Gordon Institute
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How organizational resilience overcomes managerial status quo bias in the face of uncertainty

Njabulo Dlamini

20802910

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ABSTRACT

It is generally accepted that for organizations to achieve sustained long term growth; they must be able to withstand unpredictable and inevitable external disruptions. This goal is shaped by an organization's adaptive capabilities, which enhance its agility and responsiveness to uncertainty. This study focuses on how status quo bias can hinder an organization's capacity to attain resilience and what interventions that an organization can employ to overcome status quo bias. This study also explores the development of organizational resilience and the initiatives that managers employ in an emerging market context.

This qualitative study utilized a narrative approach in which thirteen participants were interviewed using semi-structured schedules. The findings of these interviews revealed that an organization's ability to overcome status quo bias has a dual effect of building organizational resilience. The findings also demonstrate that enterprises that operate in South Africa, Eswatini and the rest of Sub-Saharan Africa develop unique adaptive capabilities that respond to unique opportunities and persevere through external disruptions. Overall, the study highlights that organizations must align their internal environment to their external environment through interdependent dynamic relationships that form an iterative cycle of progressive improvement and supports the creation of novel products, services, processes, and knowledge.

Keywords:

organizational resilience, status quo bias, uncertainty

DECLARATION

I declare that this research project is my own work. It is submitted in partial fulfilment of the requirements for the degree of Master of Business Administration at the Gordon Institute of Business Science, University of Pretoria. It has not been submitted before for any degree or examination in any other University. I further declare that I have obtained the necessary authorization and consent to carry out this research.

Name:	Njabulo Dlamini
Student Number:	20802910
Date:	02 November 2021

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1.1 Introduction

This study will focus on how managers in organizations can leverage organizational resilience to overcome status quo bias during times of uncertainty. The biggest challenge for leaders in organizations is how they plan for and respond to uncertainty in their environment. The market looks for signals that an organization can resist systemic external disruptions and bounce back from setbacks (DesJardine, Bansal, & Yang, 2019; Hitt, Arregle, & Holmes, 2021; Ortiz De Mandojana & Bansal, 2016). People wonder why some organizations perish while others thrive during times of great volatility. When confronted with uncertainty, a leader's decision-making comes under increased scrutiny (Artinger, Petersen, & Gigerenzer, 2015; Guercini & Milanesi, 2020; Suarez & Montes, 2020). Leaders may become overwhelmed during times of great crisis which may impair their ability to adapt when quick decisions are required (Bettis, 2017; Hitt et al., 2021; Ogliastri & Zúñiga, 2016). These situations may result in managers sticking to the status quo because they fear the irreparable harm their decisions may cause to their organization (Bekir & Doss, 2020; Dean, Kıbrıs, & Masatlioglu, 2017; Geng, 2016; Rosokha & Younge, 2020).

The three key constructs that this study will explore are "organizational resilience," "status quo bias," and "uncertainty," which will be briefly discussed below:

1.2 Organization resilience

Organizational resilience is defined as the capacity of an organization to resist financial volatility and rebound from setbacks. Organizational resilience is defined as "latent, path-dependent capability that cannot be directly measured but whose benefits take a long time to manifest" (DesJardine et al., 2019; Ortis De Mandojana & Bansal, 2016). Resilient organizations have in their possession flexible resources in the form of employees, suppliers, processes, and stakeholders. This study will concentrate on employees, in particular managers, and what part they may play in instilling resilience in their organizations. It is stated that organizational resilience is built through continuous improvement, where employees respond to new problems with new solutions and not just old routines (Dittrich & Seidl, 2018; Fultz & Hmieleski, 2021; Guercini & Milanesi, 2020; Liu, Lv, Ying, Arndt, & Wei, 2018; Luan, Reb, & Gigerenzer, 2019; Ortiz De Mandojana & Bansal, 2016; Suarez & Montes, 2020; Wenzel & Sandal, 2021).

1.3 Status quo bias

Status quo bias is defined as the inclination for a subject to stick to a predefined reference point based on little consideration for subsequent information (Bekir & Doss, 2020; Geng, 2016). This occurs mainly in situations where subjects must make decisions under uncertainty. During this situation, individuals, set with alternatives, will select and stick to their most preferred option (Bekir & Doss, 2020; Dean et al., 2017; Geng, 2016). Status quo bias is relevant to building organizational resilience as managers are required to respond to emerging trends and unforeseen shocks in the external environment (Hitt et al., 2021; Luan, Reb & Gigerenzer, 2019). When confronted by these disturbances, managers may be tempted to stick with old routines and approaches which may not be relevant in the current situation (Anthony, Cobban, Nair, & Painchaud, 2019; Dean et al., 2017; Dittrich & Seidl, 2018; Geng, 2016; Glaser, 2017; Robert, Leonard, & Mikes, 2020; Suarez & Montes, 2020). In a Mckinsey report, it was reported that 94% of corporate executives interviewed were dissatisfied with the results of their new initiatives especially after they had made significant financial commitments to these initiatives. The number one reason that these initiatives fail as reported by corporate executives is that they were unable to change day-to-day processes in their organizations (Anthony et al., 2019).

Despite this evidence of status quo bias affecting an overwhelming majority of new initiatives in organizations, this author has found very little in published research exploring the relationship between status quo bias and organizational resilience. The research that has been found links the two constructs in a very shallow manner. This study will focus on how status quo bias can hinder organizational resilience and how organizational resilience can overcome status quo bias.

1.4 Uncertainty

Managers make decisions in two of the following situations: *situations of risk* versus *situations of uncertainty* (Gigerenzer, 2017). Risk is where all possible outcomes are known and probabilities are assigned to each possible outcome (Bylund & McCaffrey, 2017; Foss, 2020; Kahneman, Knetsch, & Thaler, 1991; Samuelson & Zeckhauser, 1988). This study will not focus on risky situations, but will instead focus on uncertainty (Samuelson & Seckhauser, 1988).

In epistemology, uncertainty is defined as when not all outcomes are known and the probabilities of their occurrence cannot be quantified (Guercini & Milanesi, 2020; Tversky & Fox, 1995). It is critical to distinguish between risk and uncertainty as statistical models are the best means to resolve situations within the confines of risk. Uncertainty affects strategy formulation and execution as leaders typically form models of the real world based on fundamental presumptions that need to constantly be evaluated and assessed (Ott, Eisenhardt, & Bingham, 2017). These mental models will consider the external environment, namely; the political, legal, economic, social, and technological environment (DesJardine et al., 2019; Hitt et al., 2021; Maitland & Sammartino, 2014; Negri, Cagno, Colicchia, & Sarkis, 2021; Ortiz De Mandojana & Bansal, 2016; Sahebjamnia, Torabi, & Mansouri, 2018). Instability in any of these described facets can have a significant impact on an organization's goal and viability.

This study will also explore the relationship between uncertainty and organizational resilience. Uncertainty as a phenomenon is difficult to *see* but its effects are rather *felt* in the macroeconomic environment in that uncertainty can destabilize markets and institutions (Apaitan, Luangaram, & Manopimoke, 2021). It is acknowledged that uncertainty is brought about by environmental disruptions which are inevitable and unpredictable (DesJardine et al., 2019; Hitt et al., 2021; Negri et al., 2021; Ortiz De Mandojana & Bansal, 2016; Sahebjamnia et al., 2018). These shocks can be as a result of natural disasters, pandemics, economic recessions, and government regulation. These events can increase the uncertainty faced by the organization threatening its very existence.

This study will also focus on uncertainty in an emerging market context as the mass of extant literature has focussed predominantly on developed markets with little focus on emerging markets (Apaitan, Luangaram, & Manopimoke 2021; Parker & Ameen, 2018). This study will focus on the role that uncertainty plays in developing economies such as South Africa, Eswatini, and sub-Saharan Africa. The primary driver of uncertainty is the lack of infrastructure in emerging markets characterized by intermittent disruptions in the supply of electricity (Parker & Ameen, 2018). These structural challenges impact the long term survival of small and medium enterprises in particular. Another source of uncertainty is caused by the advent of globalization. Globalization has meant that there can be a *spillover* of events in advanced nations that have a material impact on the economies of developing nations (Apaitan et al., 2021). For instance, fiscal and economic policy decisions in the United States can contribute to uncertainty through depressing returns of listed equities in the emerging markets. Thus, local entities must not just price in volatility caused by local institutions but by institutions in developed nations. These unique challenges faced by organizations in countries like South Africa shape the environment that they operate in and the subsequent strategies that they formulate to survive and thrive (Parker & Ameen, 2018; Van Alstyne, Parker, & Choudary, 2016). This study will explore this context and how leaders align their strategies to their environment.

1.5 The purpose statement

This research paper will explore how organizational resilience can overcome status quo bias. This will explore what factors keep status quo bias in place and what managerial interventions can overcome status quo bias to build organizational resilience. This study will also explore how organizations respond to uncertainty in an emerging market context and why the solutions developed by managers align with their environment.

1.6 The business need for the study

The COVID-19 pandemic can be best characterized as unpredictable and uncertain. During times like this, businesses look to their leaders to steady the ship and keep the organization moving forward.

During a crisis, decision-makers can become overwhelmed by an overabundance of information and may not know which information to discard, evaluate, and embrace in adapting their strategy (Ott et al., 2017). During these times, leaders try to create models that represent reality in order to assess available options and select the best course of action (Wenzel, Stanske, & Lieberman, 2020). This has raised the question of how organizations will respond strategically when it is a matter of survival. Firms' available options are to either exit the market, retrench employees, persevere, or innovate (Wensel et al., 2020).

In times of uncertainty, society is confronted with profound cultural changes, technological advancements, and economic disruption (Foss, 2020). This will not change but will accelerate as research postulates that there will likely be more pandemics and disruptions to come in the ensuing years (Constable & Kushner, 2021; Foss, 2020). The rising human population in continents such as Africa and Asia will demand resources to sustain the population. This drive for resources will continue to see human beings encroaching increasingly on animal habitats resulting in increased interaction between wildlife and humanity. Reports indicate 75% of emerging diseases will come from zoonotic sources (Constable & Kushner, 2021). While many thought that COVID-19 came out of the blue, epidemiologists had been warning about the dangers of these types of diseases for years (Constable & Kushner, 2021), but the warnings were ignored at both a national and organizational levels. Leaders were ill-prepared when the pandemic hit and had difficulty adapting the execution of their strategy to the new normal (Wensel et al., 2020). There are trends that existed prior to 2020, which have been accelerated due to the pandemic, and new trends that are emerging due to the pandemic (Burch, 2020). Managers need to develop a toolbox (new routines, heuristics, and innovations) to respond to the stresses of the external environment (Fainshmidt, Wenger, & Pezeshkan, 2019; Pal, Torstensson, & Mattila, 2014; Suarez & Montes, 2020).

Thus, it will be critical for leaders to understand how they can build organizational resilience into their long term strategy execution and ensure their strategies are adaptive enough to respond to increasing uncertainty as the world continues forward.

This study aims to explore ecological rationality in supporting organizational resilience (Luan et al., 2019). This can help lead to the generation of novel solutions, processes, and knowledge (Luan et al., 2019; Wensel & Sandal, 2021). This study can help contribute to strategy formation and execution as leaders can approach uncertainty with a mind to improvise and adapt (Ott et al., 2017).

1.7 The theoretical need for the study

The prevalence of status quo bias has been researched extensively, and there are mounds of experimental and real-life data to support this theory (Dean et al., 2017; Geng, 2016; Kahneman et al., 1991; Samuelson & Seckhauser, 1988). But there has been little in the way of meaningful published research into the relationship between status quo bias and organizational resilience despite evidence that status quo bias can play a profound role in the execution of new strategic initiatives (Anthony et al., 2019). Thus, this study represents an opportunity to contribute to this gap in the extant academic literature.

The study will also seek to add to the growing literature around organizational resilience in an emerging market context. As the author is based in South Africa, this study is uniquely positioned to explore how uncertainty develops in an emerging market (DesJardine et al., 2019; Ortiz De Mandojana & Bansal, 2016; Parker & Ameen, 2018; Suarez & Montes, 2020). This can help provide nuanced insights which can enrichen the existing literature on organizational resilience which has emanated from a predominantly developed market context (DesJardine et al., 2019; Ortiz De Mandojana & Bansal, 2016; Parker & Ameen, 2018; Suarez & Montes, 2020).

Ultimately this study aims to provide a comprehensive framework that incorporates all the findings from exploring the relationship between status quo bias, organizational resilience, and uncertainty in a manner that will contribute to academic literature. This framework will highlight the relationships between the constructs, how they impact one another, and what interventions can promote organizational resilience and reduce status quo bias.

1.8 Outline of research thesis

The rest of this study will be structured in the following manner: Chapter 2 will review the current academic literature on the three key constructs namely “organizational resilience”; “status quo bias” and “uncertainty”. There will also be an introduction of the capabilities that define organizational resilience and a toolkit that managers may use to build resilience. Ultimately this literature review will highlight the gaps in the current literature which this thesis will investigate. Chapter 3 will take the gaps highlighted in the literature to formulate research questions that will be critical to this study. Once the research questions have been defined, chapter 4 will focus on the research methodology. The methodology will define how the data will be collected and what data will be collected. Chapter 5 will present the results of data collection. These results will highlight the key findings. Chapter 6 will analyze and interpret these findings against the extant academic literature of chapter 2. Chapter 7 will conclude this study by providing the final framework and findings. It will also highlight the limitations of the findings; implications for stakeholders; and future avenues for research.

CHAPTER 2: LITERATURE REVIEW

2.1 Introduction

Chapter 1 introduced the purpose of the study, which is to explore how organizational resilience overcomes status quo bias in the face of uncertainty. The literature review will delve further into the three constructs, namely; “organizational resilience,” “status quo bias,” and “uncertainty”. This will delve further into existing academic literature and will highlight the gaps that will be focussed on for this study.

Organizational resilience first emanated from the resource based theory (RBT) of firms, in that firms have finite resources (financial assets, reserves, assets) to mitigate against uncertainty (Hitt et al., 2021). Because firms have finite resources, they would take a short term view with a focus to survive especially turbulent times such as the COVID 19 pandemic. However, the introduction of organizational resilience research has seen this view evolve as the survival of organizations is now related to their ability to adapt to changes in the external environment with less emphasis on the accumulation of tangible resources (DesJardine et al., 2019). Organizational resilience demonstrates that organizations with a wealth of resources, but become to their environment, are not immune to suffering irrecoverable losses that threaten their long term viability.

In terms of organizational resilience, the researcher will explore the key features of resilient organizations (DesJardine et al., 2019; Negri et al., 2021; Ortiz De Mandojana & Bansal, 2016; Suarez & Montes, 2020). Furthermore, the researcher will introduce the concept of a management adaptive toolbox which involves three tools that managers can use to build organizational resilience (Suarez & Montes, 2020).

This chapter will explore organizational resilience and its relationship with status quo bias. The starting point will be the seminal work conducted by Samuelson and Zeckhauser (1988), and Tversky and Kahneman (1991) through more recent literature. Next, the study will further explore uncertainty and how it may impact organizational resilience within the framework provided by Frank Knight (Audretsch & Belitski, 2021; Ramoglou, 2021).

The chapter will then conclude with the researcher’s assessment of the gaps in the literature, which will be used to formulate the research questions in Chapter 3.

2.2 Organizational resilience

Organizational resilience is defined as "latent, path-dependent capability that cannot be directly measured but whose benefits take a long time to manifest" (DesJardine et al., 2019; Ortis De Mandojana & Bansal, 2016). This means that the resilience capabilities are not directly observable but are inherent within the organization. Resilient organizations are able to "anticipate, avoid and adjust" to the exogenous shocks (Ortiz De Mandojana & Bansal, 2016; Sajko, Boone, & Buyl, 2021). Organizational resilience is not associated with short term gains/losses, but more with the inherent capability of an organization to remain sustainable in the long term. In fact, firms may incur short term losses as a trade-off to build long term sustainability (Ortiz De Mandojana & Bansal, 2016). Likewise, organizations that engage in reckless speculative behaviour in the short term are also at greater risk of suffering irreparable harm in the long term (Sajko et al., 2021).

It was found that organizations that employ strong stakeholder practices experience less instability in their liquidity, greater rates of growth, and improved rates of survival (Ortiz De Mandojana & Bansal, 2016). The key features of resilient firms are discussed in the following sub-sections.

2.2.1 Organizational resilience abilities

The two keystone features of resilient organizations are that they are *stable* and *flexible* (Sajko et al., 2021). This stability is demonstrated in the organization's ability to absorb external shocks and maintain its core structure. The flexibility is exhibited through the ability to develop diverse and alternative solutions to the shocks it faces. The ability to both absorb external disturbances and develop alternative solutions is founded in an organization's dynamic relationships with stakeholders in its socio-economic environment (DesJardine et al., 2019). Stakeholders include its primary stakeholders such as customers, suppliers, shareholders, and partners. Stakeholders also include the broader community and institutions that engage with the organization both directly and indirectly. These relationships are formed through the sharing of information values, and resources with institutions and stakeholders (Sajko et al., 2021). An organization that can quickly spot early warning signs of impending danger is a strong feature in resilient firms. Resilient organizations can spot emerging trends even if it is a subtle cue (Ortiz De Mandojana & Bansal, 2016). Research indicates that organizations are able to learn from past disruptions and are also better able to improve flexibility and stability going forward (Ortiz De Mandojana & Bansal, 2016). Resilient organizations do not see themselves as separate from the environment, but work to harmonize themselves with their stakeholders' external environment (DesJardine et al., 2019; Harrison, Bosse, & Phillips, 2010; Sahebjamnia et al., 2018).

The latent feature of organizational resilience is that it will be present but dormant in the organization prior to a shock. The shock will spur the resilience capabilities to come to the fore and allow the organization to adapt and recover quickly post the exogenous shock. Given this information, the researcher will use the period in which the COVID-19 pandemic severely impacted the socio-political environment in Africa as a context to explore the resilience of organizations. Therefore, this study will focus on the period from March 2020 to October 2021 as national lockdowns began on the 26th March 2020 in South Africa (News24, 2020). This disruption has a clearly defined beginning point which will allow the researcher to explore what latent capabilities that were present in organizations prior to the pandemic but came to the fore because of the pandemic. It would allow the study to ascertain how leaders would have had to contend with the lockdown and the subsequent socio-economic upheaval. The study will also focus on why and how organizations balanced being stable and flexible during turbulent times.

