face of challenges that arise during the expansion process (Edelman et al., 2016).

Family business that develops entrepreneurial mindfulness and ambidextrous leadership are in a better position to grow successfully, which makes them more resilient to changes in the market and issues within the company. Ambidextrous leaders offer the strategic direction to strike a balance between exploring new opportunities and maximizing old ones, while mindful leaders are better able to determine when to do both. When family values and company goals are in sync, it's much easier to scale a company as a whole. Practical outcomes such as better decision-making, more innovation, and more flexibility can be achieved through implementing these leadership characteristics and concentrating on scaling-up performance capability. Therefore, the third and fourth hypotheses state.

H₃: Scaling-up performance capacity mediates a positive and significant effect of entrepreneurial mindfulness on entrepreneurial resilience.

H₄: Scaling-up performance capacity mediates a positive and significant effect of ambidextrous leadership on entrepreneurial resilience.

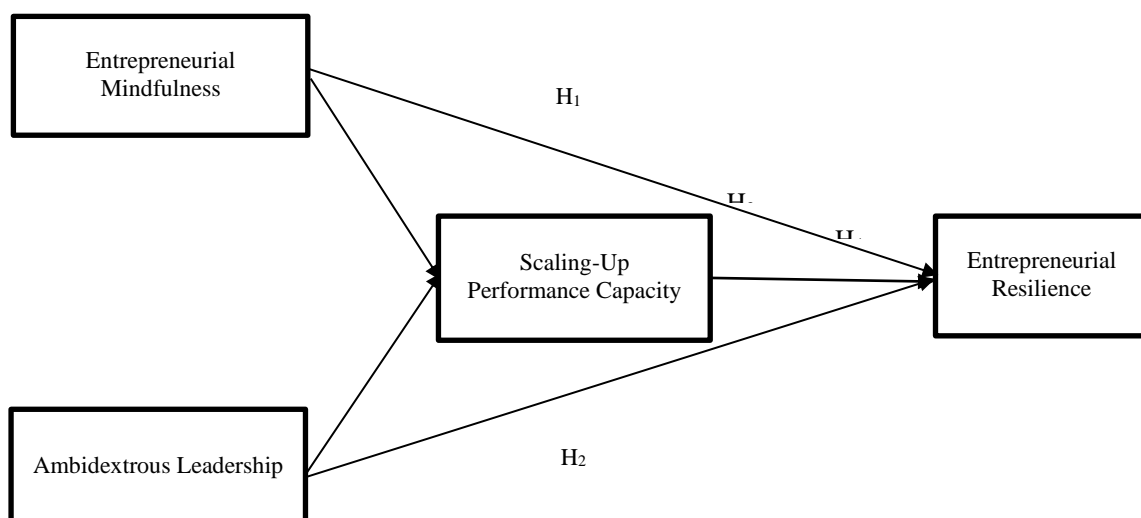


Figure 1. Research Model
Source: (Indrianti et al., 2024)

RESEARCH METHOD

This study employed a quantitative approach. This method was selected due to the research's aim of assessing or validating existing theories to determine their accuracy. The

research utilizes primary data collected through online questionnaires distributed to 265 family business owners in Indonesia who have operated their businesses for a minimum of five years. The businesses came from various industries, namely, food and beverages, tourism, service business, retail, and mining.

Measurements for the indicators derived from variables in this research are assessed using a 5-point Likert Scale ranging from strongly disagree to strongly agree. There are two independent variables used in this study which are entrepreneurial mindfulness and ambidextrous leadership, one dependent variable which is entrepreneurial resilience, and one mediating variable that is scaling-up performance capacity. Eight indicators are used to measure ambidextrous leadership and six indicators each are used to measure entrepreneurial mindfulness, entrepreneurial resilience, and scaling-up performance capacity (Appendix 1).

