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IMPACT, INNOVATION, AND CREATIVITY FIELD ECONOMY AND SOCIAL FROM TRANSFORMATION MANAGEMENT IN START-UP BUSINESS

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Abstract

Management transformation in start-up businesses has become a key element in creating innovation and creativity that affects the economic and social sectors. This article aims to analyze how changes in the managerial structure of start-ups can affect business sustainability, create added value for society, and support the growth of the digital economy. Using a descriptive qualitative method, this research examines various start-up management models that have undergone significant transformations, the obstacles faced, and the solutions implemented. This article also discusses the implementation of strategies, the development of managerial concepts, and the positive impact of these transformations on the business and social ecosystems. This research found that management transformation significantly affects the improvement of operational efficiency, team satisfaction, and the company's social participation. The results of this study are expected to serve as an important reference for start-up practitioners, academics, and policymakers

Keywords **Management Transformation, Innovation, Creativity, Start-up, Digital Economy, Social Impact**

DOI

I. INTRODUCTION

In the growing digital era rapidly, start-ups become Wrong One element main in innovation business. However, the sustainability of start-ups not only depends on an innovative idea, but Also on How management in it develop and adapt to dynamics market. Because of that, transformation management in start-up business becomes important for creating sustainable innovation and gives impact on economy as well as more social broad. In the digital business ecosystem, start-ups are the

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main factors in creating new economic and social values. However, many of them do not survive because they are not adaptive to change. Management transformation is an important strategy to increase competitiveness, team creativity, and business continuity. This transformation includes aspects of leadership, organizational culture, decision-making, and adoption of technology. Management transformation in start-up businesses has become an important phenomenon in the global economic landscape. Changes in leadership patterns, more agile organizational models, and the application of technology have encouraged start-ups to become agents of change in various sectors. However, there has not been much research that comprehensively describes the impact of this transformation on economic and social aspects and its relationship to innovation and creativity.

Concerns arise when many start-ups do not survive in the first five years despite having innovative business ideas. Many are trapped in conventional managerial patterns that are not adaptive to market changes and technological developments. This raises the question: does management transformation have a significant impact on the sustainability and socio-economic contribution of start-ups? Concerns and Facts, namely Data from CB Insights (2023), show that 70% of start-ups fail in the third year due to management problems and failure to adapt to the market. In Indonesia, based on the Kominfo report (2024), out of 2,400 start-ups, only around 15% were able to survive more than five years.

Philosophy and Urgency, namely Management transformation reflects the organization's adaptation to changing times. Philosophically, this transformation refers to the principle of "learning organization" (Senge, 1990), where flexibility, innovation, and collaboration are the main values. The urgency of this research arises from the urgent need for start-ups to survive and make a real contribution to society. Facts and Data, namely According to data from Startup Genome (2023), around 90% of start-ups fail, and 70% of them fail due to managerial problems and lack of adaptation to change. In Indonesia, data from BPS (2022) shows that the contribution of start-ups to GDP has increased from 2.4% to 3.1% in the last two years, especially in the digital economy sector.

Management transformation refers to changes in the values, structures, processes, and culture of an organization. In the context of a start-up business, this transformation reflects an effort to balance economic efficiency and social responsibility. This approach is in line with the philosophy of sustainability and innovation as key elements of societal progress.

Relevance and Broad Context This research is relevant to the context of digital economic growth, social inequality, and inclusive challenges. Start-ups must not only survive economically but

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also provide social impact. Management transformation is crucial because it is related to how start-ups survive, innovate, and create economic and social values. This is especially relevant in the context of post-pandemic economic recovery and the increasing digitalization of the economic sector.

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Topics in a Broader Context namely Management transformation in start-ups not only affects profitability, but also expands social impacts, such as job creation, empowerment of MSMEs, and increasing digital literacy. This is what distinguishes today's start-ups from conventional companies.

The Reason This Research is Important is that this research is important to provide a deeper understanding of the relationship between management transformation and the socio-economic contribution of start-ups. In addition, the results can be a practical reference for industry players, academics, and policy makers.

Problems and Root Causes The main problem is the lack of managerial adaptability in many start-ups that causes business failure. The root of the problem lies in the management approach that is not relevant to the dynamic needs of the modern start-up industry.

Comparison with Previous Researchers, namely Previous research by Ries (2011) in "The Lean Startup" emphasized the importance of rapid iteration and market validation. Meanwhile, Drucker (2007) emphasized the importance of innovation in management. However, few have highlighted the social impact of management transformation in a local context such as Indonesia.

Management transformation in start-up businesses has a positive impact on economic growth and social change. Through organized innovation and creativity, start-ups can contribute more to creating solutions to social challenges, opening jobs, and strengthening the digital economy. This research is expected to provide theoretical and practical contributions to the development of policies and managerial practices in the start-up sector.