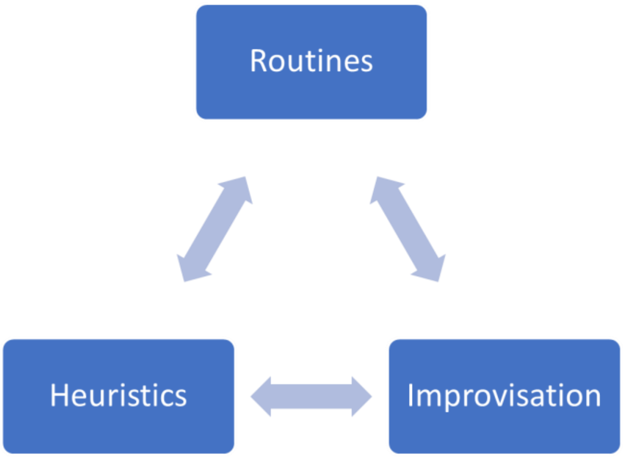
For an organization to be both stable and flexible, it must have dynamic capabilities. Dynamic capabilities are defined as the capacity for the business to form, reform, organize, and reorganize its assets in response to gradual and sudden shifts in the market while escaping the zero profit conundrum (Fainshmidt et al., 2019). This means an organization is able to make rapid decisions and promptly adapt its strategies and routines to align with the environment around it (Fainshmidt et al., 2019; Laureiro-martínez & Brusoni, 2018; Pal et al., 2014). This flexibility is fostered through continual trial-and-error experimentation, which results in employees responding to new crises by displacing old routines (Luan et al., 2019; Ortiz De Mandojana & Bansal, 2016; Ott et al., 2017).

It is acknowledged that organizations with a greater commitment to external stakeholders possess employees who demonstrate greater accountability (DesJardine et al., 2019; Sajko et al., 2021). This sense of accountability and ownership bolsters the employees' ability to develop adaptive capabilities (Fainshmidt et al., 2019; Pal et al., 2014). This is further strengthened by the investment of the organization in their employee's wellbeing (DesJardine et al., 2019; Pal et al., 2014). When employees' mental and physical health is taken care of, it contributes to their individual and collective cognitive resilience. In addition, when employees exhibit high levels of self-reported job satisfaction, commitment to the organization, and happiness in their work, this generally supports positive employee psychological resources (DesJardine et al., 2019; Youssef & Luthans, 2007). When managers prioritize employee cognitive resilience, employees are better able to develop adaptive learning capabilities that enhance the company's stability and flexibility.

Taking into account the above, it is evident that these dynamic adaptive capabilities are essential to an organization's ability to develop resilience. The question may be then; If an organization possesses these traits, how would they exhibit themselves in practical scenarios? An organization has three principle ways to deploy these dynamic adaptive capabilities, namely; routines, heuristics, and improvisations (Suarez & Montes, 2020). The researcher will proceed to explore why and how an organization explores these routines and in what manner. From the research, it is stated that organizations will deploy these three responses towards escalating challenging situations. These will be described in the next sub-section.

2.2.2 Organizational resilience as routines, heuristics, and improvisations

Building organizational resilience is a defining feature for organizations to survive times of uncertainty. In general, there are three strategies that managers have available to respond to these problems in the workplace: relying on routines (normal work processes), employing heuristics (rule of thumbs), and improvisation (innovative ad-hoc solutions) (Suarez & Montes, 2020). While research has been conducted in the individual aspects of routines, heuristics, and improvisation, there has been little research into how these three responses can work collectively to forge resilience in organizations (Suarez & Montes, 2020).



Source: Researcher's own compilation

Figure 1: Management resilience toolkit

This study will focus practically on how leaders in organizations specifically respond to status quo bias during times of uncertainty. The researcher will explore how routines, heuristics, and improvisation can help combat status quo bias during a period of uncertainty. The researcher will explore the concepts of **Routines (2.3), Heuristics (2.4), and Improvisations (2.5).**

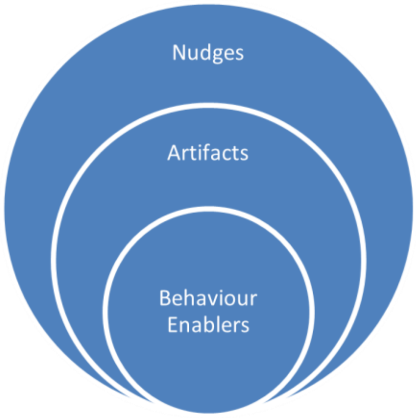
2.3 Routines

Routines are defined as “repetitive, recognizable patterns of interdependent action” (Dittrich & Seidl, 2018). Routines are standard operating procedures applied in times of relative stability (Suarez & Montes, 2020). Standard business practices operate best in simple contexts where relationships are deterministic with clear lines between cause and effect (Snowden, & Boone, 2007). Here there are “known knowns”, and the solution is generally indisputable.

An example would be that hospitals have standard admissions procedures for patients upon arrival and treatment. As the COVID-19 crisis began to escalate, new processes were implemented to address new requirements, such as screening patients’ temperature on arrival at the hospital so that those with high temperatures could be treated accordingly (Suarez & Montes, 2020).

The challenge faced by leaders in organizations is that traditional routines can entrench mindless behaviour where employees follow procedures with a sense of automation (Dittrich & Seidl, 2018). They do not question whether this is the best way to do something or if the process can be improved. A McKinsey report found that over 94% of executives surveyed felt dissatisfied with their innovation initiatives (Anthony, Cobban, Nair, & Painchaud, 2019). The leading cause attributed to the failure of these initiatives was the inability of organizations to change their day-to-day processes and routines (Anthony et al., 2019). Taking all of this into account, status quo bias can prevent the development of new routines as employees are not attentively aware of the challenges faced by the organization and are not applying their minds to the problems at hand (Dittrich & Seidl, 2018; Glaser, 2017).

The crux of the issue is that there are subjective beliefs in individuals that can block the generation of novel processes. The key for managers is to apply interventions that can break old habits and instil new routines (Anthony et al., 2019; Dittrich & Seidl, 2018; Glaser, 2017). Figure 2 below is of the behavioural enablers, artifacts, and nudges (BEAN) interventions, which exist to specifically address promoting change in routines (Anthony et al., 2019).



Source: Anthony et al., (2019)

Figure 2: BEAN interventions

The first is interventions that make it easier for people to adopt new behaviours. This involves the organization identifying the ideal traits that they want their employees to exhibit and then recognize the obstacles that prevent these behaviours from manifesting. The managers then design interventions that will promote the desirable behaviours. One crucial blocker identified was that employees lacked context for the reason to change routines (Anthony et al., 2019). This is an important blocker to address as employees are prone to stick with the status quo because they believe that there is no reason to improve incrementally. The next intervention to implement are artifacts that provide tangible support for change (Anthony et al., 2019). A temptation of organizations is to use cosmetic changes as a way to install artifacts of change. This includes changing the office layout, and inspirational posters. Research demonstrates that these interventions do little to change the organizational culture (Anthony & Euchner, 2021). It has been found that effective artifacts are closely linked to the new processes that the organization wishes to inculcate. Lastly, nudges are subtle cues that suggest and reinforce the desired behaviours (Anthony et al., 2019). These are little reminders in processes that guide individuals to demonstrate the desired behaviours. The artifacts and nudges are informal interventions that are easy to follow but add a bit of fun into day-to-day processes (Anthony & Euchner, 2021). Behavioural enablers are more formal and easier to establish. When the three interventions are utilized as a whole, they can be powerful drivers of sustained change.

The secret to successful behavioural enablers, artifacts, and nudges (BEANs) is that they are easy to follow for employees; they are also fun and rewarding. They are measurable, trackable, and integrated seamlessly into day-to-day activities (Anthony et al., 2019; Dittrich & Seidl, 2018; Glaser, 2017). Ultimately, they can help dispel inherent status quo bias.

Considering all of this, the researcher will gather evidence of what new routines developed, how organizations developed new routines, and why these new routines emerged.

2.4 Organizational heuristics

Organizational heuristics is the second response listed in the management adaptive toolbox. The previous section covered organizational routines as a response to achieve resilience. This section will explore how organizational heuristics help forge organizational resilience.

Organizational heuristics are defined as simple rules meant to speed up decision-making while maintaining a high level of accuracy without requiring a lot of information (Guercini & Milanesi, 2020; Luan et al., 2019; Wenzel & Sandal, 2021). In this context, things are generally complicated and dominated by known unknowns (DesJardine et al., 2019; Snowden et al., 2007). There are relationships between cause and effect, but it is not clear for everyone to see it.

To continue with the hospital example described in the routines section, as the COVID-19 pandemic worsened, the new routines developed could not cope with the influx of infected patients (Suarez & Montes, 2020). Many hospitals did not have adequate resources to address the volume of patients flooding into their facilities, including lack of hospital beds, lack of ventilators, stretched medical staff, and insufficient protective equipment. This meant that doctors and nurses had to make quick decisions on which patients should be admitted (where there were beds available), which patients should be referred to another hospital (if no bed was available), or send a patient home if they displayed no life-threatening symptoms (Suarez & Montes, 2020). Fast rules were developed to improve the odds of the patients with the least likelihood of survival. These fast rules were developed on the doctor's expertise in understanding emerging trends around the COVID-10 pandemic. They could identify based on symptoms presented which patients could be turned away, referred, and admitted.

There are competing views of heuristics as research splits into two spheres. Firstly, the heuristics-and-biases paradigm is founded in bounded rationality. The second sphere is the fast-and-frugal paradigm founded in ecological rationality. In pursuing this study, the author must be able to identify and differentiate between the two paradigms as they pertain to managers making decisions when facing their own status quo bias and uncertainty.

2.4.1 Bounded rationality and the heuristics-and-bias framework

Simon (1955) was among the first to establish the view of man as a rational being. He uncovered differences in how men were expected to behave versus how they behaved in their economic pursuits. In classical economics, man should be able to make rational decisions based on objective information to pursue maximum utility (Simon, 1955, 1979). However, through empirical studies, it became evident that man does not have infinite faculties to assess every probable scenario and its consequences (Simon, 1979). This resulted in the term “bounded rationality,” where an individual’s cognitive abilities were limited or “bounded”.

The heuristics-and-biases framework is rooted in the bounded rationality framework (Conlisk, 1996; Guercini & Milanesi, 2020; Loock & Hinnen, 2015; Luan et al., 2019; Wenzel & Sandal, 2021). This demonstrates that people have limited cognitive ability to process all information required to make rational decisions even if there is sufficient information available. Thus, regardless of the rational framework that an individual may use, their rationality will be limited or bounded due to their inherent cognitive abilities (Conlisk, 1996).

In this context, individuals then develop heuristics (fast-and-simple rules) to make a decision. They make a decision using rules of thumbs which are attributable to their subjective biases, experiences, and knowledge. In the bounded rationality framework, these heuristics are seen as poor substitutes to a rational decision-making model that systematically lists all alternatives; evaluates all of them objectively with complete information and comes to the best option. Thus, heuristics although widely acknowledged as being accurate in some instances are not esteemed as the reliable tool of decision making.

The purpose of this study is not to explore the entire gamut of the heuristics-and-bias framework, but to juxtapose the heuristics-and-bias framework against the fast-and-frugal paradigm. The fast-and-frugal paradigm founded in ecological rationality represents a growing counterpoint to the bounded rationality framework.

2.4.2 Ecological rationality and the fast-and-frugal paradigm

Ecological rationality challenges the fundamental view that heuristics are inferior substitutes to rational decision making (Luan et al., 2019; Stenning et al., 2017; Wenzel & Sandal, 2021). Ecological rationality recognizes that organizations operate in a fast-paced environment where they are required to react fast to evolving opportunities and threats. This requires that managers act decisively and quickly in circumstances when it is not possible to ascertain all possible alternatives and also when there may be too much information to process.

There are four core premises of ecological rationality: (1) Risks require statistical thinking to resolve if all alternatives and their probabilities are known. Uncertainty requires smart rules of thumb and intuition when not all alternative consequences are known. Thus fast-and-frugal heuristics are only applied in situations of uncertainty (Gigerenzer, 2017); (2) Heuristics are critical for decision-making under uncertainty. They are not poor surrogates for decisions (Bingham & Eisenhardt, 2011; Luan et al., 2019); (3) Complex problems can have simple answers (Gigerenzer, 2017; Goldstein & Gigerenzer, 2002); (4) Having more information, more time and more computations is not always better (Gigerenzer, 2017). Taking the above into account, it becomes apparent that one must not apply a blanket approach in understanding heuristics

Fast-and-frugal heuristics are defined as fast and simple rules that individuals can apply to situations where one does not have information on all information available or when there is too much information available (Bettis, 2017; Luan et al., 2019; Wenzel & Sandal, 2021). Organizational intractability is characterized as when there is an overabundance of information available and it would take the organization an immeasurable amount to understand, evaluate and select a suitable alternative (Bettis, 2017). Fast-and-frugal heuristics are an integral part of managerial decision-making in an uncertain world. It posits that less can be more and complex problems do not require complex solutions (Luan et al., 2019; Wenzel & Sandal, 2021). Where heuristics-and-bias are founded on bounded rationality, fast-and-frugal heuristics are founded on ecological rationality. There is abundant evidence that fast-and-frugal heuristics are surprisingly accurate and effective when used in medicine to judicial contexts (Luan et al., 2019).

Ecological rationality outlines an understanding of resilient leaders as having access to an “adaptive toolbox” that can help make decisions easier and faster during times of uncertainty (Luan et al., 2019). In practice, fast and simple rules can perform significantly better than complex analytical approaches even when sufficient information is seemingly available (Bingham & Eisenhardt, 2011). However, ecological rationality does not state that these simple rules will consistently achieve superior results to good rational strategies, but it emphasizes that there must be a suitable alignment between an organization and its environment (Goldstein & Gigerenzer, 2002).

2.5 Improvisation

Improvisation is the third element of the management resilience toolkit after routines and heuristics. The concept first came to the fore in the academic literature by understanding spontaneous musical compositions by jazz artists (Ciuchta, O’Toole, & Miner, 2020). Improvisation has now spanned across multiple fields of discipline, including but not limited to high stakes events, product development, information technology, and entrepreneurship (Ciuchta et al., 2020; Fultz & Hmieleski, 2021; Peters, Wieder, & Sutton, 2018). This ultimately coalesced into the field of organizational improvisation (Ciuchta et al., 2020).

Organizational improvisation means the deliberate combination of design and execution to produce novel results (Ciuchta et al., 2020). Improvisation is often described as extemporaneous, as not all activities carried out during improvisation were planned beforehand (Ciuchta et al., 2020; Liu et al., 2018). This speaks to the temporal nature of improvisation as typically, the planning of a process occurs prior to its implementation, but in improvisation, the design and execution occur simultaneously (Fultz & Hmieleski, 2021). Novelty is also an important characteristic of organizational improvisation as it demonstrates that improvisation is a potential value-adding activity (Adomako, Opoku, & Frimpong ,2018). This potential to create value from improvisation is what links it to the fields of innovation, organizational dynamism, and emergence. While innovation can involve improvisation, not all innovation involves improvisation, as innovation can occur through a deliberate, planned process without improvisation (Ciuchta et al., 2020).

To conclude the hospital analogy described in the routines and heuristics sub-sections, the researcher will illustrate how improvisation may play out practically. As the COVID-19 pandemic worsens and admissions rise, the hospital now experiences a shortage in personal protective equipment (PPE), ventilators, and hospital beds in their intensive care unit (ICU) (Suarez & Montes, 2020). The lack of resources and the pressure for urgent interventions created conditions prime for various interventions, including: The hospital expanded the ICU to certain floors to treat critical patients; ventilator sharing between two patients; and the erection of impromptu tents to cope with the flood of new patients presenting COVID-19 symptoms (Suarez & Montes, 2020).

From the above example, one can see that improvisation involves the creative exploitation of constrained resources (beds, ventilators, and hospital floors) to respond to new and unanticipated challenges (Baker & Nelson, 2016; Ciuchta et al., 2020; Hitt et al., 2021; Hu, Lu, Huang, Wei, Mao, & Thomson, 2020; Suarez & Montes, 2020). The lack of resources spurs the organization to improvise, and these solutions would not have been explored if the organization had access to more resources. The second aspect highlighted is that improvisation is linked to firm survival as challenges arise that can threaten the long term viability of organizations (Fultz & Hmieleski, 2021).

2.5.1 Improvisation and bricolage

As has been demonstrated above, improvisation typically involves the exploitation of constrained resources to develop novel solutions. This has close ties to bricolage. Bricolage is defined as “making do by applying combinations of the resources at hand to new problems” (Ciuchta et al., 2020; Hu et al., 2020). This shows that improvisation has strong ties to bricolage due to its being employed in scarce resources. Furthermore, improvisation allows firms to respond immediately to external disruptions, redistribute resources, and obtain new organizational knowledge through learning (Liu et al., 2018).

This is especially relevant to organizational resilience as the RBT of organizations is that they have access to limited resources during times of uncertainty and must make optimal use of these resources to maximize value (Ciuchta et al., 2020; Hitt et al., 2020, 2021). Therefore, organizations shift their focus on threats that threaten the long term viability of the organization.

Another insightful finding is that improvisation can assist organizations in discovering new opportunities for new ventures and maximizing firm performance of existing organizations (Fultz & Hmieleski, 2021; Williams, Zhao, Sonenshein, Ucbasaran, & George, 2021).

The finding is that employing improvisation in response to resource limitations can lead to serendipitous outcomes in the identification of new opportunities (Fultz & Hmieleski, 2021; Hu et al., 2020). Serendipity, in this context, is defined as "the unexpected discovery of opportunity brought about by purposeful action" (Fultz & Hmieleski, 2021). Suarez and Montes (2020) emphasized this by encouraging organizations to practice working on fewer resources. One way of doing this is to put an ambitious goal to a team and ask them to develop solutions on a lean budget. This can help organizations develop proactive thinking towards resource constraints rather than waiting to react to a crisis to explore the benefits of improvisation (Liu et al. 2018). The benefits of continuously exploring collective improvisation in organizations have led to incremental adaptation as improvisation introduced novel outcomes and innovations (Ciuchta et al., 2020; Fultz & Hmieleski, 2021).

The ability of an organization to improvise in order to create novel solutions is a key feature of flexibility. It can be surmised that improvisation can instil organizational learning that allows teams to respond to challenges more effectively and discover opportunities more efficiently. Overall, this does not mean that improvisation and bricolage are essentially the same and can be used interchangeably, but they can conceptually share some key features.

2.6 Status quo bias

Samuelson and Zeckhauser (1988) defined status quo bias as "people's tendency to do nothing or stick with their current or previous decision." A key characteristic of rational decision-making models is the generation of alternatives for consideration. However, in functioning organizations, the alternatives are always in relation to a preferential default position. In theory, this default position should not affect a person's decision-making process, but in reality, it is found that these alternatives may come with influential labels which may make them more preferable to potential alternatives (Samuelson & Zeckhauser, 1988). In the real world, this phenomenon can be observed in the election of sitting incumbents and organizations purchasing the same product from a supplier (Samuelson & Zeckhauser, 1988).

Kahneman et al., (1991) further expanded on Samuelson and Zeckhauser's (1988) research through their exploration of loss aversion theory which had strong links to status quo bias. They found that subjects were more inclined to stick with the default choice if moving would result in a more significant perceived loss than potential gain. This loss was based on subjective measures and not a rational objective evaluation. Thus as long as one choice was designated as the default choice in a neutral setting, 60% of participants selected it as their first choice (Kahneman et al., 1991).