A multivariate analysis was used because it allows researchers to test relationships between multiple variables simultaneously, thereby providing a more comprehensive understanding of the phenomenon being studied. We employed Partial Least Squares Structural Equation Modeling (PLS-SEM) to analyze the relationships among variables, utilizing SmartPLS 4 software. PLS-SEM was chosen because of its ability to handle complex models with multiple constructs, indicators, and relationship paths with no requirement of strict data distribution assumptions (Hair et al., 2021). A structural equation model featuring latent constructs consists of two parts. The initial part of the structural equation model includes the measurement models (outer model), which represent the one-way predictive connections between each latent construct and its corresponding observed indicators. The second part is the structural model (inner model), which illustrates the relationships (paths) among the latent constructs.

A validity test will be performed to evaluate the indicators used to gather the data. Validity test is a measure or a test that will examine how good the applied instrument is utilized to measure one of the concept dimensions and to be measured in good and right way (Sekaran & Bougie, 2019). This research carried out validity tests using convergent validity and discriminant validity. Convergent validity is established when the value of Average Variance Extracted (AVE) for each variable exceeds 0.5 and the outer loading of each indicator surpasses 0.7 (Hair et al., 2021). Discriminant validity test is established if HTMT value is below 0.9 (Henseler et al., 2015) and Fornell Larcker criterion is fulfilled when square root of the AVE of each construct is higher than the correlation between constructs (Ghozali & Kusumadewi, 2023).

Besides validity test, reliability test is also necessary, as valid data does not always lead to reliable data. Reliability means that the measure is without bias or free of error and ensures the consistency of measurement across time and various items in the instrument (Sekaran & Bougie, 2019). The reliability test was measured using Cronbach's Alpha and composite reliability. A variable is considered reliable when the values of Cronbach's Alpha and composite reliability are equal to or greater than 0.7 (Sekaran & Bougie, 2019).

The evaluation of the model's predictive capabilities was done by examining the R-square values of the endogenous constructs, which indicate the proportion of variance explained by the predictor variables. The path coefficients were also assessed for significance and strength, employing bootstrapping techniques to generate confidence intervals and p-values. This process determines the significance of each hypothesized relationship within the model. The hypothesis is supported if the p-value < 0.05, indicating statistical significance at the 95% confidence level. It is also supported if the t-value > 1.645, which is consistent with the 5% significance level for a one-tailed test (Hair et al., 2021).

RESULTS AND DISCUSSION

Respondents' Profile

The respondents' profile consists of 265 family business owners in Indonesia, categorized by gender, business sector, and education level (Table 1). In terms of gender distribution, 58.1% of the respondents are men (154 individuals), while 41.9% are women (111 individuals). This indicates a higher representation of male business owners in the sample. The business sectors covered in this study are predominantly food and beverages, which constitutes the largest proportion at 63.4% (168 respondents). Service businesses account for 21.1% (56 respondents), followed by hospitality at 4.9% (13 respondents), retail at 6.8% (18 respondents), and mining at 3.8% (10 respondents). These figures suggest that the majority of family businesses in the sample operate in the food and beverages sector, reflecting its significance in the Indonesian economy.

Regarding education level, the respondents' qualifications range from high school to doctoral degrees. The largest group, 59.6% (158 respondents), holds a bachelor's degree, followed by 28.7% (76 respondents) with a diploma. A smaller portion, 8.3% (22 respondents), completed only high school education, while 3.4% (9 respondents) have attained a master's or doctoral degree. These statistics highlight that most family business owners in the study have higher education qualifications, with bachelor's and diploma holders making up the majority. This educational background suggests that formal education plays a significant role in entrepreneurial engagement within family businesses in Indonesia.