Objective His research is Analyzing impact transformation management to innovation and creativity in start-up business, showing obstacles and solution in implementation modern management in start-ups, and Exploring strategy and management models that can increase sustainability economy and social.

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II. METHODOLOGY

Study This uses qualitative descriptive method with approach studies case to some start-ups that have experience transformation managerial. Data collected through interview in-depth, observation, and analysis document and literature related.

III. RESULTS AND DISCUSSION

Uniqueness And Novelty: Transformation management at start-ups tend to be more flexible compared to conventional companies, allowing more business model experiments adaptive. Its uniqueness and novelty are that this research offers an innovative approach by examining the integration between modern management approaches and socio-economic impacts. This approach has not been studied comprehensively in Indonesian literature. Strengths: Implementation of digital technology in management increase efficiency operational and speed up the retrieval process decision. Obstacle or Obstacles like lack of experience managerial and limitations source Power financial can overcome with mentoring and funding venture.

Implementation And Its development are a management model data- based and agile management has Lots applied for increase Power start-up competition. Draft And Role: Transformation management in start-up Not only just internal innovation but also play a role in to form ecosystem more economy inclusive. Strategy And The analysis are that companies that adopt management based on innovation own opportunity bigger for thrive in a competitive market.

Design, Prototype, and Model are working models. hybrid and management remote based have become choice main in increase effectiveness start-up organization. Novelty and Impact Positive: Successful start-up transformation management tends to be more innovative in creating products and services that have mark plus for public.

Management Transformation: Concept and Reality Management transformation refers to the process of changing leadership paradigms, organizational structures, decision-making systems, and technology use. New models such as agile management and design thinking allow flexibility in decision-making and response to market changes.

Innovation and Creativity as Transformation Products, namely Management Transformation not only increases internal efficiency but also triggers creativity in product/service development. A

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study by McKinsey (2022) shows that 80% of start-ups that implement a collaborative and innovative approach have two times the growth of those that do not.

Its Economic and Social Impact is that successful start-ups not only contribute to GDP, but also create jobs, empower local communities, and become agents of social change. Innovations based on community needs such as digital farming applications and educational platforms have improved the quality of life in various regions.

Comparison with Previous Research, namely Unlike earlier research (e.g.: Wibowo, 2021; Arifin, 2022) which only focused on the financial or technological aspects of start-ups, this article highlights the synergistic relationship between management transformation and creativity and social impact.

Table 1. Comparison Impact Transformation Management in Aspect of Economy and Social

No	Aspects Analyzed	Condition Before Transformation Management	Condition After Transformation Management	Difference (+/-)	Impact Positive
1	Innovation Products / Services	3.2	4.5	+1.3	Tall
2	Team Creativity	3.0	4.4	+1.4	Increase
3	Efficiency Operational	3.1	4.6	+1.5	More Optimal
4	Satisfaction Employee	2.8	4.2	+1.4	More Motivated
5	Power Compete in the Market	3.3	4.7	+1.4	Go on Significant
6	Amount Partners Collaboration	2.5	4.1	+1.6	The Wider
7	Participation Social / Community	2.7	4.3	+1.6	Positive & Integrated
8	Impact Social to Public	3.0	4.6	+1.6	Impact Wide
9	Improvement Operating revenues	3.2	4.8	+1.6	Tall
10	Inclusivity & Sustainability Social	2.6	4.2	+1.6	Integrated

Scale: 1 = extremely low, 5 = extremely high. Respondents: 30 owners / start-up founders (n=30) Data Analysis in Brief:

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a) Highest: Increased revenue and social impact after management transformation (difference +1.6)
b) Smallest: Product innovation (but still significantly increased +1.3)
c) Strategy: The use of Agile methods, Design Thinking, digital tools such as Notion, Slack, and regular feedback systems have been shown to increase team collaboration, transparency, and creativity.
d) Response: 87% of respondents said that management transformation made them more adaptive to the market.
e) Strengths: Flexibility, speed of adaptation, and commitment to social issues.
f) Benefits: Improve internal and external welfare of the company/start-up.

IV. CONCLUSION

Transformation management in start-up business has role important in increasing Power competition company, creating innovation, as well as giving impact social and positive economy. Implementation strategy management based on technology, collaboration, and flexibility organization have become key main in start-up success in facing global challenges. Management transformation in start-up businesses has a significant impact on innovation development, increased creativity, and social and economic contributions. Adaptive and innovative start-ups tend to survive longer and can provide solutions to social problems. Therefore, a structured and value-based management strategy must be the focus in start-up development, especially in developing countries like Indonesia. Management transformation in start-up businesses is not just a technical adjustment, but also a strategic approach that can produce economic and social impacts simultaneously. Improvements in all aspects show that managerial innovation is the key to start-up sustainability. An effective transformation strategy can produce a system that is more adaptive, inclusive, and has a broad impact on society.

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