Recent studies have also found that status quo bias may be exacerbated by the time individuals have to make decisions, particularly in situations when they do not have enough information available (Geng, 2016). Managers are often under pressure to make quick decisions where they do not have time to evaluate all alternatives systematically. This lack of time can reinforce status quo bias. In an experiment, subjects were expected to determine the value of two objects and select the one with the highest value within three minutes (Geng, 2016). They were told one object had a fixed monetary value of $4 and were not told the value of the second object. Thus, they had to determine the value of the second object based on their own judgement within three minutes and pick the object with the highest value. The value of the second object, unbeknownst to the subjects, was $6 (Geng, 2016). At the beginning of the experiment, one of the objects will be designated as the default object with a value of $4 and the three-minute countdown would begin. They only see the objects once and then must decide on the value of the two objects within three minutes (Geng, 2016). To evaluate the value of each object requires effort, and as the experiment was repeated, it was found that the default object ($4) attracted more focus time than non-default objects. Once the default option was selected, the subjects were less likely to change their selection as the experiment was repeated (Geng, 2016). This results in an asymmetry of attention to the two objects. The asymmetrical attention to the objects cannot be explained as a psychological attachment or switching costs (Geng, 2016). This experiment above exemplifies the principle of status quo bias being impacted by time constraints.

Status quo bias can pose a real challenge for businesses during times of uncertainty and can hinder businesses from applying the resilience toolkit. New research explores the link between status quo bias and risk preferences (Bekir & Doss, 2020). It has been found that there is a positive relationship between entrepreneurial behaviour and risk appetite. This is because opportunities are found in situations where the opportunity may be unknowable or uncertain (Bekir & Doss, 2020). Bekir and Doss (2020) found that status quo bias and risk averseness was associated with low revenues in organizations. Those with status quo bias are more likely to be risk averse and not explore new opportunities (Bekir & Doss, 2020). In addition, they were more likely to stick with a past decision despite little to no evidence to support this decision. Since this is a new area of research, the author will explore the effect that risk averseness will have on status quo bias. The role of status quo bias in hindering the generation of novel solutions is important as this is one of the essential elements of the organizational resilience toolkit.

2.7 Uncertainty

Organizations must confront both risks and uncertainty in the achievement of their goals. It is incumbent on managers to recognize the distinction between the two as they have very different implications (Gigerenzer, 2017). Frank Knight, in his seminal work, “Risk, Uncertainty and Profit,” defined the key characteristics of risk and uncertainty as “unmeasurable probability, or indeterminable chance” while risk was defined as “known chance, or measurable probability” (Rakow, 2010). For the purpose of this study, the researcher will focus on uncertainty and explore events or outcomes that no statistical models or algorithms can measure. This will be where not all possibilities are known, and probabilities are beyond the scope of managers to quantify.

Uncertainty must be separated from risk as risk pertains to situations where all possible outcomes are known, and probabilities can be reasonably calculated with the requisite expert skill and computer software. Thus, ecological rationality is not the best tool to combat risk but statistically grounded methods and models (Guercini & Milanesi, 2020; Tversky & Fox, 1995).

As stated before, uncertainty is commonly understood as a situation where not all possible outcomes are known, and thus the probabilities of these outcomes cannot be readily determined (Guercini & Milanesi, 2020; Tversky & Fox, 1995).

Uncertainty arises due to constant changes in the external environment, namely; technological, social, political, legal, and economic (Guercini & Milanesi, 2020). These changes are primarily random and sudden, resulting in dramatic shifts that may threaten the stability of the external environment and the organization's sustainability.

The research into uncertainty has been largely concentrated in larger more developed economies (Apaitan et al., 2021; Negri et al., 2021; Parker & Ameen, 2018). However, little attention has been paid to uncertainty in smaller emerging economies such as South Africa (Parker & Ameen, 2018). Countries in Sub-Saharan Africa face severe challenges that impact their long term viability, such as intermittent cuts to the supply of electricity as cited by 71% of small businesses in South Africa as a leading threat to their existence (Parker & Ameen, 2018). This is because electricity is unreliable and susceptible to unstable supply punctuated by power cuts (Parker & Ameen, 2018). In a South African context, the supply of electricity is determined exclusively by state-owned enterprises (Parker & Ameen, 2018). This means that small businesses are reliant on public infrastructure for their livelihood and thus a lack of infrastructure threatens the existence of small businesses.

For listed entities in emerging economies, there is evidence that spillover events in developed markets can spillover into emerging economies and thus depress equity returns on listed exchanges (Apaitan et al., 2021). The has the effect of driving volatility in the valuation of emerging market equities and also reducing foreign direct investment into emerging markets driving up uncertainty (Apaitan et al., 2021). Events such as the mortgage crisis in the United States caused a global recession which increased uncertainty in emerging markets. It is found that less wealthy countries that are reliant on cross-border trade are the most vulnerable to these exogenous shocks (Apaitan et al., 2021).

There is still little understood in how uncertainty impacts emerging markets but as has been described before, the effects are felt in their macroeconomic environment. From the above, it is clear that structural inequities contribute to the instability of small enterprises in developing nations. There is also evidence that global events emanating from developed markets can also impact listed entities in emerging markets through the destabilization of the macroeconomic environment. Taking this all into account, this study will use the COVID-19 pandemic as a context to explore how the global disruption of national lockdowns impacted organizations in emerging markets such as sub-Saharan Africa. This will explore how organizations responded to maintain core stability and exhibit flexibility towards the challenges they faced. This study will seek the understand small, medium, and large enterprises developed new solutions (routines, heuristics, and improvisations) in response to these challenges.

Uncertainty should also not just be understood from a negative aspect where it may result in potential harm. Uncertainty can also be a door to the discovery of opportunities. The actual presence of uncertainty may be the catalyst that opens novel prospects for prospective entrepreneurs and established organizations. Ramoglou (2021) posited that entrepreneurs have an inherent belief that they will succeed in the future, although it may be unknowable. He further warns that one should not conflate doubt of the future as not knowing the future. An entrepreneur's belief does not come from an entrepreneur knowing the future, but it comes from them imagining the future despite it being unknowable (Ramoglou, 2021). This imagination instils in them a belief that they can succeed.

This understanding of uncertainty is also applicable to actualizing opportunities that entrepreneurs may identify (Ramoglou, 2021). These opportunities are not knowable in tangible, measurable quantities. Entrepreneurs only have a glimpse of the full opportunity, but they imagine the opportunity and create novel inventions to test the opportunity. This is an emerging field of study, and it will be beneficial to the researcher to explore how uncertainty can impact opportunity discovery. Thus, a requisite for continual new routines, new heuristics and new improvisations is to an extent reliant on the presence of uncertainty.

Thus, this study will explore the uncertainty in an emerging market context and how it impacts organizational resilience. This study will also focus on the ability of organizations to spot and realize opportunities created by uncertainty.

2.8 Relationship between organizational resilience and uncertainty

As stated before, resilient organizations exhibit the ability to "anticipate, avoid and adjust" to the shocks of the environment (Ortiz De Mandojana & Bansal, 2016; Sajko et al., 2021). They are better equipped to adapt to these shocks, mitigate their losses more than their peers and bounce back quicker.

Organizations face the reality that external disruptions are inevitable (DesJardine et al., 2019; Parker & Ameen, 2018; Sahebjamnia et al., 2018). The term disruptions can be used to describe "external shocks, environment jolts, extreme events and crisis" (Parker & Ameen, 2018).

Environmental jolts and external shocks are similar in definition. They describe "transient perturbations" that have a low probability of occurring but have an adverse impact on the organization (Parker & Ameen, 2018; Shepherd, Douglas, & Shanley, 2000). Environmental shocks include extreme weather events. The distinguishing feature between external shock and environmental jolt is that a shock further impacts the novelty of new ventures, which can positively or negatively affect the venture's survival (Shepherd et al., 2000). For instance, the banning of cigarette advertising by the government would negatively impact the ability of cigarette companies to market their products, thereby reducing the novelty of cigarettes (Shepherd et al., 2000). Thus, from the above, one can see that environmental jolts and external shocks increase firms' uncertainty.

As a result of external events, a crisis is also a concept closely associated with disruptions and uncertainty. Crises emanate from extreme events which expose organizations to high levels of uncertainty (DesJardine et al., 2019; Sullivan-Taylor & Branicki, 2011; Wenzel, Stanske, & Lieberman 2020). This can result from environmental jolts, pandemics, and macroeconomic instability (Sullivan-Taylor & Branicki, 2011). These events impact all organizations regardless of size and thus create uncertainty in the long term viability.

The interest for the researcher is that uncertainty, while inevitable, is seen as an exception to the norm, which may be the case in developed larger economies (Apaitan et al., 2021; Parker & Ameen, 2018). However, in emerging markets such as Sub-Saharan Africa, economies have ongoing structural issues which impact the macroeconomic environment that organizations function in. This means that uncertainty possibly becomes a norm rather than an exception in emerging economies. Moreover, these structural challenges become further exacerbated by crises such as the COVID-19 pandemic resulting in more significant adverse impacts for organizations. This further emphasizes organizations to develop routines, heuristics, and improvisations relevant to their environment, especially in Sub-Saharan Africa.

2.9 Relationship between organizational resilience and status quo bias

The researcher attempted to search on Google Scholar for published articles focusing on these two constructs; however, the search returned a few articles (11 in total). In addition, the researcher attempted a similar search on the GIBS academic literature database and only received a single search result.

As discussed in this chapter, status quo bias affects decision-making during uncertainty (Samuelson & Zeckhauser, 1988; Tversky & Kahneman, 1991). Therefore, in this situation where a decision needs to be made, all alternatives should carry equal weighting as their outcome is unknown owing to the uncertainty. However, it is seen that specific alternatives may carry a subjective weighting more than other alternatives due to them being the default option. Therefore, a person will more than likely stick with the default option.

In the context of organizational resilience, it has been stated that this requires organizations to anticipate, avoid, and adjust to external disruptions (DesJardine et al., 2019; Hitt et al., 2021; Parker & Ameen, 2018; Sahebjamnia et al., 2018). They can do this by using the resilience toolkit (routines, heuristics, and improvisations) (Suarez & Montes, 2020). This toolkit by inference requires members of an organization to display a sense of mindfulness and active awareness of the environment and the purpose behind their actions (Ogliastri & Zúñiga, 2016; Singh, Vrontis, & Christofi, 2021). The challenge is that routines in business can entrench mindless behaviours where members of an organization accomplish tasks with no reflection of whether they have achieved a goal that betters the organization (Dittrich & Seidl, 2018). The mindfulness to challenge the status quo is underpinned by an attitude that there is always a better way to do things (Anthony et al., 2019). There must also be a willingness to question the current routines that organizations employ, as these routines are based on certain static assumptions (Suarez & Montes, 2020). These assumptions can change, which invalidates the routine. Organizations are curious to explore new ways to do things proactively and not just reactively (Liu et al., 2018).

Geng (2016) found that the lack of time when making decisions results in participants sticking with the status quo alternative. In reality, organizations do not have much time to plan and respond to new challenges and crises during times of external disruptions. In order to respond, organizations may need to employ rapid improvisations to resolve these problems (Adomako et al., 2018; Ciuchta et al., 2020; Fultz & Hmieleski, 2021; Hu et al., 2020; Liu et al., 2018). As stated before, improvisations are extemporaneous in nature, meaning design and execution occur simultaneously (Ciuchta et al., 2020; Liu et al., 2018). This is because improvisation occurs when there are pressures of time. From the above, one can see that the pressure of limited time can cause a person to stick with the status quo when they should employ improvised solutions. Sticking with the status quo can limit an organization’s ability to adapt over time and inhibit its resilience. This can make organizations more susceptible to disruptions in the environment, impacting their ability to survive and thrive.

The researcher would be interested in exploring the relationship between status quo bias and organizational resilience, which would benefit academic literature. However, as described before, there is little published literature exploring the interface between organizational resilience and status quo bias.

2.10 Need for further research

Recent literature has demonstrated a strong link between resilience and an organization's environment (DesJardine et al., 2019). Managers can do this by: (1) being better able to resist systemic shocks as they occur; and (2) to rebound better from significant setbacks and in the long term exhibit better long term growth. These are founded on the dynamic capabilities exhibited through the stability of core processes and flexibility of diverse new solutions (DesJardine et al., 2019; Ortiz De Mandojana & Bansal, 2016; Sajko et al., 2021). The research on resilience at an organizational level is small but growing, and this study could provide a contribution to this field (DesJardine et al., 2019; Ortiz De Mandojana & Bansal, 2016).

As highlighted in this chapter, there has been little research into organizational resilience in the South African and emerging market context. The emerging market context presents unique challenges in terms of the structural challenges in the economy (lack of infrastructure and global spillover events) that further exacerbate uncertainty for new and existing organizations. It will be interesting to explore what responses firms in Sub-Saharan Africa develop to respond to these challenges. There are also unique opportunities that may be discovered because of the structural challenges faced by organizations (DesJardine et al., 2019; Parker & Ameen, 2018; Sahebjamnia et al., 2018; Sellberg, Ryan, Borgström, Norström, & Peterson, 2018; Singh et al., 2021; Suarez & Montes, 2020). These unique conditions inherent in an emerging market context can facilitate the discovery of novel opportunities for revenue growth. This will be explored in this study to expand this growing academic literature.

There is also room to explore the relationship between status quo bias and organizational resilience. As stated before, it was difficult to find robust published literature combining the constructs of “organizational resilience” and “status quo.” This may indicate that this relationship has not been explored in the literature. This further represents an interesting avenue of study as emerging studies have indicated that organizational resilience requires the need for organizations to anticipate, avoid, and adapt to disruptions in the market (Hitt et al., 2021; Ortiz De Mandojana & Bansal, 2016; Parker & Ameen, 2018; Sahebjamnia et al., 2018; Sellberg et al., 2018). These adaptations can be gradual and sudden through the implementation of new routines, heuristics, and improvisations (Adomako et al., 2018; Guercini & Milanesi, 2020; Hu et al., 2020; Liu et al., 2018; Luan et al., 2019; Sahebjamnia et al., 2018; Suarez & Montes, 2020; Wenzel & Sandal, 2021). The challenge is that routines can instil mindlessness in employees, thus limiting their adaptability as they may not be aware of when their routines are no longer relevant (Dittrich & Seidl, 2018; Fainshmidt et al., 2019; Glaser, 2017). Routines should not be static but dynamic. The challenge with status quo bias is that when faced with uncertainty, a person is more likely to stick to the status quo due to this aforementioned mindlessness. This presents challenges for organizations as they need to exercise intentionality and awareness in order to explore new and better ways of doing things (Dittrich & Seidl, 2018; Glaser, 2017). The challenge becomes further exacerbated when organizations are faced with time constraints. These time constraints can push employees to stick with the status quo due to the loss aversion theory (Geng, 2016). However, time pressures are also a key feature of improvisation. It occurs when there is little time to design new procedures and they must be done under severe pressure to respond. Therefore, improvisation is critical in the resilience toolkit, and status quo bias can circumvent an organization's ability to adapt. Thus, it would be interesting to study why and how organizations overcome status quo bias to build resilience.

CHAPTER 3: RESEARCH QUESTIONS

The research questions emanated from the literature where the researcher covered previous knowledge accumulated in the fields of organizational resilience, status quo bias, and uncertainty. Through this process, the research gaps were identified, which would provide an opportunity for further exploration.

Research question 1: What are the factors that keep the status quo in place?

Status quo bias is a hurdle that organizations must confront in their bid to achieve and maintain organizational resilience (Bekir & Doss, 2020; Dean et al., 2017; Geng, 2016; Rosokha & Younge, 2020; Shirish & Batuekueno, 2021). This question will explore the factors keep status quo bias in an organization. It will also explore how managers overcome status quo bias when trying to build organizational resilience.

Research question 2: How do organizations implement routines, heuristics, and improvisations?

The organizational resilience toolkit posits that managers continually develop new routines, heuristics and improvisations in order to ensure that organizations are less susceptible to external shocks and better able to rebound from disruptions (Audretsch & Belitski, 2021; Bettis, 2017; DesJardine et al., 2019; Guercini & Milanesi, 2020; Luan et al., 2019; Marvel, Wolfe, & Kuratko, 2020; Negri et al., 2021; Ortiz De Mandojana & Bansal, 2016; Ramoglou, 2021; Rosokha & Younge, 2020; Schubert & Tavassoli, 2020; Suarez & Montes, 2020; Wang & Zatzick, 2019; Wenzel et al., 2020; Wenzel & Sandal, 2021). The question will explore how these new solutions emerge in the organizations and the process of the factors in place that inform the creation of an adaptive toolbox.

Research question 3: Why do emerging routines, heuristics and improvisations align to the organization's environment?

This question would help to understand the broader context of these solutions and how they relate to the organization's unique environment (Audretsch & Belitski, 2021; Bettis, 2017; DesJardine et al., 2019; Guercini & Milanesi, 2020; Luan et al., 2019; Marvel et al., 2020; Negri et al., 2021; Ortiz De Mandojana & Bansal, 2016; Ramoglou, 2021; Rosokha & Younge, 2020; Schubert & Tavassoli, 2020; Suarez & Montes, 2020; Wang & Zatzick, 2019; Wenzel & Sandal, 2021). This question will explore whether these solutions take into account the uncertainty in the external environment.

Table 1: Research Questions and Literature Review

Research Question	Literature Review	Summary
Research question 1	(Bekir & Doss, 2020; Dean et al., 2017; Geng, 2016; Greve et al., 2019)	Status quo bias can affect an organization's ability to adopt new routines, heuristics, and innovations in response to sudden shifts in the market.
Research question 2	(Adomako et al., 2018; Anthony et al., 2019; Audretsch & Belitski, 2021; Bettis, 2017; Ciuchta et al., 2020; DesJardine et al., 2019; Fainshmidt et al., 2019; Fultz & Hmieleski, 2021; Glaser, 2017; Guercini & Milanesi, 2020; Gulati & Desantola, 2016; Hu et al., 2020; Luan et al., 2019; Marvel et al., 2020; Negri et al., 2021; Ortiz De Mandojana & Bansal, 2016; Parker & Ameen, 2018; Ramoglou, 2021; Rosokha & Younge, 2020; Sahebjamnia et al., 2018; Schubert & Tavassoli, 2020; Suarez & Montes, 2020; Wang & Zatzick, 2019; Wenzel et al., 2020; Wenzel & Sandal, 2021; Williams et al., 2021)	This question will examine how innovation, heuristics, and routines emerge in response to new opportunities and threats in the market.
Research question 3	(Adomako et al., 2018; Anthony et al., 2019; Audretsch & Belitski, 2021; Bettis, 2017; Ciuchta et al., 2020; DesJardine et al., 2019; Fainshmidt et al., 2019; Fultz & Hmieleski, 2021; Glaser, 2017; Guercini & Milanesi, 2020; Gulati & Desantola, 2016; Hu et al., 2020; Luan et al., 2019; Marvel et al., 2020; Negri et al., 2021;	This question seeks to understand why new innovations, heuristics, and routines emerged. In addition, this will seek to understand what makes these solutions unique to the manager's organization.