Table 1. Respondents' Profile

Category	Details	Total	Percentage (%)
Gender	Men	154	58.1
	Women	111	41.9
	Total	265	100
Business Sector	Food and Beverages	168	63.4
	Service Business	56	21.1
	Hospitality	13	4.9
	Retail	18	6.8
	Mining	10	3.8
	Total	265	100
Education Level	Highschool	22	8.3
	Diploma	76	28.7
	Bachelor	158	59.6
	Master/Doctoral	9	3.4
	Total	265	100

Source: Results of data analysis, 2024

Descriptive Statistics

Descriptive statistics are characterized by a set of measures, including the mean, median, and standard deviation, which provide informative insights into the responses given by respondents. Descriptive statistics form a basis for all quantitative analysis and are a precursor for inferential statistics, which uses properties of a data set to make inference and predictions beyond the data (Green et al., 2022). The descriptive statistics table is as follows:

Table 2. Descriptive Statistics

Variables	Indicators	Mean	Min	Max	Standard Deviation
Entrepreneurial Mindfulness (EM)	EM1	3.996	1.000	5.000	0.822
	EM2	3.966	1.000	5.000	0.798

	EM3	4.000	1.000	5.000	0.856
	EM4	3.932	1.000	5.000	0.857
	EM5	3.928	1.000	5.000	0.832
	EM6	3.970	1.000	5.000	0.796
	AL1	3.909	1.000	5.000	0.833
	AL2	3.955	1.000	5.000	0.818
	AL3	3.891	1.000	5.000	0.805
Ambidextrous Leadership (AL)	AL4	3.925	1.000	5.000	0.830
	AL5	3.898	1.000	5.000	0.806
	AL6	3.940	1.000	5.000	0.849
	AL7	3.947	1.000	5.000	0.818
	AL8	3.891	1.000	5.000	0.833
	SPC1	4.000	1.000	5.000	0.787
	SPC2	3.992	1.000	5.000	0.796
Scaling-up Performance Capacity (SPC)	SPC3	3.977	1.000	5.000	0.791
	SPC4	3.940	1.000	5.000	0.799
	SPC5	3.951	1.000	5.000	0.788
	SPC6	3.943	1.000	5.000	0.787
	ER1	3.909	1.000	5.000	0.815
	ER2	3.936	1.000	5.000	0.777
Entrepreneurial Resilience (ER)	ER3	3.913	1.000	5.000	0.779
	ER4	3.913	1.000	5.000	0.745
	ER5	3.936	1.000	5.000	0.815
	ER6	3.943	1.000	5.000	0.792

Source: Results of data analysis, 2024

According to Table 2, there are a total of 26 indicators across the four variables. The mean average of these 26 indicators is 3.942, indicating that respondents' answers tend to be close to scale 4 (agree). Among the 26 indicators, the standard deviation varies between 0.745 and 0.857, demonstrating that the data's average dispersion is relatively narrow, which indicates a high level of consistency within the data.

Inferential Statistics

Convergent validity was measured using factor loading and Average Variance Extracted (AVE). Table 3 shows that all indicators meet the factor loading criteria above 0.7 and all of the AVE value is more than 0.5, thus declared as valid.

Table 3. Convergent Validity Test Result

Variables	Indicators	Outer Loading	AVE	Result
Entrepreneurial Mindfulness	EM1	0,891	0.817	Valid
	EM2	0,903		Valid
	EM3	0,913		Valid
	EM4	0,897		Valid
	EM5	0,925		Valid
	EM6	0,893		Valid
Ambidextrous Leadership	AL1	0,897	0.796	Valid
	AL2	0,913		Valid
	AL3	0,896		Valid
	AL4	0,874		Valid
	AL5	0,886		Valid
	AL6	0,888		Valid
Scaling-up Performance Capacity	AL7	0,894	0.798	Valid
	AL8	0,889		Valid
	SPC1	0,890		Valid
	SPC2	0,900		Valid
	SPC3	0,909		Valid
	SPC4	0,871		Valid
Entrepreneurial Resilience	SPC5	0,894	0.806	Valid
	SPC6	0,894		Valid
	ER1	0,904		Valid

Resilience	ER2	0,892	Valid
	ER3	0,898	Valid
	ER4	0,890	Valid
	ER5	0,900	Valid
	ER6	0,902	Valid

Source: Results of data analysis, 2024

In addition to convergent validity, the Heterotrait-Monotrait (HTMT) ratio and the Fornell-Larcker Criterion are also used to assess discriminant validity. The results from the HTMT test (Table 4) are all below 0.90, suggesting that each variable demonstrates strong discriminant validity. The result of Fornell Larcker Criterion (Table 5) shows that the square root of AVE is higher than the correlation of other variables. Therefore, all variables used in this model meet the discriminant validity criteria.