	Ortiz De Mandojana & Bansal, 2016; Parker & Ameen, 2018; Ramoglou, 2021; Rosokha & Younge, 2020; Sahebjamnia et al., 2018; Schubert & Tavassoli, 2020; Suarez & Montes, 2020; Wang & Zatzick, 2019; Wenzel et al., 2020; Wenzel & Sandal, 2021; Williams et al., 2021)	

Source: Researcher's own compilation

CHAPTER 4: RESEARCH METHODOLOGY

The following section covered the overarching design and philosophy of the research study. The previous chapter established the research questions that were answered in this study. Furthermore, this chapter dealt with the appropriate methodology to collect evidence to answer the research question and form suitable conclusions. This section outlined the rationale behind the approach selected, the strategy, and the time horizon of the study. This study explored how leaders utilize organizational resilience to overcome status quo bias in the face of uncertainty. As such, this study was exploratory in nature.

4.1 Methodological choices

The research design was exploratory because the author sought to gain new insights into how organizations can build resilience (Saunders & Lewis, 2012) through the use of a resilience toolkit and combat status quo bias when confronted with uncertainty. This study explored why and how managers overcame their inherent status quo bias and overcame status quo bias in their organizations.

The first step is to establish the research philosophy. Research philosophy is defined as the assumptions and beliefs that inform how the author collected knowledge (Lewis & Saunders, 2012). These philosophies fall into five categories: Positivism, Realism, Interpretivism, Postmodernism, and Pragmatism (Saunders & Lewis, 2012). Interpretivism is best suited to this study as the author ascribed to the view that the social world is subjective in nature. In carrying out this assignment, the researcher performed a role that may have influenced the research process (Andriukaitienė, Vveinhardt, & Žukauskas, 2020). This is because the social world is subjective, and the researcher assigned meaning to data and sought to interpret the data based on their own frame of understanding. Interpretivism stands in contrast to positivism, where the researcher believes that the social world is objective and ensures that their values influence the study (Andriukaitienė et al., 2020).

Further to this, interpretivism can be both ontological and epistemological in approach. This study was founded in epistemological interpretivism as the approach was that knowledge is developed from human experiences (Andriukaitienė et al., 2020).

The author collected data and used it to build onto the existing theory. This approach is best described as inductive research, which will involve the discovery of new findings that can be used to enrich existing literature (Saunders & Lewis, 2012). The author sought to understand the behaviour and beliefs of the participants within a specific context that is best suited to an inductive approach (Asungah, 2018). This contrasts with a deductive approach, which tests an already established theoretical proposition by testing the relationship(s) between variables. (Saunders & Lewis, 2012).

As the approach chosen was qualitative, the mono-method was selected for data collection. The author used the narrative inquiry approach to obtain in-depth information, which was best suited to exploring why and how managers confronted their status quo bias and uncertainty during the pandemic. The researcher sought to understand why and how they developed the solutions that they did. The use of narrative inquiry was appropriate as the researcher drew upon the participants' life experiences and sought to delve deeper into their responses. Participants related their experiences in the form of personal stories, and the researcher formed coherent themes from the multiple interviews to establish a general narrative (Saunders & Lewis, 2012; Yin, 2011).

The strategy selected is narrative inquiry because the study aimed to gain greater insight into managers' experiences as they tackled challenges during the COVID-19 pandemic. As this process required the participant to reflect and recount their experiences, the researcher took up the role of listener facilitating the process. The participants narrated their responses in the form of a story which became the narrative (Saunders & Lewis, 2012).

A cross-sectional approach to this study has been selected as the data will be collected from one span of time (Saunders & Lewis, 2012). This section of time covered the period from which national lockdowns were implemented in South Africa (26th March 2020) to 1st September 2021 (when data was collected) (News24, 2020). This period spanned a total of 16 months.

4.2 Population

The population included members of an organization that held a supervisory position with employees reporting directly to them. The purpose of the study was to explore business leaders impacted by uncertainty (in particular COVID-19). This included managers in goods and services industries (excluding not-for-profit organizations and public organizations) namely: Retail, Information Technology, Healthcare, Consulting, Financial Services, Fast-Moving Consumer Goods (FMCG), and Mining. Specific focus was on essential services and essential workers who are under pressure to perform as they provided products and services required for economies to continue functioning. Three participants were selected from Eswatini and ten from South Africa. The pandemic impacted both these countries and thus faced uncertainty. The managers the study aimed to interview may be able to implement new solutions to identify and exploit new opportunities. This limited the population to managers in positions that add value both from a revenue and profit perspective. These activities were in relation to generating sales to external customers or innovative intrapreneurial initiatives that directly impact the marginal value of goods and services. The managers in the population included business development, customer/stakeholder relationship, process improvement, organizational strategy implementation, and a product development role.

4.2 Unit of analysis

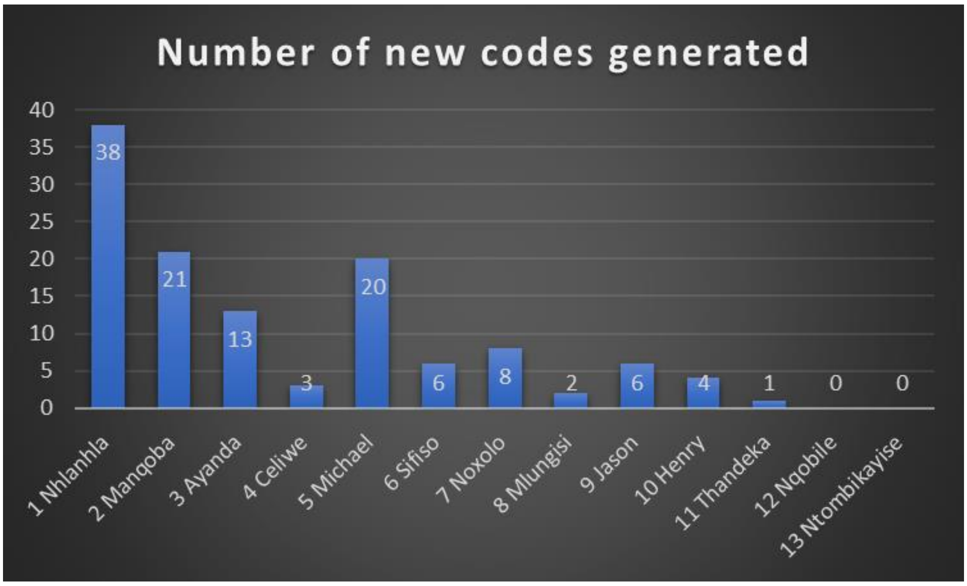
The level of data was determined by the unit of analysis, which determined from whom the data would be collected (Zikmund, Carr, Babin, & Griffin, 2013). In social sciences research, this is typically at an individual level. However, as the study focussed on the decision-making of persons in supervisory positions when they were confronted with situations of uncertainty, individuals were selected as the unit of analysis.

4.3 Sampling method and size

As this is a qualitative study, the researcher employed non-probability sampling. This meant that it did not represent the population in a statistical sense. The data was gathered through selected samples intentionally. This was because the study had a specific goal in defining its study units as those that produced the most relevant information related to the area of research (Tracy, 2013; Yin, 2011). The study aimed to explore how leaders in organizations confronted status quo bias in the face of uncertainty to build organizational resilience. The study focussed on status quo bias at an individual managerial level. The study sought to understand why and how individuals utilize this adaptive toolbox. For the purpose of this study, purposive sampling was used, specifically "maximum variation purposive sampling." Maximum variation purposive sampling is denoted as selecting participants across a broad spectrum of possible data (Tracy, 2013). This was the most suitable method under qualitative research as it created conditions where the sampling units provided contrary evidence. These contrary views created a context to test these opposing views (Yin, 2011). Maximum variation sampling demonstrated greater strength in data as any common themes generated had an interesting value to the research (Patton, 2002). This enhanced the validity of the findings from the interviews as the researcher was able to cut across the "noise" of the variations to highlight common patterns. In terms of qualitative studies, there is no set formula to determine the sample size (Patton, 2002). The sample size is determined by the purpose and motivation of the study (Patton, 2002). The sample was selected from a diverse population (multiple industries and multiple countries), which helped the study reach saturation through in-depth data collection. The sample size was aimed for 14 managers, with an equal split of seven males and seven female managers. In the end, 13 managers were selected over a wide industry base to achieve maximum variation (Patton, 2002). The industries covered Fast Moving Consumer Goods, Financial Services, Healthcare, Mining, Information Technology, Retail, and Consulting. The organizations listed also ranged from large enterprises to medium and small enterprises. This assisted the study to reach a point of saturation and address data triangulation.

Fusch and Ness (2015) outline that data saturation is reached when there is enough information to replicate the study, but further coding is no longer feasible. Tracy (2013) states that the sample size for qualitative research is determined more by the quality of the data than the quantity. Unlike quantitative research, where the researchers need “statistical power to generalize,” the researcher aimed for rich and in-depth data (Tracy, 2013).

The graph below demonstrates that 75 of the 122 codes generated were from the first four interviews. While the last four interviews only yielded five new codes, with the last two interviews generating none. The codes generated by the interview are highlighted below:



Source: Researcher’s own compilation

Figure 3: Number of New Codes Generated by Interview

4.4 Measurement instrument

Measurement instruments are described as tools used to collect data (Yin, 2011). Due to the nature of the qualitative research, the researcher unwittingly acted as the main research instrument, but employed external instruments to help capture data from the study (Yin, 2011). The available tools were interviews, questionnaires, observations, and experiments (Saunders & Lewis, 2012). As this was a narrative study to obtain in-depth data, the chosen instrument was an interview guide. Interview guides were an effective tool to obtain data saturation, and the researcher ensured that the respondents had an opportunity to answer the same questions (Fusch & Ness, 2015).

An interview schedule was drafted to guide the interview process. As the study was exploratory and inductive, the interviewer used a list of open-ended questions. The researcher guided the participant through the process to ensure that all aspects of the research were covered. This resulted in participants giving detailed, rich responses (Leavy, 2017). The participants felt free to share their experiences of the decisions they made when faced with uncertainty. The managers reflected on the impact of their actions on their peers, their direct reports, division, and the organization. The interview schedule questions are included in the table below:

Table 2: Semi-Structured Interview Schedule Questions

RESEARCH QUESTIONS	INTERVIEW SCHEDULE QUESTIONS
Context	1 (a) Please provide me with information about your role and its context within your organization? (b) What are your key responsibilities? What are your key deliverables? (c) What are the key tasks you employed on a day-to-day basis before COVID-19? 2. What does your organization do and how do you play a role in executing its strategy? 3 (a) How has COVID-19 affected you personally and professionally? (b) How has COVID-19 affected your organization as a whole and your team specifically? This can be both good and bad?
Research question 1: What are the factors that keep the status quo in place?	4 (a) It is acknowledged that organizations need to adapt to bolster their ability to predict, identify, and respond to challenges. What factors do you think prevent your organization from changing? (b) And if your organization was able to adapt, what reasons can you give for this?
Research question 2: How do organizations implement new routines, heuristics, and improvisations?	5 (a) Did any new ways of doing businesses emerge when you faced these challenges? (b) If so, please describe these new ways of doing business? (c) Have you found ways to make decisions quickly?
Research question 3: Why do emerging routines, heuristics, and improvisations align to the organization's	6 (a) Why are these emerging solutions uniquely aligned to your business and its external environment, or are they generic?

environment?	

Source: Researcher's own compilation

Triangulation bolstered the study through the following aspects: data triangulation (multiple sources) and theory triangulation (multiple frameworks) (Patton, 2002; Uwe, von Kardorff, & Steinke, 2000). As the study used a single researcher and the mono-method for data collection, the author focused on data triangulation to obtain data from various sources by interviewing participants across different industries and countries. The researcher also made a concerted effort to ensure an equal split between male and female participants, with seven males and six females. This would further enhance diversity of views and experiences shared. The industries sourced were Retail, FMCG, Healthcare, Consulting, Information Technology, Financial Services, and Mining. The participants were also from different countries, with three participants from Eswatini and ten from South Africa. This resulted in diversity in data which explored the nuances found in the real world (Patton, 2002; Uwe et al., 2000).

4.5 Data gathering process

Interviews were conducted with 13 participants. The interviews were semi-structured and conducted over virtual platforms (Microsoft Teams and Zoom) as the rise in COVID-19 cases during the third wave resulted in lockdown restrictions. Participants also sought to observe social distancing protocols to maintain safety. All participants had become comfortable with virtual platforms and did not find the use of the medium as abnormal. Nevertheless, the researcher foresaw the impact of COVID-19 on the study due to ongoing trend analysis (S. Li & Linton, 2021).

The researcher obtained ethical clearance to proceed forward with data collection (see **Appendix A**). The participants were provided with a letter of consent via email so that they had an opportunity to understand their rights prior to the commencement of the interviews. Furthermore, they were also informed of their right to consent to participate in the study. Participants then duly signed and returned the consent form to the researcher. As the interviews were held virtually, the researcher used Microsoft Teams and Zoom's record function to record the interviews. Participants were informed of the anticipated length of the interviews beforehand to make allowances for time. Care was made not to forward the interview guide before the meeting as this would have resulted in them providing scripted answers during the interview.

The duration of the interviews ranged between 45 to 90 minutes depending on how participants answered questions.

4.6 Analysis approach

Yin (2011) highlights five steps to qualitative data analysis: Compilation of data; Disassembling of data; Reassembling of data; Interpretation of Data, and Conclusion.

There are two broad categories of qualitative data: text and non-text (Saunders & Lewis, 2012); however, for the purpose of this study, text data was collected. This included video and audio recordings of the interviews. The interviews with participants were conducted on virtual platforms (Microsoft Teams and Zoom), and these sessions were recorded. The first step of data analysis was the transcription of the video and audio recordings into text data (transcripts). It was initially planned that the researcher would procure the services of a professional transcriber to convert the audio recordings to text. However, the researcher opted to use audio transcription software that converted the audio to text during the process. This proved to be a more efficient option. The researcher also reviewed and edited the transcripts produced by the software to eliminate transcribing errors. Thus, there was no need for a transcriber (hence they did not sign a non-disclosure agreement to protect the confidentiality of the participants).

Secondly, the researcher uploaded the transcripts onto ATLAS.ti. This software assisted in the coding of the data within the transcription and further analysis. The documents were categorized by the participant and their gender, the industry within which they operate, and their organization's size (small, medium and large). This helped to draw out unique insights and contradictions. The data in the transcripts were then broken down into smaller fragments and assigned new labels or "codes" (Yin, 2011). The researcher systematically went interview by interview coding the interviewees. A list of codes was generated when the process was completed. The researcher then reviewed the codes to ensure no redundant codes spoke to the same insights. Those common codes were merged into a larger code. Codes that were repeated were also combined.

The next step involved assembling the codes into different code groups. These code groups were then grouped further into "themes." In this phase, the author became aware of emergent patterns which hint at overarching concepts (Yin, 2011). The researcher then reviewed the code groups and themes to create a coherent narrative that spoke to the participant's experiences. The researcher also noted contradictory themes and narratives that both exposed the participants' negative and positive sides of specific insights.

Following reassembling, the themes were interpreted to create a new narrative based on the graphs and lists compiled in the previous step as this is an iterative process possibly requiring repeated disassembling of data and reassembling of data occurred frequently. These final categories, themes, and sub-groups are presented in Chapter 5 of this document (Yin, 2011).

The final step was then to form conclusions based on the interpreted data and the previous phases. This process was not linear and occurred over August and September 2021. The researcher set aside as much time as possible to refine their conclusions.

4.7 Validity

Validity is a vital criterion to establish the legitimacy of qualitative research (Swanborn, 1996). In this research, validity covered both the actual study and its findings (Yin, 2011). The researcher confronted both internal and external threats to validity throughout the research process from research design to data collection to data analysis (Onwuegbusie & Leech, 2007). The following strategies were used to enhance the validity of the data.

The researcher ensured that there was prolonged engagement by participants as interviews were conducted. This was achieved by conducting research for a sufficient period to obtain adequate representation (Onwuegbusie & Leech, 2007). The interviews had scheduled time sessions of one and a half hours, giving participants enough time to provide clarity and context for their responses. Another crucial strategy was employing respondent validation, where the researcher obtained constant feedback from the participant throughout the interview process. This assisted in reducing misunderstandings and misperceptions (Yin, 2011). All of this helped to obtain rich data from the interviews, as through the use of a semi-structured format, the researcher uncovered surprising and diverse views which revealed previously unexplored or new aspects of organizational resilience, status quo bias, and uncertainty (Guercini & Milanesi, 2020; Luan et al., 2019; Yin, 2011). There was an avoidance of quasi-statistics in terms such as “usual” and “rare.” Moreover, the researcher used actual numbers instead of descriptive phrases (Yin, 2011).

4.8 Limitations

The limitation of qualitative research is subjectivity, as the researcher’s bias can impact it. The researcher may have their own preconceived views and ideas, which may impact the way study is conducted and how data is interpreted (Asungah, 2018). COVID-19 posed a limitation on data collection as all interviews were conducted via virtual forums. Interviews were not conducted face to face due to lockdown restrictions and thus had to be conducted on virtual platforms leveraging Information and Technology Infrastructure. This led to some cuts in conversation and distortions as interviews were conducted. Some participants felt comfortable with switching their cameras on during the interview while others did not. The researcher allowed the participant's preferences to ensure they felt comfortable as they may have been suffering from virtual meeting fatigue. This researcher countered this limitation by repeating questions for clarity and ensuring that the participant heard and understood the question. The researcher also probed further in questions and provided feedback to ensure participants agreed with the researcher's understanding of their input. All interviews were recorded. The researcher also transcribed the interviews himself immediately afterward to ensure the transcripts accurately captured the output of each interview. The preferred interviewing method would have been face-to-face with participants, allowing for an unhindered flow of conversation. Through applications such as Zoom and Microsoft Teams, online interviews may be susceptible to poor internet connectivity. Another possible limitation is that due to the sample size and the qualitative nature of the study, findings may not be generalizable to the entire population.

The limitation of virtual meetings is that it was more difficult for the researcher to build rapport with participants due to the lack of face-to-face interactions. Building rapport with participants is essential so that they can relax and answer questions freely. In a face-to-face interview, the researcher would also be able to read visual cues and body language to facilitate the conversation.

Another limitation was that some participants were wary of disclosing sensitive trade secrets and prised intellectual property as the nature of the study involved exploring strategic initiatives of the participant's organizations. This was because participants were senior managers in their organizations and thus had unlimited access to their organization's future plans and strategies. For instance, one participant Manqoba, was involved in two organizations: one where he was a manager leading a financial services organization and another where he was the owner of an SME. He felt uncomfortable sharing sensitive information on his financial services employer but felt more comfortable discussing his SME. Thus, the researcher had to be cognisant of the sensitivities around specific questions and position questions so that the participants could provide detailed feedback while still addressing the research questions.

CHAPTER 5: RESULTS

5.1 Introduction

This chapter details the outcome of the semi-structured in-depth face-to-face interviews. The results of the interviews were coded and organized into higher groups and themes. Moreover, the research questions addressed by these face-to-face interviews are in reflected Chapters 3 and 4 of this study. The study sought to answer how managers confront status quo bias to build organizational resilience.