Table 4. Heterotrait-Monotrait Ratio (HTMT) Test Result

	Ambidextrous Leadership	Entrepreneurial Mindfulness	Entrepreneurial Resilience	Scaling-up Performance Capacity
Ambidextrous Leadership				
Entrepreneurial Mindfulness	0.277			
Entrepreneurial Resilience	0.337	0.384		
Scaling-up Performance Capacity	0.391	0.333	0.362	

Source: Results of data analysis, 2024

Table 5. Fornell Larcker Criterion Test Result

	Ambidextrous Leadership	Entrepreneurial Mindfulness	Entrepreneurial Resilience	Scaling-up Performance Capacity
Ambidextrous Leadership	0.892			
Entrepreneurial Mindfulness	0.269	0.904		
Entrepreneurial Resilience	0.324	0.374	0.898	
Scaling-up Performance Capacity	0.376	0.321	0.346	0.893

Source: Results of data analysis, 2024

The reliability test is evaluated through Cronbach's Alpha and composite reliability. A Cronbach's Alpha higher than 0.6 and a composite reliability value above 0.7 are deemed reliable and suitable for subsequent testing. The outcomes of the reliability assessment are presented in Table 5 below:

Table 6. Reliability Test

Variable	Cronbach's Alpha	Composite Reliability	Result
Entrepreneurial Mindfulness	0.955	0.964	Reliable
Ambidextrous Leadership	0.963	0.969	Reliable
Scaling-up Performance Capacity	0.949	0.959	Reliable
Entrepreneurial Resilience	0.952	0.961	Reliable

Source: Results of data analysis, 2024

Structural Model

The multicollinearity test was carried out by looking at the value of the Variance Inflation Factor (VIF) of less than 10 (Sekaran & Bougie, 2019). The result of the multicollinearity test

for all indicators and variables in this study is aligned with the established criteria. Consequently, there is statistically no significant correlation among the variables statistically.

The R-square results indicated that entrepreneurial mindfulness, ambidextrous leadership, and scaling-up performance capacity account for 22.4% of entrepreneurial resilience, while the other 77.6% is attributed to factors not included in the models. Furthermore, entrepreneurial mindfulness and ambidextrous leadership explain 19.4% of scaling-up performance capacity, with the remaining 80.6% attributed to other variables not captured by the model. This leads to the conclusion that independent variables have a weak impact on dependent variables.

The hypothesis is supported if the t-statistic surpasses 1.645 (one-tailed) and the p-value is less than 0.05 (Hair et al., 2021). Table 7 shows that all four hypotheses are supported, as the t-statistic exceeds 1.645 and the p-value is under 0.05. The findings from the hypothesis testing are outlined as follows:

Table 7. Hypothesis Testing

Hypothesis		Original sample	t-statistic	P-value	Result
Entrepreneurial mindfulness	à Entrepreneurial resilience	0.263	4.313	0.000	Supported
Ambidextrous leadership	à Entrepreneurial resilience	0.180	2.893	0.004	Supported
Entrepreneurial mindfulness	à Scaling-up Performance Capacity à Entrepreneurial resilience	0.046	2.096	0.036	Supported
Ambidextrous leadership	à Scaling-up Performance Capacity à Entrepreneurial resilience	0.060	2.056	0.040	Supported

Source: Results of data analysis, 2024

The results of the structural model indicate that entrepreneurial mindfulness and ambidextrous leadership have a positive and significant impact on entrepreneurial resilience, hence supporting hypotheses 1 and 2. Moreover, we also find that scaling-up performance capacity mediates the positive and significant impact of entrepreneurial mindfulness ambidextrous leadership toward entrepreneurial resilience, thus hypotheses 3 and 4 are supported.

Discussion

The practice of mindfulness in entrepreneurship significantly and positively influences resilience in family business ventures. This result confirms the study conducted by Aránega et al. (2020) and Aránega et al. (2025). Mindfulness can contribute positively to the resilience of an entrepreneur because by being mindful, entrepreneurs can maintain their mental balance in facing various difficult situations (Murnieks et al., 2020). The ability to stay calm and present in stressful situations makes entrepreneurs less intimidated by challenges. This is a very important factor in building resilience (Philippe et al., 2021), because they are better able to find creative solutions in stressful conditions.

Mindfulness enables entrepreneurs to have a more open and flexible view, so they can see problems from various perspectives without being distracted by negative emotions. However, for this mindfulness to truly have a positive impact on entrepreneurial resilience, the ability to translate this awareness into actions that support business growth is needed. This is where scaling-up performance capacity plays an important role in mediating mindfulness and entrepreneurial resilience. The capacity of family business owners to have good systems,

strategies, and resources that can grow business without losing efficiency and sacrificing quality enables them to remain resilient when faced with uncertainty or rapid growth. Resilience is formed because entrepreneurs have a clear plan for expansion and risk management, which helps them better overcome obstacles (Suddaby & Jaskiewicz, 2020).

In a volatile business environment, organizations require a leader who can innovate ways to enhance current workflows while effectively guiding teams to carry out innovations (Riyanto, 2024). Ambidextrous leadership positively and significantly influence entrepreneurial resilience, consistent with previous studies (Trieu et al., 2023; Shahraki, 2023). The combination of exploration and exploitation prepares entrepreneurs to be more adaptive and responsive in difficult situations. Exploitative leadership directs a team in alignment with the organization's established norms, frameworks, and practices, intentionally adjusting the leader's conduct. Exploratory leadership behavior inspires team members to think outside the box, break free from conventional approaches, and even embrace risks to explore uncharted territories. This combination allows entrepreneurs to have the flexibility to adapt to change, which in turn supports their resilience (Höft & Olivan, 2023).

In the family business context, an ambidextrous leader can provide space for younger family members to explore innovation and update business processes, while also maintaining the stability and consumer trust that has been built. Leaders who demonstrate ambidextrous behaviors are more capable of effectively scaling their operations. They skillfully balance the need to uphold family traditions with the pursuit of novel ideas. Maintaining this balance is essential throughout the scaling-up stage, when increasing performance capacity requires both process optimization and exploration of new opportunity in the market (Indrianti et al., 2024). This attitude also creates a resilient mindset, where entrepreneurs are able to see opportunities behind difficulties and take innovative steps to overcome them (O'Reilly III & Tushman, 2021).

CONCLUSION

This research investigates the elements that affect entrepreneurial resilience within Indonesian family businesses, emphasizing the significance of entrepreneurial mindfulness, ambidextrous leadership, and the ability to enhance performance capacity as a mediating factor. The results indicate that both entrepreneurial mindfulness and ambidextrous leadership significantly contribute to entrepreneurial resilience. Additionally, the performance capacity to scale-up serves as a mediator, reinforcing the connection between these leadership qualities and resilience. These findings emphasize the significance of psychological and strategic leadership traits in improving the adaptability and enduring sustainability of family businesses in Indonesia.