5.2 Description of the sample

This section will describe the sample interviewed. The study consisted of 13 individual managers who operated in roles that would impact their respective organization's ability to identify and maximize opportunities to achieve growth. The individual managers represented organizations from the Fast Moving Consumer Goods (FMCG), Financial Services, Healthcare, Mining, Retail, Consulting, and Information Technology. These roles typically involve stakeholder interactions, particularly with external customers, suppliers, regulatory authorities, communities, strategic partners, and investors. The reason for selecting managers in these positions is that organizational resilience involves their organizations anticipating, responding, and adapting to disruptions in the external environment. As a result, these participants have a direct impact on the organization's strategy development and execution. The names reflected in Table 3 below are pseudonyms – i.e., they are not the participants' real names. Pseudonyms were adopted as these interviews reflected the personal experiences of the participants. Thus, it would create a picture of who the participant is and what their personal narrative is.

Table 3: Description of Interview Participants

No.	Participant	Gender	Industry	Role	Country	Size
1.	Nhlanhla	Male	Financial Services	Head of Corporate	Eswatini	Large
2.	Manqoba	Male	Financial Services FMCG	General Manager Owner	Eswatini Eswatini	SME Large
3.	Ayanda	Female	Financial Services	Comms Director	Sub-Saharan Africa	Large
4.	Celiwe	Female	Professional Services	Owner	South Africa	SME
5.	Michael	Male	Retail	Entrepren-eur	South Africa	Large
6.	Sifiso	Male	Healthcare	Public Accounts Manager	South Africa	SME
7.	Noxolo	Female	Financial Services	Head of Data	Eswatini	Large
8.	Mlungisi	Male	Financial Services	Internal Audit Manager	South Africa	Large
9.	Jason	Male	FMCG	National Accounts Manager	South Africa	Large
10.	Henry	Male	Information Technology	Consulting Director	Sub-Saharan Africa	Large

11.	Thandeka	Female	Information Technology	Managing Director	Sub-Saharan Africa	Large
12.	Nqobile	Female	Mining	Senior Solution Architect	South Africa	Large
13.	Ntombikayise	Female	Financial Services	Director	Sub-Saharan Africa	Large

Source: Researcher's own compilation

The definition of small, medium, and large is as per the government gazette published on 15 March 2019 (De Wet, 2019). The definitions reflected differing scales per industry. The scales for the respective industry are highlighted in Table 4 below:

Table 4: Definition of Small, Medium, & Large Enterprises

Industry	**Financial Services, Professional Services, Healthcare & Information Technology**	**Retail**	**FMCG**
Small and Medium Enterprise (SME)	Below R 85 million	Below or equal to R80 million	Below or equal to R220 million
Large Enterprise	Above R85 million	Above R 80 million	Above R220 million

Source: De Wet (2019)

5.3 Research question 1

Research question 1: What are the factors that keep the status quo in place?

This question aimed to ascertain the factors that keep the status quo in place. For an organization to anticipate, adapt, and respond to shocks in its environment, managers must confront their ability to adapt to sudden challenges and complexities. However, they may have an inherent bias in sticking to current standard practices, which may render them unable to explore new routines, innovations, and heuristics. This question aimed to delve into the reasons why specific organizations can adapt to changes. It also seeks to explore what factors are perceived by the participants that prevent the organization from changing. Apart from confronting their own status quo bias, managers may also have to face the status quo bias of their direct reports, fellow managers, and superiors in the organization. This status quo bias may also emanate from participants outside of the organization and with whom the managers interact.

The themes that emerged from this study revealed the themes, categories, and sub-categories highlighted in Table 5 below:

Table 5: Themes, Categories and Sub-Categories of Research Question 1

Themes	**Categories**	**Sub-Categories**	**Codes**
Factors that keep Status Quo Bias in Place (5.3.1)	Limiting Factors to Change **(5.3.1.1)**	Resistance to Change	22
		Difficulty Adapting to Change	13
		Fear of Change	8
		Influence of Keymen	7
		Lack of Diversity	2
	Decision: Impediments **(5.3.1.2)**	Decisions: Bureaucracy	7
Factors that overcome Status Quo Bias (5.3.2)	Promoting Factors to Change **(5.3.2.1)**	Change: Encouragement	15
		Change: Training	11
		Change: Recruitment	8
		Change: Collaboration	7
		Change: Leadership	7
		Manager Identifying Pivotal Moments	7

		Change: Culture	5
	Collection & Use of Data **(5.3.2.2)**	Consumer Data	24
	Enabling Factors for Decisions **(5.3.2.3)**	Decisions: Agility	22
	Manager-led Interventions for Employees **(5.3.2.4)**	Employee: Development	18
		Employee: Attitudes	2
		Employee: Recognition	2
	Manager Futureproofing **(5.3.2.5)**	Manager: Development	16
	Manager: Support Structures **(5.3.2.6)**	Emotional Resilience	10
		Manager: Networking & Mentoring	6

Source: Researcher's own compilation

5.3.1 Contributing factors to status quo bias

Two prominent themes were discovered – they reinforced status quo bias in organizations as described by the participants. These were the factors that limited change (Change: Limiting factors) and factors that limited new avenues of decision-making (Decisions: Limiting factors).

5.3.1.1 Limiting factors to change

A leading factor was resistance to change. Participants noted that when there was a necessity to change, they would encounter resistance to that change. This resistance was a conscious and deliberate effort to oppose innovations that the manager has identified as beneficial to the organization. The first resistance comes from senior leadership whom the manager tries to convince of these initiatives. One of the participants, Noxolo, related the following experience:

> *"People are gung-ho about holding on to a particular process because of the financial investment that has been made. Therefore, even amongst our leadership, there's still a fair amount of 'but why are we fixing this if it's not broken?'" (Noxolo)*

Noxolo highlighted two underlying reasons for resistance to change. The first one is that individuals would stick with an existing solution because of past financial investment. This resistance to a new solution is perplexing when there is factual evidence that the current solution does not address all the problems the organization currently faces. The second issue highlighted is senior leadership's "if it isn't broken, don't fix it" approach. This means if current systems are performing adequately, why must the organization explore the possibilities of new and better alternatives? Again, it reflects a certain complacency that may sit in with leadership.

Participants also find resistance amongst employees who may fear that proposed innovations may affect their job security and render them redundant in the future. There is also a challenge in terms of how you upskill employees once initiatives have been implemented:

> *"The minute you suggest to the unions that we use autonomous trucking instead of manual trucks, they think you want to take away their jobs. What are you going to do with that truck driver now?" (Nqobile)*

Nqobile further reported that the miners and mining unions were resistant to change as they felt that their job security would be threatened by the incoming automation of trucks rendering their jobs obsolete.

This segues into another element which is denialism of required change. Participants note that their colleagues would not see the need for change, as illustrated below. This is not so much resistance, but that they were ignorant of the benefits of innovation to the organization.

> *"We tell the stories: the famous examples of Nokia and Blockbuster. People say, 'What are you talking about? What do you mean the bank is at a risk? We're not at risk. Certainly not in our country.'" (Noxolo)*

The participants further noted that people are unable to change due to their inability to identify that the external environment has changed and inability to formulate responses to these emerging challenges, as noted below.

> *"But, you see, they couldn't see that the downturn we're going through is because the market has shifted, the market changed. And what we've seen is that we struggle to identify why things have changed." (Michael)*

The above reflects those members of an organization who may struggle to identify and interpret sudden shifts in the market. These could be due to a lack of personal expertise or age. Participants noted that age is a limiting factor in change adoption. Those who were older were more likely to be resistant to change. In addition, age is not a cause for change resistance, but it could be associated with old-fashioned ways of working (bureaucracy), which support the status quo. These could be tied to different geographic regions where demographics may vary from other regions. It could also be that certain industries are prone to status quo bias versus other industries. As highlighted below, the hierarchy and traditions that emerge over time can prove a stumbling block for change initiatives and exploring new opportunities.

> *"So, it depends on the region. We find that Africa is probably one of the areas that are most resistant to change. Because, traditionally, the mining fraternity is steeped in hierarchy and traditional manners of working. You typically have the older generation run by proven methods." (Henry)*

The next factor which was most surprising as a limiting factor to change adoption was the influence on key persons.

> *"I think keyman dependency also prevents our organization from changing. If Thandeka, who deals with ABSA, says ABSA doesn't want it, then we go with Thandeka because ABSA is one of our major clients." (Thandeka)*

Although the phenomenon was defined as keyman dependency, the researcher understood that the point related more to the influence of key persons on change initiatives. Keyman influence can prevent an organization from seizing a new opportunity, especially if they hold established relationships with significant customers. This can impose their biases on new initiatives. Keyman can also hold a significant influence – both externally and internally on key stakeholders as their opinions may be held in high regard. To successfully implement change, one must be able to win the approval of keymen. This could be an interesting avenue for further study as to the influence of or reliance of key individuals on change initiatives.

"Most of the time, you find that those key men are the people who are managers in different groups. Therefore, you need to win those people before you can reach their subordinates." (Nqobile)

5.3.1.2 Impediments to decisions

Another aspect that impacts entrenching status quo bias is bureaucracy. Participants reflected on instances where their proposals had to pass through a series of decision-making before obtaining approval. These structures proved to be cumbersome and discouraging to those seeking to explore a new idea.

"At my former employer, I would have to pass through four gates, but before I get to gate three, I am already told that I am wasting time." (Manqoba)

5.3.2 Counteracting factors to status quo bias

This next section speaks to the interventions that managers employed to counteract and overcome status quo bias in their organization. These factors were divided into the following categories: promoting factors of change; collection and use of data; enabling factors of decisions; manager-led interventions for employees; manager futureproofing and manager coaching and support.

5.3.2.1 Promoting factors for change

Within the organization, there were certain factors that managers specified as helping to facilitate organizational change and eliminated status quo bias. Participants noted how leadership sets a clear tone for the organization. While an individual manager may attempt to overturn resistance, it was noted that leadership creates a climate fertile for innovation.

***"We've gotten this far because of our leadership. We are fortunate to have at the helm someone who gets it and who is an actual leader** – not just paying lip service to change and innovation. I think we have someone who actually gets it and doesn't get caught up in saying things such as 'But we decided on this last year.'" (Noxolo)*

A diversified recruitment strategy was identified as a key enabler of change. Two major benefits of recruitment were emphasized: The first was that it infused their organizations with diversity. Secondly, organizations that made a concerted effort to diversify their teams with talent from different industries and expertise found better novel idea generation.

> ***"Our organization has done well in changing the way it looks. We are not only hiring from banks; we are also hiring from FMCG, Telecommunications, and the government in order to inject new ways of thinking.*** *Those minds can contribute positively to the direction that we want to take the business in." (Ayanda)*

Participants also discussed the friction of hiring people who fit in versus those who challenge the culture within the organization. Hiring people who will fit in over the short term may embed harmony, but it leads to stagnation if it's over a long time. Moreover, hiring with diversity in mind may create conflict, but it is this conflict that enables change.

> ***"The ability to fit in and play as a team player is quite critical. The only possible detriment could be that it reduces the amount of conflict, and without conflict, there's no change****. Nobody is challenging the status quo. I don't think it is an issue in the short term, but I think it may be detrimental over an extended period of time." (Henry)*

The second benefit was in hiring younger employees. This is because they were less resistant to change, especially as the younger generation ascended to management positions.

> *"Resistance has started to break down as the newer and younger generation has started to come into management. Therefore, there's better adoption now than there was ten to fifteen years ago." (Henry)*

Change management was emphasized as an important element. There was a need to ensure that change initiatives were inclusive of the people they were affecting and that everyone had a role to play in this change initiative. Nqobile highlighted that no matter how brilliant an initiative may seem, there needs to a personal human attachment for the person involved.

> ***"I don't start anything without having a Change Manager onboard.*** *They come with skills that a technical person or a manager can never possess because they understand the people. They understand the human dynamics of making something work." (Nqobile)*

Participants stated that there were advantages to collaboration across teams. When an organization faces a serious challenge, cross-functional collaboration helped eliminate silos and support a cohesive effort to resolve difficulties. It also helped accelerate decision-making and improve the speed an organization can respond to opportunities and challenges.

> ***"This idea is setting up cross-functional teams. We saw it very necessary to create an immediate response because we needed all hands on deck to make the fastest decision****. I have been trying to drive us to interdisciplinary teams from the very beginning." (Noxolo)*

This cross-functional collaboration is enhanced when there is a solid organizational structure that inculcates a sense of agility and adaptability into each one of its members. These create a shared lived ethos that the members of an organization actively embrace and participate in innovation.

> *"There is a strong culture of being agile and being able to change if a change needs to happen. That is built into our DNA as an organization. So, when you work for my organization, you know that you need to be agile." (Ayanda)*

Participants also highlighted the need for change initiatives to be iterative with input and feedback from different role players to improve the process continuously. The allowance for feedback creates opportunities for learning and improvement.

> ***"This is an iterative process because as much as the data gives a lot of information, we also check the data against the intuition that these tools are developing.*** *We have consultants who can talk to data outputs and insights. In addition, those kinds of insights help us to tweak and improve the models that we use." (Noxolo)*

The above also highlights the importance of human judgement and data in decisions. The discovery by participants is that the availability of objective data and the use of data analytics allows management to make decisions based on evidence. The use of intuition as a form of human judgement is also accepted but it must be open to testing against objective data and feedback. The participants highlighted that data provides insights help to avoid possibly contentious debates based on subjective views. So, using data to drive decisions is crucial.

> *"What's good about the business is that it is very data driven. We've relied very heavily on data. For example, the data can show that my sales category (traditional trade) is declining by 25% and that's because of recession. That's because people are buying less. So, I can't sell that category. It is all about data." (Jason)*

Participants highlighted the ability to identify big shifts in the market and "pivot" in response to these shifts. The managers these sudden shifts that would have a big impact on the organization and its customers. These shifts necessitated the organization moving from their regular routines to focus on new pressing organizational needs. These may be during times of increased uncertainty.

> *"I think what makes COVID interesting is how do you pivot your business based on the changes that happen in the market?" (Jason)*
>
> *"We definitely had to do a big pivot in what we had planned as the immediate response was: Let's understand what this impact currently looks like and is going to continue to look like going forward." (Noxolo)*

5.3.2.2 Collection and use of data

Participants emphasized that the collection and use of consumer data was key to making crucial decisions. Managers realized that information including but not limited to demographics, gender, income level, employer industry, credit history, and products purchased could provide invaluable insight into customer preferences and behaviour. This data is now seen more purposively as an asset (although it was collected incidentally). This information could assist in creating dynamic taxonomies of customers that may be used to spot emerging trends and opportunities.

> *"The idea here is to have a clear view of data as an asset and sweat that asset for commercial gain. It's really about improving our service and product propositions to improve our bottom line, making the products more attractive,*

and increasing their usability and uptake." (Noxolo)

5.3.2.3 Enabling factors for decisions

Managers emphasized the importance of quicker decisions within the organization as an essential element in organizational agility. When decisions become bogged down by bureaucracy, it can prevent the organization from responding to emergencies and immediate challenges. The imperative from managers was that the organization should be structured to promote informed, quick decisions. Managers emphasized that employees should be empowered to make decisions and take ownership in their spheres of influence. Furthermore, they should allow room for human judgement calls and smaller teams that can take the initiative independently.

> *"Everybody had the appropriate authority to make the right decisions because we wanted people to be empowered. We allow them to be entrepreneurial." (Thandeka)*

> *"The level of agility is quite remarkable. One of the success factors is that we have a relatively small team. A total of 23 people services this region." (Henry)*

5.3.2.4 Manager-led interventions for employees

Managers implement specific interventions to skilled employees; in turn, this helps mitigate resistance. A factor highlighted earlier was that employees may fear change initiatives as their jobs become obsolete due to technological advancements. These initiatives empower employees to use their time for more value-adding functions.

> *"Since the formalization of the data office, there are regular engagements with employees about how no-one's job is at risk... How we intend for them to acquire future skills training in both their interests and those of the bank." (Noxolo)*

Managers also provide a space that encourages learning through making mistakes. This allows employees the freedom to experiment without the fear of reprimand from their managers. Moreover, managers understand that mistakes are an opportunity for growth.

“Admitting that we're going to make mistakes. And when you make those mistakes, we're going to learn from them… And then we learn from those mistakes so we can do better and improve.” (Ntombikayise)

The participants also noted that it was important to communicate genuine appreciation for direct reports consistently. It was also highlighted that employees gain from recognition of their contributions. However, this was more associated with the act of appreciation rather than the material value of the gesture.

“My effort is appreciated even though I may not be contributing with great ideas. I am seen as an operator. I’m an addition.” (Nqobile)

5.3.2.5 Manager futureproofing

It was noted that participants had a natural inclination to broaden their skill sets and diversify their expertise. For example, Nqobile related that she transitioned from a geologist in mining to leading Information Technology initiatives at the mine. Her accumulated knowledge of her organization and the environment provided her insight into skills that she wanted to add to improve her role effectiveness. This could be seen as a natural progression.

“I am a geologist, but I transitioned to IT. I practiced for ten years as a geologist, which makes sense for the position that I hold. I understand the business; and the frustrations of a geologist and a miner on the ground. Therefore, compared to others driving digitization from a textbook, I drive it more from personal experience.” (Nqobile)

Some participants were also driven by curiosity to explore skills outside of their chosen vocation and not in line with their immediate career path. For example, Michael was in banking, but looking to change careers from banking to social media-based retail business. This curiosity led to entrepreneurial ventures.

“My wife and I were both in the banking environment. We randomly stumbled across an online social media course seven years ago. We did the course, which helped us a great deal. At the time of taking the course, we had about 10,000 followers. Six months later, we had 100,000 followers. Thus, things changed

tenfold. We had no store while we were doing this but created demand more than we could supply." (Michael)

5.3.2.6 Manager coaching and support

Participants pointed out that they actively sought the guidance of a network. This network provided mentorship and coaching to managers regularly. The value of this guidance is that managers receive insight on new novel opportunity ideation. They also had support where they had to pursue an opportunity.

> *"One of the key things that I've always wanted to learn is how to use other people's money to grow wealth. And that comes from growing a tribe, growing a network, and then also being responsible for identifying opportunities for participation." (Michael)*

Managers also found themselves having to deal with the psychological toll of the pandemic on their colleagues and themselves. As managers, they were faced with counselling grief-stricken family members who had lost loved ones to the virus or who themselves had fallen ill as a result of COVID-19. Participants noted that it was not just business as usual. There was a recognition that relationships with employees were not just transactional, but there had to be a shift to focus on the more human element of being a manager. During these times, managers had to exercise more empathy to react to comfort their employees and support them through the pandemic. Managers had to balance the nature of their work relationships from being transactional regarding work duties to being social in providing ongoing support and understanding for employees.

> *"There has been a couple of staff members who have lost parents as a result of COVID-19. We have a very young staff profile that is also of the view that they might have caused the death of their parents. We have had to walk people through the journey and make them realize that it is not their fault; they are not the reason their parents are dead." (Nhlanhla)*

> *"Last year there was a lot of devastation, loss, trauma, and grief. I found myself stepping more into the coaching space on a professional level last year." (Celiwe)*

The pandemic also took a personal toll on managers as they dealt with the impact of the pandemic on their organizations especially in the small and medium enterprise space. The pandemic severely affected the income-generating ability of their businesses. Participants stated that the new role of being a counsellor to direct reports also took an emotional toll on the managers as they had to process their own emotions while supporting colleagues.

> *"When you go from seven stores to one store, that is a serious emotional roller coaster. There are many days where you don't get out of bed because you don't know what to do." (Michael)*

5.3.3 Research question 1: Conclusion

The interviews demonstrated that there are challenges with status quo bias in organizations. There is a natural inclination not to alter existing processes, especially if it is seemingly working. This can be due to complacency and aversion to loss. This can also be reinforced by an organization's culture and the attitude of leadership. However, the data highlighted attributes of organizations that were able to overcome status quo bias. This rested on the proactive involvement of managers to lead and tackle the resistance to change. They highlighted the importance of diversity of inputs and personnel in an organization to infuse new ways of thinking. This acknowledged the collection and use of objective data to inform the formulation and evaluation of alternatives before making a final decision. There was also emphasis placed on the continual professional development of both managers and their direct reports to ensure that organizational skills were aligned to improving productivity and more value-adding activities.

Table 6: Key findings to research question 1: What factors keep the status quo in place?

No.	Key Findings	Summary of Findings
1.	Resistance to Change	There was active resistance to change brought about by an aversion to loss due to sunk cost rationale. Participants also noted that there was ignorance of the need for continual improvement in business processes.
2.	Influence of Keymen	The influence of keymen was highlighted as a possible contribution to status quo bias. Some members of organizations may present barriers to the adoption of change initiatives in an organization.
3.	Emotional resilience	Managers had to cope with the grief and loss brought upon by the loss of lives and income experienced during the pandemic. They also had to provide emotional support to their employees, who were also personally affected.
4.	Managers identifying pivotal moments	Participants reflected on their ability to pause and take stock and correct the organization's course. This allowed managers to plot a new path for the organization to follow as previous plans may have been greatly curtailed by the pandemic.
5.	The importance of diversity	Diversity was highlighted as a key driver in change. The ability to recruit persons from atypical backgrounds can bring in different views and experiences, promoting innovation. Hiring younger employees also brings in personnel who are more open to change.

Source: Researcher's own compilation

5.4 Research question 2

Research question 2: How do organizations implement new routines, heuristics, and improvisations?

The purpose of this question was to uncover how solutions emerge in organizations faced with complex challenges. The backdrop was COVID-19, as it presented a level of uncertainty to organizations across various industries. Managers must find a way to mitigate the harmful effects of the pandemic and maximize opportunities where they may present themselves. This question seeks to understand how the solutions circumvented the restrictions brought about by COVID-

19 induced national lockdowns, supply chain interruptions, and distribution challenges. Table 7 below highlights the themes that emerged from the interviews:

Table 7: Themes, Categories and Sub-Categories of Research Question 2

Themes	Categories	Sub-Categories	Sum of Code
Implementation of Emerging Technologies (5.4.1)	Digitization Implementation	Digital acceleration	36
		Digital Distribution	
		Online Marketing	
		Online Platforms	
		Process Automation	
Emerging Improvisations (5.4.2)	Bricolage initiatives	Exploitation & Exploration	30
		Revenue Models: New lines	8
		Revenue Models: Modification	4
		Revenue: Post-sale	4
	Product initiatives	New Product Development	10
Emerging Routines (5.4.3)	Existing Product Development	Existing Product Improvement	11
		Sales Mix Automation	
	New Routines	New Business Processes	31
		Working from Home	18
		Risk Management	15
Financial Outcomes of Solutions (5.4.4)	Unsuccessful Outcomes (COVID-19)	COVID-19: Profit Loss	11
		COVID-19: Revenue Loss	
		COVID-19: Supply Chain Interruption	
		External Impact (COVID-19)	
	Successful Outcomes (COVID-19)	COVID-19: Expense Reduction	29
		COVID-19: Revenue Growth	
		COVID-19: Profit	

Source: Researcher's own compilation

5.4.1 Implementation of emerging technologies

Participants reported the importance of digitization innovation in their respective organizations. They highlighted two key aspects: Organizations that already had embraced digitization prior to COVID-19 saw that they were well placed to respond to the dramatic shifts in new demands placed on their employees and the businesses. However, the pandemic also accelerated emerging technologies.

"From our end, we were able to offer relief to customers through digital platforms quickly. It opened the door for innovations and ideas to get accelerated. We were able to push out things further that we were probably going to do in a year or two. We've come out as a much better and stronger business." (Nhlanhla)

Organizations that had deferred plans for digitization realized that they had to embrace these technologies immediately because of the pandemic. The main barrier to adopting digitization was the perceived costs weighed against the benefits. Before 2020, digitization seemed like an option, but after the pandemic, it became a necessity. This reframed the weighing of costs versus benefits as organizations no longer had a choice but to adopt.

"That has changed almost everything. From a business perspective, we are already seeing things we thought we would only see in the next ten years. As a business, we accept that it will be difficult for clients to come into our office. So, the next best thing for us was technology." (Manqoba)

The ability for organizations to reach their customers from an online platform perspective proved to be an important development to continue the delivery of goods and services. Financial Services organizations maximized their already established online channels to onboard customers and continue their contact with customers. In addition, organizations that had put off digitization initiatives as something for the future accelerated their roll-out to bridge the lack of face-to-face communication.

Organizations that delivered physical goods but did not have online channels partnered with organizations that had channels to deliver their goods. Some online channels had been labelled non-essential goods. Yet, the retail organizations partnered with these online channels to offer their essential goods, which allowed the digital channels to continue to operate.

"Now, the interesting thing about the e-commerce model is that Netflorist was considered a non-essential service. They pivoted their business to sell essential stuff so they could still operate. We were one of the first ones to go to Netflorist and sell our products through Netflorist. Their business grew by 560%." (Jason)

The extent of digitization was also felt in the automation of previously manual functions. Nqobile pointed out how her mining company was leveraging emerging technologies to modernize and improve its production capabilities.

> *"We were in an open-pit mine and started introducing 'autonomous drills.' Instead of having a guy physically holding the drill, you sit in a control room and load your drill plan onto a system. The drill will move from one hole to the next. You would produce more than with the manual drill because a person gets tired and takes breaks."* (Nqobile)

Participants also highlighted the benefit of automated service delivery processes, which eliminated human intervention and face-to-face interaction. As a result, organizations were able to leverage the power of machine learning and artificial intelligence to speed up the credit rating of applicants and approval for lending products.

> *"There are products that use a decision engine running on data in the background, and that requires zero human intervention. That's fully digitized." (Noxolo)*

Beyond the use of automation, there was also the use of behavioural data of customers to generate leads for salespeople. This involved matching people's profiles with products that similar customers would purchase. This proved very successful.

> *"This market basket idea is how do we channel our cross-selling. So, the idea is: Here is person X's product profile. What are the characteristics of person X? How much does this product profile fit people with the same characteristics as person X? Let's see if there's some correlation so that we can offer this suite of solutions to those who might not yet have taken up the products." (Nqobile)*

5.4.2 Emerging improvisations

COVID-19 resulted in participants having to explore new ways to generate revenue. These initiatives are outside of the organization's traditional realm of expertise. There were two driving forces noted in our interviews with participants: The first is that these new initiatives are borne out of necessity, with COVID-19 disrupting their core revenue lines, and thus, a need to find other ways to generate revenue.

> *"Sometimes in those moments, you take a chance on something that looks small and see what you can do with it because there's nothing else available. Then you grow it, and then you see what the possibilities are. You keep plugging away at something that has potential." (Michael)*

The second driving force is that these new initiatives are an outcome of the organizations' culture to explore and innovate. These meant a slight modification of the organization's traditional core competencies to explore adjacent opportunities. For instance, a rock drilling business found that their core business suffered during the pandemic but noted increased demand for water and sanitation as hygiene was a key intervention to curb the spread of COVID-19. The organization switched to using the same drilling equipment to now drill for water and maximize that opportunity. The pandemic highlighted that managers needed to think laterally about whether their skills can apply to opportunities they would not have normally explored before.

> *"I have a client who was in the rock drilling business. The opportunity came with sanitation and water; therefore, the same drilling equipment was then used for water. Same concept and similar skills." (Celiwe)*

These new initiatives can also lead to organizations exploring new revenue models where the product/service offering is the same, but the structure of the pricing and payment is altered to suit the customer's needs. For example, this revenue model can be adjusted from an upfront one-off payment to an ongoing subscription-based offering.

> *"On a global level, the organization is moving away from a perpetual licensing situation to a subscription-based position. Our adoption rate of the last financial year was up from 12% to 34%... Therefore, instead of paying for 20 licenses in a single payment, this would be spread over a five-year period and billed either on a monthly or annual basis." (Henry)*

Participants reflected on exploring post-sale opportunities with existing customers to offer them more value-adding services. This was especially highlighted by Sifiso, who stated that since they could not explore new business opportunities, they needed to look at how they could create more value for existing clients. This meant exploring what other services their technology could provide for past customers and positioning more value-adding propositions.

> *"Technology forced us to look at things differently. We've primarily focused on taking our technology and giving it to a client, but now we are starting to look at the technology that we've already given to the client and saying how can we leverage some of this technology to bring us additional revenue – to bring in some annuity income." (Sifiso)*

What also became clear to participants was that customers would seek their advice as they did not know how to protect their businesses from the effects of the pandemic. Thus, managers became advisors to their customers and provided support where customers needed assistance, even if this was not in their current product/service offerings. For example, as Nhlanhla pointed out, they would assist their customers in performing in-house functions from accounting and cashbook functions that customers struggled to perform due to lockdown restrictions. They also advised customers on how to structure their balance sheets to survive the current economic turmoil.

> *"One benefit was moving to be trusted advisors. Many of our customers didn't know what would happen next, and we filled that gap. We guided customers, for example, on how to structure their balance sheets to ensure that they survive this pandemic. There was a lot of proactiveness from our end." (Nhlanhla)*

5.4.3 Emerging business routines

Organizations developed new business routines to circumvent risks associated with manual processes. Participants noted that the pandemic required them to re-examine their business processes and whether they were still applicable to a post-pandemic world. This involved them seeing if they could be more efficient.

> *"Previously, you would have done this, but you now have to challenge all the things you were doing before. Ask yourself, are they relevant? Isn't there a better way of doing it? Therefore, the positive part also included coming up with new ways of doing the job." (Nhlanhla)*

“Some teams managed these deals manually, but we believed that there must be a system that can help because doing things manually opens up opportunities for human error. However, if it's system-based, it could help us.” (Ntombikayise)

This new business routine led to an improved turnaround in service delivery for customers. Managers also discovered the full capabilities of their systems. They were reluctant to rely on manual systems prior to COVID-19, but now they have no choice. This also opened their customers' eyes to what the organization is fully capable of. The complete usage of their system’s capabilities allowed the organization to harness its invested capacity.

“The pandemic opened the eyes of many of our customers because there was no alternative except the digital platform that had always been there. It helped to streamline our processes and our turnaround times improved.” (Nhlanhla)

Managers also devised ways to reconfigure their production process to deliver new products to the market quicker than their competitors. The routines could be leveraged to gain a competitive advantage.

“The fact that they're not travelling eliminated a fair amount of lost time. Some clients are in Morocco, so travelling from South Africa to Morocco takes away a day of work, which means that there's no billable time. *So, we're losing a half day's work every time the guys get on a plane to travel. We have thus found that overall productivity improved, we were getting a quicker delivery on many projects.” (Henry)*

A new routine that came into effect is working from home. As lockdowns brought in restricted movements and social distancing measures, organizations needed to continue functioning in a new way overnight. This meant that workforces were restricted to working from home. Organizations would have to leverage technology to ensure business continued, including the use of laptops to connect to systems and hosting virtual meetings. Participants reported mixed feelings on the new arrangement. There was support for the increased flexibility and efficiency in completing their duties. In addition, there was also lamenting on the lack of physical interaction with teammates and customers. Participants also noted the fatigue associated with having to be available virtually constantly.

"There have been all these studies around the work about how much it takes more out of you to sit in a Zoom call than it does to sit in a physical meeting. It's almost like you're on guard. You have to be sitting up. You have to be looking. You have to be nodding. A lot of fatigue sets in from having to be constantly on which you wouldn't be expected to be in the physical environment." (Celiwe)

A challenge for female participants was looking after children during the pandemic while juggling work responsibilities. This involved home schooling as children were unable to attend school/classes virtually. This placed an additional burden on parents to support their children with studies during the same hours they are expected to be at work.

Participants stated that the pandemic presented opportunities for organizations to tailor their products to new customer needs. They noted shifts in markets where there was a demand for low-cost products with limited features to highly differentiated products with more features. As a result, participants shifted their products to take advantage of this shift in demand.

"However, the pandemic identified an opportunity for children to have access to laptop devices. They need something that works, that has a warranty and basic requirements. So, this was a bit of a windfall in terms of responding to that opportunity." (Celiwe)

Participants also reflected on the exploitation of current products by modifying the products specifications slightly (e.g., reducing the product quantity to justify reduced pricing) without sacrificing quality and market positioning relative to the competition. Managers noted that they had vital products which they prioritized for production and sales. Therefore, they had to manage the production schedule to ensure that priority products receive priority in sales.

"We have key-value Items. All our products within those key-value items are then categorized into skews. We have the top 100 skews. As a result, we know that we must never run out of those key-value items." (Jason)

This leads to more robust and flexible production planning in organization facilities. Managers stated that the ability to ensure optimal utilization of production capacity and maintenance of quality and profitability.

"A supply chain is about your utilization and capability. Thus, how much are you sweating assets? That's the key thing. Obviously, productivity is key because you need to know how much volume you are making. Are you improving on volume cost-effectively? That is key. Emasi and milk are your normal commodity, so it's a volume game rather than a revenue game. However, when you go to yoghurt, you start commanding premium in terms of what you are getting out of it. Those are the things that become your key metrics." (Manqoba)

Risk management proved to be crucial during the pandemic as managers needed to plan for seen and unforeseen risks that may affect the organization. Participants highlighted two leading areas of concern for risk management: fraud risk and misrepresentation by customers as they feel they may be under increased financial pressure. As a result, the organization may be at an increased risk of credit losses. The second area of concern was that sudden changes in internal processes may result in a lack of internal controls to prevent the risk of fraud and error. There may also be inadequate oversight of employees.

"Our business in its entirety is about risk mitigation. So, before we actually lend money to a client, we need to do a proper and thorough due diligence on who we are dealing with. No bank was prepared for COVID-19. Banks that couldn't be resilient reported losses because their clients were affected. They didn't have the proper controls for suitable mitigations." (Ntombikayise)

"Unfortunately, institutions that we've been trying to sell to are ridden with all kinds of fraud and corruption. Thank heavens we didn't manage to get in there because that means that we could have possibly been implicated as well." (Sifiso)

5.4.4 Financial outcomes of new solutions

Participants mixed the financial outcomes and impact of COVID-19 measures as they noted some of their best financial results during the pandemic. Some managers reported counter-intuitive results where their division performed better than their industry, competitors, and divisions. Nqobile noted that they had better than expected years in her mining industry despite the industry seeing a contraction in demand and supply. Michael added that despite the property rental industry taking a knock, they maintained full occupancy and rentals.

“Interestingly, in the first year of the pandemic, our organization performed better. They had the best financial year to date in 18 years of operation. So, there's been significant benefit or merit from that perspective.” (Henry)

“We did exceptionally well in 2021.” (Thandeka)

“2020 was one of our best years in terms of financial earnings, and it did not make sense because everyone recorded a knock.” (Nqobile)

“We've been very lucky; we have seen an increased pipeline during this time.” (Ntombikayise)

“It's been three years, and these tenants have never skipped even one month. During the first hard lockdown in March 2020, we granted them a month of relief. They paid all that money back.” (Michael)

Some organizations noted a negative impact on their profits and numbers. Organizations that could function through the lockdown period as an essential business were at an advantage, as Michael noted that their retail industry was hit hard by the pandemic.

“And, of course, it did have an impact in terms of our earnings ability. I think those statements were published last year.” (Nhlanhla)

“We have been fortunate. As much as the organization has been affected, we have been able to weather the storm. I think that the organization is on its last reserves before making some really tough decisions.” (Sifiso)

“Things have changed quite aggressively because of the global pandemic. At the beginning of last year, we had seven stores nationwide, and now we only have one store. So that has severely dented retail opportunities.” (Michael)

5.4.5 Research question 2: Conclusion

The data collected supported the development of new routines and innovations during the pandemic. Participants highlighted a concerted need to spot opportunities to anticipate and adapt to the prevailing challenges presented by the pandemic. They had to explore ways to exploit existing products/services and processes to resist external perturbances

Table 8: Key Findings to Research Question 2: How do Organizations Implement New Routines, Heuristics, and Improvisations?

No.	Key Themes	Summary of Findings
1.	Implementation of Emerging Technologies	A significant driving force during the pandemic was the embracing of digitization and emerging technologies. Participants highlighted the automation of previously manual processes that increased productivity and quickened up output times. This also meant that quicker delivery of customer delivery and solutions more tailored to customer needs.
2.	Emerging Improvisations	Emerging improvisations highlighted innovations that the managers implemented to their organization and that created additional value. This also meant providing services and support outside of the organization's traditional services. Managers became advisors to their customers, anticipating their challenges. Managers also had to consider changing their revenue models to accommodate customer behaviours.
3.	Emerging Routines	Managers highlighted that they had to modify their production processes to respond to changing customer demands and preferences. This required quick decision-making and flexibility as these could change suddenly. Organizations had to prioritize efficiency and faster turnaround times. This also involved embracing working from home in a manner that would benefit the organization.
4.	Financial Outcomes of the Pandemic	The participants remarked on the profitability post-pandemic after the implementation of their emerging solutions. Some reported that they had experienced their best financial years because of specific initiatives that they undertook. Some reported results that were contrary to their industry, where their peers suffered losses.

5.5 Research question 3

Research Question 3: Why do emerging routines, heuristics, and improvisations align to the organization's environment?