Family business owners who engage in mindfulness enhance their self-awareness and emotional control, which subsequently aids in their ability to cope with stress, challenges, and uncertainties in the business world. Ambidextrous leadership allows family firms to maneuver through the intricacies of expanding their operations by balancing innovation and efficiency, thus enhancing their ability to endure and adjust to difficulties. The inclusion of scaling-up performance capacity as a mediator highlights that resilience stems not only from leadership practices but also from a firm's ability to enhance its operational and strategic capabilities. This study contributes to the literature on entrepreneurship and business strategies by showing how unique characteristics such as entrepreneurial mindfulness and ambidextrous leadership can influence entrepreneurial resilience in the context of family businesses in Indonesia.

From a practical standpoint, the results of this research provide important insights for leaders of family businesses including their successors and also business consultants. First,

cultivating entrepreneurial mindfulness through leadership development and mindfulness techniques can improve decision-making and stress management, thereby enhancing business resilience. Second, family business leaders ought to implement ambidextrous leadership approaches that enable them to balance established business practices with innovation-driven growth. Promoting a culture that embraces both exploration and exploitation guarantees that businesses stay competitive while remaining aligned with their fundamental values.

In addition, improving the capacity for scaling-up performance should be a key focus for family businesses aiming for long-term sustainability. This can be accomplished by investing in technology, developing talent, and optimizing processes. Business leaders need to emphasize strategic growth planning to ensure that scaling initiatives are in harmony with the organization's abilities and market possibilities. Moreover, business associations can help family businesses by offering access to resources such as mentorship schemes, financial support, and innovation hubs that foster growth and resilience.

Despite its insights, this research also has some limitations that need to be addressed in future research. The focus on Indonesian family businesses may restrict the applicability of the findings to other cultural or economic settings. Future investigations could examine these relationships in various countries or regions to evaluate the consistency of the outcomes. Furthermore, while this study highlights scaling-up performance capacity as a significant mediator, additional mediating or moderating factors, such as organizational learning, financial capacity, or digital transformation, can be explored in subsequent research. Examining how different industry sectors or sizes of family businesses impact these relationships could also yield more detailed insights. Lastly, longitudinal studies that monitor the development of entrepreneurial resilience in family businesses over time would provide a richer understanding of how these leadership behaviors and scaling strategies contribute to sustained success.

APPENDIX

Table 8. Appendix 1. Indicators Used

Variables	Measurements	Source
Ambidextrous Leadership	I am open to accommodating various ideas from my team.	Indrianti et al. (2024)
	I encourage the team to always give their best in doing every task.	
	I accommodate the learning needs within the team to advance the family business.	
	I actively evaluate the team's performance to ensure that targets are achieved.	
	I am able to manage existing rules or procedures to ensure the efficiency of my family business.	
	I always follow the established plan to achieve my family business goals.	
	I am quick to take corrective action if there is a mistake.	
Entrepreneurial Mindfulness	I focus on ensuring that all important aspects of this family business are handled to completion.	Indrianti et al. (2024)
	I have strong motivation to continue developing my family business.	
	I feel that my unique character as a business owner is very helpful in facing industry challenges.	
	I think of ways to avoid potential failures in running a family business.	
	I am able to manage complexity to base.	
	I strive to continuously improve learning from my family business experiences to make better decisions.	
	I often explore new entrepreneurial strategies through the experiences I gain.	
Scaling-Up Capacity	I am able to effectively identify the best talents to join my family business.	Indrianti et al. (2024)

Entrepreneurial Resilience	I am able to effectively manage team performance to achieve optimal results.	Indrianti et al. (2024)
	I am quick to respond to new opportunities that arise in the market.	
	I am able to manage the risks associated with growing my family business well.	
	I have a clear strategy to scale my family business.	
	I am confident in making decisions related to scaling my family business.	
	I can manage existential fear when facing challenges in the family business.	
	I always follow up on previously identified family business opportunities.	
	I am able to maintain relationships with other entrepreneurs to support my family business.	
	I am able to manage family business resources effectively to achieve the expected goals.	
	I have a clear understanding of the unique value my family business offers to customers.	
	I carry out internal restructuring in the family business to improve operational efficiency.	

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