This question sought to understand why the solutions described in Research Question 2 emerged in organizations. This question aims to understand what unique conditions existed in an organization's environment that resulted in merging these new solutions. The basis for this question is that an organization employs ecological rationality, and as it seeks to achieve resilience, it must devise responses to changes in the environment. This question sought to understand the thought processes of managers as they fashioned and implemented their new solutions. The categories, themes and code groups that emerged from the interviews are highlighted in Table 9 below:

Table 9: Themes, Categories and Sub-Categories of Research Question 3

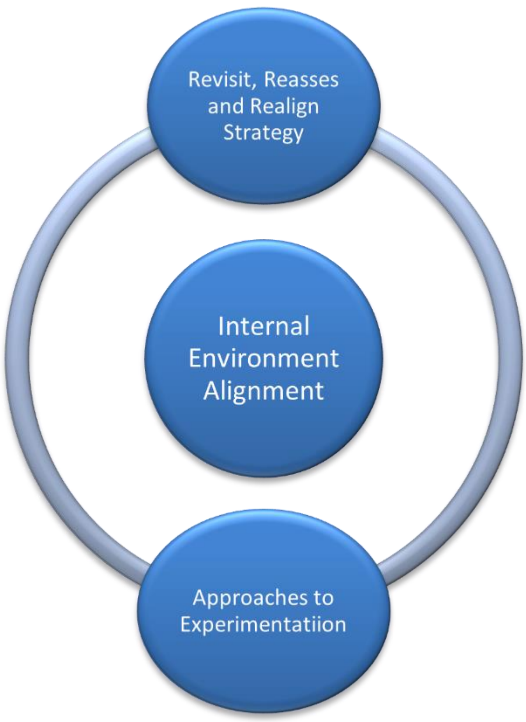
Themes	Categories	Sub-Categories	Sum of Codes
Internal Environment Alignment (5.5.1)	Revisit, Reassess and Realign Strategy **(5.5.1.1)**	Strategy: Digitization	14
		Strategy: Emergent Solutions	36
		Strategy: Execution	23
		Strategy: Formulation	26
		Strategy: Generic strategies	14
		Strategy: Partnerships	11
	Experimentation Approaches **(5.5.1.2)**	Experimentation: Resistance	6
		Experimentation: Start Small & Fail Fast	15
		Opportunity: Consideration	20
External Environment Alignment (5.5.2)	Customer Intelligence **(5.5.2.1)**	Customer: Emerging Trends	4
		Customer: Positioning	24
		Customers: Feedback	5
		Customers: Understanding Behaviour	78
	Competitor Intelligence **(5.5.2.2)**	Competitor: Strategies	15
	Stakeholder Intelligence **(5.5.2.3)**	Customer: Reputation Management	2
		Stakeholder Communications	3
		Stakeholder: Crisis Management	9
		Stakeholder: Reputation Management	7

Source: Researcher's own compilation

5.5.1 Internal environment alignment

Two emergent categories (Internal Environment Alignment and External Environment Alignment) resulted while addressing research question 3, **"Why do emerging routines, heuristics, and improvisations align to the organization's environment?"** This section will discuss Internal Environment Alignment, while External Environment Alignment will be discussed in section 5.5.4.

The first category is a grouping of two emergent themes, namely; "Revisiting, Reassessment and Realignment of an Organization's Strategy" and "Experimentation Approaches." An overarching narrative is that an organization must have a clear and concise strategy that managers can identify with. The managers repeatedly stated how they were able to position themselves within the strategy and its execution. They also emphasized how experimentation played a role in the execution of this strategy. Through experimentation, the strategy was executed, tested, and reviewed. Thus, strategy and experimentation were critical in the context of uncertainty. In an uncertain context, the deployment of strategic initiatives would lead to uncertain outcomes, and it was crucial to evaluate this outcome against the organization's strategy. It was also important that the results of strategic initiatives are tested quickly to ensure that the decisions are taken immediately. This creates an iterative process loop, as described in Figure 4 below:



Source: Researcher's own compilation

Figure 4: Internal Environment Alignment

5.5.1.1 Revisit, reassess and realign strategy

Participants highlighted the importance of strategy as a starting point. It was important for participants to understand their organization's vision and goal. It was evident that once a manager aligned their role with the organization's vision and believed in the organization's mission, they were better able to understand how their role helped the organization achieve its vision. Managers took it upon themselves to understand the organization's vision clearly.

> *"The organization's vision is to make payments accessible. In the context of Sub-Sahara, approximately 40% of our adult population is unbanked… Sub-Sahara represents one of the most significant opportunities for my organization... Sub-Sahara is our growth engine... That's where the growth is going to come from." (Ayanda)*

> *"The ultimate goal and vision that we're driving is around the democratization of energy – ensuring greater access to energy across different public platforms. The vision is centred on the African continent. In a nutshell, that is what we're about." (Celiwe)*

Participants also expounded that what underpinned this vision was its ability to plan for the uncertain future. This was in the form of scenario planning which would take into probable threats that could affect the organization's ultimate goals and objectives. This scenario planning would allow the organization to allocate resources to initiatives that could counteract these threats to the organization's goals. This does not mean organizations could predict critical events such as COVID-19, but organizations that could plan appropriately ahead could cushion the effects from COVID-19 more easily. For instance, Jason's organization had begun to recession-proof their business prior to the pandemic. They had noted that South Africa had entered into an economic recession in the 2019 calendar year, which was only accelerated when COVID-19 hit in the 2020 year. Relevant scenario planning is vital to a strategy to combat the uncertainty that is presented in an accelerated economic downturn.

> *"Now, you have to pivot yourself in terms of how you recession-proof your business. We've got a division in our business that look at trends. Their job is to look at what's coming and what's not so that we can start preparing.* ***In our 2019 plans, we were talking about recession proofing our business. We didn't know it was going to happen so quickly."*** *(Jason)*

Once the planning is set, managers described that the alignment of business processes to the strategy was crucial for execution. This means there should be a clear understanding of where the organization operates in the market and how they can support these objectives as a manager. These objectives are ever-evolving, and it must be clear how the organization allocates its limited resources to its strategic goals. However, it is worth noting that an abundance of funding can also be a hindrance. In addition, it can allow an organization to fund many initiatives at once; it can also lead to an organization that is large and not agile enough to navigate sudden challenges and opportunities. This uncertainty may lead to managers realizing certain paradoxes about the challenges and decisions they face.

> *"We have to prioritize what we spend on because there's so much you can spend on, right? Because when you're so big,* ***you can take a bet on something that becomes a failure, or you can spend money on enlarging your network. But if you keep doing things the same way, you run the risk of being a dinosaur.*** *We are known as a one-trick pony. Size prevents agility because agility requires us to be very lean in how we do things." (Thandeka)*

Managers lamented the intricacy related to the contemplation of strategic trade-offs. Participants remarked that since an organization may attempt to hedge its risks by exploring complementary or opposing strategic objectives, this may lead to diversification which would find the organization needing to make choices on whether to forego specific markets in favour of certain opportunities. Once an organization has reached a particular scale, it may not have a clear vision of what to do next. This leads to uncomfortable conundrums and decisions.

> *We diversified significantly, to the point where we have to rethink and ask,* ***"What do we really do? Can we highlight it?" We're being everything to everyone.*** *Now, we have to rethink two aspects: product specification and its relevance. We also rethink our client's segmentation. Do we want to be in all the segments? Or are we happy being in certain segments? And why?" (Thandeka)*

> ***"A lot is at stake for us in industries such as the mining industry. If we fail to deliver because of an introduced initiative, Eskom suffers, and everybody downstream suffers****. It would be best if you managed maybe not reaching your maximum production rates for a few months while introducing*

five autonomous drills, compared to the entire mine failing to produce where you've got significantly fewer margins to play with." (Nqobile)

The other strategic challenge that managers grappled with in implementing strategy was continually revisiting and reassessing the organization's strategy. Although not custodians of the strategy document, managers required mechanisms to provide feedback on strategic initiatives and alter the strategy in the future to incorporate this feedback. This was needed, especially when strategic objectives were not reaping the anticipated outcomes. The strategy needed objective feedback which would be measured against strategic outcomes and inform strategic goals going forward so that the strategy doesn't remain a static document.

"There were certain things that we were pro in 2019 and that we had adopted as our thing. In 2020-2021, we realized that changes need to be made. And then, we are able to go back to our strategy and say this is no longer a solution of choice for us. *So, the strategy has to be alive and not rigid. When you need to make changes to the strategy, it should allow you to do that."* (Nqobile)

"The shift was for us to revisit parts of our strategy and to have honest conversations. It forced us to have very honest conversations*… You forecasted 500 million. Do you really believe that it's going to happen in the current environment? As a result, it's helped us refocus our time and energy on tangible opportunities that we believe will happen soon."* (Sifiso)

One aspect of strategy that reflected its evolving nature for organizations is that they were beginning to explore the role of strategic partnerships with competitors, customers, and other stakeholders. Managers were cognisant of new entrants to their markets who were disrupting their existing business models. These new entrants ranged from large multinationals to smaller, more agile organizations that offer a set of competitive advantages and core competencies that the organization cannot match in the short term. Partnerships could also involve desirable markets which the organization cannot enter due to barriers and restrictions. Therefore, they must find innovative ways to partner with stakeholders to find ways to enter.

"In Ethiopia, we cannot process transactions domestically because they have very tight policies on foreign entities coming into their market. We've partnered with the Ethiopian government to build Science, Technology,

*Engineering, and Mathematics capabilities. **As a result, it's not always about walking away if you can't make money because at the end of the day if you show your value and come across as a positive contributor, that's a win**. Once that market opens up, we want to ensure that we are the partner of choice for processing those transactions." (Ayanda)*

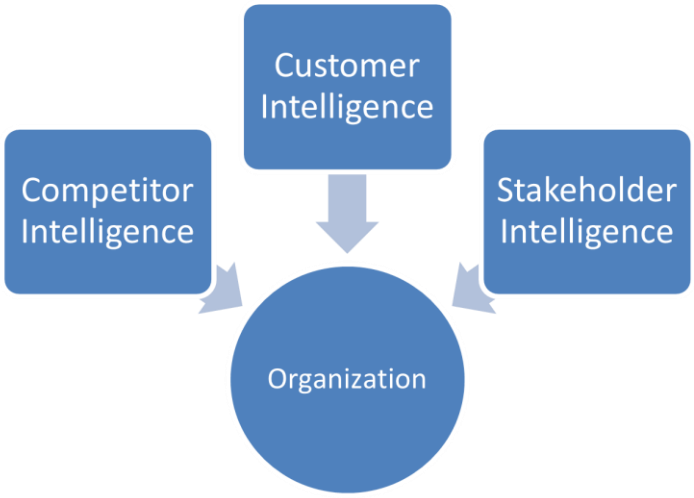
5.5.1.2 Experimentation tactics

The participants mentioned that a driving force in the implementation of strategy during times of uncertainty was the culture of experimentation. Participants acknowledged that an organization must keep exploring new ways of doing things, whether things were going well or not. This experimentation could also relate to exploring the feasibility of a new project or process. The principles that participants spoke about were the ability to win quick and to fail fast in order to limit the exposure of loss to the organization. This approach was also applied to change processes that would be implemented gradually over time to allow learning to occur through trial and error. Participants reflected the power of demonstrating success of concepts in small experiments to stakeholders. The ability to show tangible proof that an experiment succeeded made it easier to convince people to adopt this solution on a larger scale and dispel any lingering doubt or preference for the status quo. Experimentation is an influential tool in combating status quo bias and steering people in small steps.

*"We do a lot of Proof of Concepts. We quickly see the value, and once you see the value, you sell that. You sell the value to your stakeholders in the business so that you can roll out an initiative. And when people see results, it's very difficult for them to resist. **So, I'm comfortable with doing small Proof of Concept's and making sure you fail quickly or win quickly. You realize whether this is going to work or not, or if you have to change your strategy a bit.**" (Nqobile)*

5.5.2 External environment alignment

External environment alignment was the second category that emerged when answering research question 3, "Why do emerging routines, heuristics, and improvisations align to the organization's environment?" This category was made up of three themes, namely; "customer intelligence," "competitor intelligence," and "stakeholder intelligence." While the Internal Environment Alignment was inward facing where the organization introspects on its strategy and experimentation, the External Environment Alignment was outward facing, where the organization would identify evolving trends of its customers, competitors, and stakeholders. This would understand the ever-changing nature and behaviours of external factors that impact the organization. Participants noted that this was crucial as, during times of uncertainty, the nature and behaviour of external parties were prone to changing quite suddenly and drastically.



Source: Researcher's own compilation

Figure 5: External Environment Alignment

5.5.2.1 Customer intelligence

The next factor, customer intelligence, informed why certain solutions were developed. This involved the insight that organizations could gather about emerging customer behaviour which would require quick decisions. The most coded results involved the analysis of customer trends and needs, which may change drastically. The organizations that were successful in identifying opportunities were sensitive to nuances in customer behaviour.

> ***"This means developing a product that answers a need, whether that need is known or unknown.*** *So, how do we tap into that? How do we develop something that will work? In simple terms, how do we develop something that will be consumed?" (Celiwe)*

> *"Our starting point was milk per capita consumption... Swaziland is the number one country that consumes milk in the Sub-Saharan region. We consume more milk and Emasi (sour milk) in this country compared to anyone else." (Manqoba)*

> ***"How we pivoted as a business in the heart of lockdown goes to our food brands; everybody wanted to cook. Everyone was a chef, so the food business grew.*** *Soups and spices grew exceptionally, but what we found is that our personal care brands declined because people are no longer wearing make-up. Interestingly, roll-on decreased by about 45%. Toothpaste also decreased." (Jason)*

The unique and rich insights that managers extracted enabled them to match their products to customer needs better. There were drastic shifts noted in customer preferences, highlighting that food brands skyrocketed while personal care brands plummeted. After finding the niche, it became imperative for managers to develop a customer value proposition that would appeal to potential consumers.

> *"We saw the opportunity because commodity products come across the border and become expensive because of distribution. The highest cost in distribution was importing milk from Cape Town to Eswatini. Therefore, the consumer pays for the transport costs.* ***We then spoke to the retailers and agreed that we would produce the milk, which is cheap (the costly aspect is the distribution cost)****." (Manqoba)*

> *"We've managed to attract and retain clients because we intend to add value instead of coming in and demanding customers to pay certain amounts. When people see the value you're adding, it's easier to demand remuneration for it." (Michael)*

Changes in customer behaviour can also require a shift in the organization's revenue model. It has been highlighted that customers had become more astute in evaluating an organization's value proposition. In some cases, the customer has started to develop capabilities in areas that the organization would have previously offered. This erodes the perceived value that an organization would have traditionally provided to the organization.

> *"The client has become a connected and educated client as opposed to before when they relied on our expertise. Now, you find that clients have similar abilities as us in their own organizations." (Thandeka)*

"This mainstream consumer has become smart. As much as we innovate as a business, we must always remember that people are aspirational." (Jason)

This also emphasizes that organizations segment their customers as customer savviness can affect customer retention and the post-sale opportunities that the organization must employ to remain happy. Participants highlighted the need to provide customer support services that enhance customer loyalty and increase customer satisfaction.

"Because the customer can bail out any time, it's important to ensure that the client is happy. As a result, we've created a new department called Customer Success. That is a very proactive department, in that they engage the client regularly; a) to stay in touch, and b) to check on their usage of the systems. We immerse ourselves in ensuring that the clients are working with the product and that any issues are raised immediately." (Henry)

Participants also highlighted the importance of understanding the complexities of their customer's own internal and external environment. This can be informed by challenges faced by customers as they confronted COVID-19. Customers also had their own supply chain network disrupted by lockdown restrictions. They also had their distribution networks impacted, resulting in limited sale opportunities.

"We are seeing that the spend from our clients has diminished, mainly because they are rethinking entirely on what to do going forward. They're reviewing whether they should be completely remote or hybrid. Our clients are changing their minds and rethinking the future of work. This impacts what we sell to them." (Thandeka)

These rapid changes in the customer's own environment and strategic goals cause them to reconsider their own long term plans, impacting the goods and services procured from their suppliers. COVID-19 has also resulted in some customers reviewing their operational model (physical and infrastructure, processes, employees).

"Regarding the subscription, these guys are on a five-year subscription plan. If the client is unhappy with that situation after deployment, they can stop paying that subscription. However, their rights allow them to opt-out of the

subscription. Thus, they have a little more flexibility, and the detriment is that we potentially lose out on the revenue that we should be recovering from the deployment." (Henry)

For organizations that sell goods to retail customers, there were changes in spending patterns. Some experienced customers had reduced purchasing power due to loss of income and employment. Although customers may still have the same preferences, they could not purchase in previous volumes as experienced before. As a result, managers have had to continue to market the same products while considering the customer's circumstances. They had to take into account the impact of the pandemic on the customer's value chain. If your customer is not the end consumer, the organization may be affected by the challenges faced by the end consumer. The effect of the pandemic is felt throughout the supply chain.

"We see a negative impact. I've got diamond clients in Botswana who buy raw and unpolished diamonds. They then would process those diamonds into polished diamonds and then sell them to markets in China, America, and Europe. My entire portfolio for these markets was affected because most of their business comes from China. And when COVID happened around November, it got worse as there was lockdown in China. Now, as a result of the lockdowns, sales were impacted." (Thandeka)

Customer feedback also becomes a vital data source for managers to assess their products' performance and gauge satisfaction. The aim is to bolster customer retention, especially during times of economic downturn. Managers explained how they devoted more efforts towards customer feedback gathering and retention initiatives.

"We've adapted our support situation from being over five days of the week to 24/7. We have different regions that allow us to provide support on a 24/7 basis. *Therefore, if a case is raised in South Africa, the South African contingent region would deal with that. If we haven't resolved that case by close of business, we hand it over to the Americas. The Americas then hand it over to the Australians, and so it continues. Thus, we have a 'follow the sun' situation." (Henry)*

5.5.2.2 Competitor intelligence

The responses to competitors have also evolved based on responses by participants. This is because there are new entrants to the organization's existing market, threatening their market share. Organizations can no longer rely on their size and reputation to command loyalty from customers. These competitors may also have specialized knowledge and capabilities which the organization does not yet possess. They may also have an advantage in new markets that the organization wishes to enter.

> *"We're making money, but if you look at the trajectory of telecommunications companies... The acceleration rate is sharper than ours, and we had to accept that. We've made a couple of acquisitions in that space." (Ayanda)*

The first strategy is to acquire the competitor to assimilate their capabilities and advantages. If the acquisition is not an option, then they may have to look at a partnership. The size of an organization may prevent it from competing with these new market entrants as they are more agile. Managers must weigh the benefits and costs of acquisition or partnership.

> *"So, we partner more with the bigger disruptors like AWS, Microsoft, and Azure because those guys are doing quite well. We also look at niche companies that can make our offerings a lot more relevant to our clients." (Thandeka)*

> *"If we can't develop a proposition that would work for our clients, then I'm looking for who the best partners are in that space." (Ayanda)*

Managers in the retail space have also mentioned that customers infringe on their markets but start to sell their products. In the FMCG environment, a manufacturer/wholesaler would traditionally sell to a retailer who would then sell to the end customer/consumer. Thus, while the wholesaler views the retailer as their customer, the end consumer is their customer. The retailer acts as the agent or channel for the wholesaler to sell to the end consumer. The challenge for wholesalers is that retailers are now starting to compete by offering their products. The retailers exploit their advantage of controlling access to the customer and dictating the customer experience. These products that retailers offer are called "Dealer Owned Brands." They can promote their products directly to the customer at a lower price. Retailers also do not have to worry about building a brand for their products as they leverage the overarching retailer brand.

Wholesalers now have to deal with this emerging form of competition from their traditional customers. Therefore, this highlights the changing nature of relationships between organizations and their customers. Customers may begin to compete with organizations in the products and services offered.

> *"Dealer Owned Brands come with better prices. If we go to a Cash & Carry, you will find no name tubs of bigger and cheaper spices than my product. These organizations are selling 500 grams of spices while mine is only 7 grams. I now have to create a plan to fight this guy in order to keep my brand value and my brand index at the same price in the same place." (Jason)*

5.5.2.3 Stakeholder intelligence

Managers also realized that they needed to actively enhance their reputation with stakeholders to remove certain existing perceptions. They also recognised that engaging with the government could help to inform regulations that may impact their industries in the future. Thus, there are always opportunities to add value.

> *"Remember, we are an American organization. So, there's a perception barrier that you have to breakthrough. They have technology in different markets, and we add value through knowledge and capability." (Ayanda)*

Participants recognised the value added by a recognised name. The brand name can help position the product and service to customers that promote the product's differentiating feature. In addition, it can also communicate the purpose of the product. The product does not exist to generate revenue merely, but it has a purpose that connects with the customer.

> "*Therefore, we try not to call it a consumer; we call it a citizen because it makes it more personal... It's not just someone that consumes your product. So, I think what makes our organization successful is that we have the right brands that also have a purpose – if your brands don't have a purpose, you get lost." (Jason)*

There is also a more conscious effort put towards brands and marketing that reflects diversity and inclusivity. One of the participants reflected on the recent TRESemmé scandal, which served as an impetus for them to reflect on the types of messages that their products sent out to the public. It was acknowledged that the consumer was becoming more "woke," and that the organization needed to be aware of this. It led them to review the demographic representation of people in their packaging and marketing. It also led them to relook at the possible connotations of specific marketing jargon.

> *What* TRESemmé *did for us is called Tres-Gate in business. Thus, we now have Diversity and Inclusivity Advertising. Unfortunately,* TRESemmé's sales dropped *because the Economic Freedom Fighters said that we must stop sales for a month.* ***But as a business, what we quickly realized is "How can we be part of the change?" There's "wokeness," Black Lives Matter, and people with Afro Hair. So how do you represent that****? (Jason)*

5.5.3 Research question 3: Conclusion

The data from this part of the interview provided rich insight into the factors that informed why managers created the novel solutions that they did. Organizations had to revisit and reassess their strategy continually. Moreover, they had to be close to their environment through the collection of customer and competitor intelligence. This is because the identity and behaviour of their customer and competitor were continually changing. Managers also had to consider their brand and stakeholder engagement as these could be sources of new opportunities and increasing challenges.

Table 10: Key findings to Research Question 3

No.	Key Category	Summary of Findings
1.	Revisit, Reassess and Realign Strategy	Managers reflected the necessity of understanding, identifying, and believing in their organization's strategy. They emphasized that their organization's strategy should be a living document that is continually revisited and reassessed. Strategic initiatives are evaluated against their goals, and if they are unsuccessful or irrelevant, the organization must be able to revise its strategy. Managers stated that they felt empowered to provide feedback and input into the strategy document and thus were able to influence strategic objectives.
2.	Experimentation Tactics	The ability for organizations to create solutions uniquely aligned to their circumstances is through continual experimentation. Managers found that experimenting with small trials allowed them the freedom to innovate and achieve relatively quick outcomes.
3.	Customer Intelligence	Managers stated that understanding customers' behaviours was key in moulding innovative service delivery and product development. This required the manager to have a thorough knowledge of customer needs as they can change without warning. Customers are also displaying increasing savviness as they adopt the competencies that organizations would traditionally provide for them. With that insight, managers must continually examine their customer value proposition as this affects customer retention. Therefore, customer feedback becomes an important mechanism to improve offerings.
4.	Competitor Intelligence	The relationship with an organization's competitors is constantly evolving. Technology is reducing barriers of entry, allowing smaller, more agile entrants to compete with established firms. This presents a challenge to more prominent firms as they struggle to compete. This means they have to review their relationships with competitors and either acquire or partner with these new emerging

		firms. This will allow organizations to tap into the capabilities of these new competitors. Customers for organizations today may also become competitors for customers, especially if their customers are not the end consumer. As a result, organizations must explore ways to have access to the end-consumer and control the customer experience.
5.	Stakeholder Intelligence	Stakeholder intelligence to manage the reputation of the organization. External stakeholders are expecting organizations to be aligned to more than just sustainability initiatives. They expect their brand to speak to diversity and inclusivity from a social perspective. Stakeholders expect organizations to espouse strong values, and managers must embrace these new expectations. Stakeholder intelligence can also present new avenues of opportunity identification.

Source: Researcher's own compilation

CHAPTER 6: DISCUSSION OF RESULTS

6.1 Introduction

This chapter will discuss the results presented in Chapter 5. The findings were presented factually as described by participants. First, the data was condensed into codes, sub-categories of codes, categories, and finally themes of codes. The themes emerging from the individual themes were then formed into a narrative of the study. This narrative emphasized the richness of the data obtained.

As stated before, this study aimed to explore how organizational resilience overcomes managerial status quo bias in the face of uncertainty. In Chapter 3, three research questions were formulated. The first research question explored what factors keep status quo bias in place and what measures could be implemented to overcome them. The next two research questions explored how new solutions were developed and how they aligned to the organization's environment.

In Chapter 6, the researcher will interpret the collected data results through the lens of academic literature performed in Chapter 2. As this is a qualitative study, the literature provides a framework to evaluate the findings critically.

6.2 Discussion of Results

6.2.1 Research question 1: What are the factors that keep the status quo in place?

The purpose of this question was to explore what factors keep the status quo in place and what factors encourage organizations to overcome their inherent status quo bias. Status quo bias is well established in the literature thanks to the contributions by Samuelson and Zeckhauser (1988), and Tversky and Kahneman (1991). For example, Samuelson and Zeckhauser (1988) found that individuals should employ neutral framing when listing a set of potential alternatives under rational decision-making. However, in reality, what was found is that if one alternative is labelled the default option, then the participants were more inclined to stick with this default option even if there was no objective evidence to support the default option as the best option (Dean et al., 2017; Geng, 2016; Samuelson & Zeckhauser, 1988). This phenomenon has been demonstrated in various disciplines, from the investment industry to the retirement industry (Geng, 2016).

The first emergent theme was factors that kept the status quo in place (6.2.1.1). The second theme that emerged was factors that counteracted and overcame status quo bias (6.2.1.2).

6.2.1.1 Factors that kept the status quo in place

The first finding was that there would be resistance to change, especially when the need for change had been identified. Status quo bias became apparent when there was already a system or process in place; there would be resistance to the idea from managers who state, **"But why are we fixing this? It is not broken."** This reflects that there was an automatic preference for the existing system without any objective evidence of whether it is better than the new option.

Tversky and Kahneman (1991) highlighted the next aspect, which was loss aversion. This further expanded our understanding of choice under uncertainty. Loss aversion reinforces status quo bias as when one is considering a potential alternative, the moving away from the default option will be perceived as a loss that will deter the participants from making a switch (Tversky & Kahneman, 1991).

This finding was also affirmed in the study as participants remarked that their leaders would stick with an existing process because of the past financial investment made into the process. Managers would still exhibit this preference even if evidence showed that the current process was not meeting the organization's needs.

The next finding highlighted that there would be a denial of the need to change. This would not directly oppose change, but the participants noted that people would not see why the change is required. Participants noted that members of their organization took for granted the resilience of their organization. They believed that their organization was impervious to any challenges that may arise. This finding was surprising as Parker and Ameen (2018) stated that countries in emerging markets, particularly South Africa, faced more structural challenges that affected their prospects of long term survival and uncertainty. These challenges include a lack of infrastructure and unreliable electricity supply (Parker & Ameen, 2018). Uncertainty is a key challenge faced by organizations and a key factor that resilient organizations are aware of. The fact that people are in denial of how external disruptions can affect their organization's ability to respond to prevailing threats. This highlights that status quo bias can inhibit the awareness of persons in an organization especially when they operate without context for their actions (Anthony et al., 2019; Ogliastri & Zúñiga, 2016). Employees are not aware of how their day-to-day routines help the organizations achieve their strategic goals.

Anthony et al. (2019) stated that a critical factor for organizations to improve routines and processes continually is that there must be a fundamental belief that there is a better way of doing things. This belief acts as a spur to change. When this belief is present, members of an organization are more willing to renounce the status quo as the ideal way to perform tasks, but that there is always room to improve. When this belief is missing, the challenge is that employees engage in mindless behaviour (Anthony et al., 2019). This mindless behaviour means that employees perform their work without a goal in mind and do not consider how their actions assist the organization to achieve its objectives (Fainshmidt et al., 2019; Ogliastri & Zúñiga, 2016; Singh et al., 2021).

The next point that follows on from this entrenched mindlessness is that it prevents members of an organization from being cognizant of sudden shifts in the market. These sudden shifts can result in a subsequent economic downturn. Participants noted that people become ignorant of the causes of market disruptions. Organizational resilience requires leaders of an organization to anticipate changes in the external environment (DesJardine et al*.,* 2019; Ogliastri & Zúñiga, 2016; Ortiz De Mandojana & Bansal, 2016; Parker & Ameen, 2018).

Participants reported status quo bias to be more prevalent in other members of an organization. Older members resisted change more than younger members. Samuelson and Zeckhauser (1988) noted that people in the real world are more prone to exhibit status quo bias and commit more to traditions, customs, and policies. Bekir and Doss (2020) conducted a study where they found that 62.2% of persons aged 22 years and older exhibited status quo bias versus 6% of participants below 22 years old. It is also understood that older participants are more rigid in their views as they are less likely to be influenced by new ideas and are slower in acquiring new expertise (Zhao, O'Connor, Wu, & Lumpkin 2021). Older participants in Zhao et al*.,* (2021) were also less likely to pursue opportunities that would grow the organizations in the long term. Considering the above, this demonstrates that status quo bias can directly affect the organization's ability to develop new routines, heuristics, and improvisations (Suarez & Montes, 2020). This can inhibit an organization's ability to build resilience capabilities.

In the next finding, participants highlighted keyman influence, which was characterized as what can be described as gatekeeping. These persons had the ability to thwart change initiatives by either having influence over groups of employees or also controlling access to key customers. Managers stated that to implement any initiative, they had to obtain the buy-in of these individuals first. If they did not, then change initiatives were likely to fail. This was a surprising finding and was not apparent in the literature.

The second sub-category described as a factor that keeps status quo bias in place is the impediments to decisions. What was highlighted was that there were decision-making structures that inadvertently created stumbling blocks to change. Although these structures were not meant to impede decisions, they discouraged those seeking to introduce new systems and products through their lengthy requirements and lack of transparency. In one case, the participant noted that their fellow manager scoffed at their idea without serious consideration. This resulted in the participant going out and pursuing the opportunity independently of the organization as they believed in the opportunity so much that they were willing to invest their resources in it. From the above, it is clear that decision-making structures can result in long term opportunities being rejected, which compromises the organization's resilience. According to Ortiz De Mandojana and Bansal (2016), resilient organizations are agile and able to respond quickly and decisively to new opportunities and threats. They are not "static." Bureaucracy can create behaviours that reinforce status quo bias as they discourage people from trying to develop new routines, heuristics, and improvisations as they become daunted by the steps and requirements to obtain approval. By the time these opportunities are eventually approved, the opportunity may have been lost either through the market change or a competitor seizing the opportunity first.

6.2.1.2 Factors that counteracted status quo bias

Participants described factors that promoted a change in their organization. They highlighted the importance of leadership from the top as setting the tone for the organization. The attitude of leadership set the foundation for the behaviours prevalent in the organization, and when leadership displayed an openness for change, it gave managers the confidence to explore new ways of doing things. One participant noted the change in their organization brought on by a new CEO. It has been stated that resilience is fostered by a culture of learning at an individual and organizational level (Mankins, Garton, & Schwartz, 2021; Sellberg et al., 2018). This culture of learning fosters the cultivation of specialized knowledge and capabilities, which allows the organization to respond to challenges as and when they occur (Wang & Zatzick, 2019). Leadership creates this environment of learning by providing a clear vision and communication. They also offer support through training and encouraging agility through leaner decision-making structures. Resilience is built at a more minor scale, which then builds the larger organization (Sellberg et al*.,* 2018). This demonstrates that overcoming status quo bias builds organizational resilience.

The next enabler of change was the infusion of diversity into the organization and introducing younger employees. Thus, the organization's recruitment policy becomes crucial. Participants noted that the concerted effort to recruit persons from outside the organization's industry led to new views that broaden existing norms in the organization. Wang and Zatzick (2019) stated that hiring new employees introduced the organization to novel ideas that could improve the organization's current processes and products. It was also critical that new hirings were dispersed throughout the organization to allow for effective knowledge diffusion and creation from a collaboration between new entrants and incumbent employees (Wang & Zatzick, 2019). From the above, it is clear that new hiring contributes to an organization's resilience through enhanced collaboration which supports the aforementioned culture of learning.

Participants also emphasized the importance of collaboration as a key enabler of change as it allowed persons across divisions to come together and resolve challenges and crises speedily and effectively. This also aided in the speed of decision-making. Pal et al. (2014) posit that cross-collaboration promotes a sense of collectiveness that promotes "coordinative and interactive dynamics" underpinned by shared beliefs. This builds a shared identity that promotes cognitive resilience, a key element of organizational resilience (Pal et al*.,* 2014).

The next key new finding was the collection and use of data to make informed decisions. This data encompassed customer behavioural data as well as data from the external environment (economic statistics such as exchange rates, interest rates, inflation, growth, unemployment). Data provides unique insights into customer and market behaviour that help to create reliable decisions. This was a surprising finding as managers highlighted that to dispel their own status quo bias, they had to embrace objective data to facilitate open and honest discussions. Data isn't a solution on its own but works best in an environment where collaboration and learning are prioritized and encouraged. The data discussed here is real-time unstructured data that is collected from customer activity (DalleMule & Davenport, 2017). This data is then manipulated through data analytics to provide valuable information for management (DalleMule & Davenport, 2017). This can then be used in developing and tailoring new/existing products and services, revenue optimization through cross-selling, responding to competitor strategies, commoditizing customer data, and increasing returns on IT infrastructure. (Robert et al., 2020) also highlighted that collection and analysis of real-time data can enhance an organization's ability to spot anomalies that may signal the onset of a crisis or environmental shock in advance. This is because these anomalies are difficult for people as these are sometimes unusual events that managers may have not seen before (Robert et al*.,* 2020). These anomalies can also point to events that managers may have never ever anticipated happening and thus it is met with immediate denial or dismissal.

From the above, it is evident that data can enhance an organization's resilience as it improves its long term prospects but leveraging real-time data to improve the success of its customer offerings and pick on emerging anomalies that may signal oncoming environmental shocks (DesJardine et al*.,* 2019; Ortiz De Mandojana & Bansal, 2016; Parker & Ameen, 2018; Sahebjamnia et al*.,* 2018). The findings above also help to show how data collection and data analytics can be a tool to overcome status quo bias as they challenge people to move out of their comfort zone. They spur individuals and teams to think about scenarios they never thought would be possible. This finding adds a dimension to the existing literature. As stated in Chapter 2, limited literature was found that directly explores the relationship between status quo bias and organizational resilience. There has been an acknowledgment that biases, in general, can impact the resilience of organizations but there was no direct meaningful exploration of status quo bias.

The next findings were specific to managers as individuals. Managers reported the development of their skills, and this would be a continual venture. The motivation for this was out of curiosity and necessity. In the first instance of curiosity, managers would explore skills and interests that may not have an immediate benefit to their current role or organization. One entrepreneur, who described himself as a formally trained actuary, stated that he pursued a social media marketing course that increased the number of his followers on his social media page exponentially. This increase in followers led to surging demand for his retail products. However, when the pandemic hit, they had to close a majority of their retail stores. This led the entrepreneur to explore brand and social media management as a new line of revenue utilizing their previous social media experience and training. Due to the wealth of the customer and peer networks they had built up, they were able to tap into these existing relationships when there was a demand for social media brand marketing. The market shift to online business was an avenue they were able to leverage because of being curious about social media skills that were outside of their traditional training. This highlights that curiosity and multiskilling is key to resilience for small and medium enterprises (Adomako et al*.,* 2018; Liu et al*.,* 2018). Improvisation can lead to innovation and the serendipitous discovery of new opportunities (Adomako et al., 2018; Fultz & Hmieleski, 2021; Liu et al., 2018). This also hints at personal resilience at an individual level. The ability of managers to bounce back from setbacks, especially in an SME aspect, is a crucial feature of organizational resilience (Singh et al*.,* 2021).

The second aspect was when managers pursued skills that would deepen the effectiveness of their realm of expertise. One participant noted that they began their career as a geologist in mining but had transitioned to leading in IT initiatives on the mine. Her realization was that IT helped her fulfil her work as a geologist more effectively and efficiently. The benefit to her organization is that it allowed her to lead digitization initiatives that allowed her mine to work at maximum capacity during the pandemic and outperform other mines during the period. This demonstrates that the personal development of managers can play a direct role in promoting resilient behaviours (Mankins et al., 2021). Managers that future-proof themselves bolster the organization's ability to anticipate and adapt to potential scenarios that may arise.

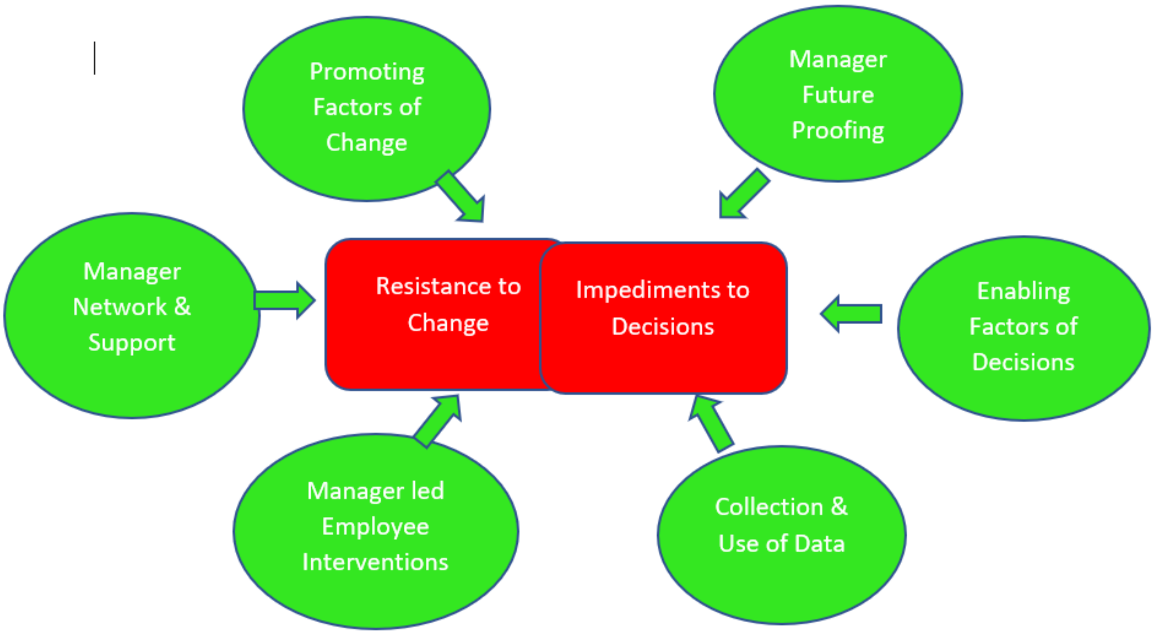
The above demonstrates that a manager's drive to always improve themselves helps them challenge their own inherent status quo bias. The challenge of falling into the same routines is that it can instil mindless behaviours where managers lose touch with the ever-changing environment. The exercise of upskilling and development challenges managers to seek out new relevant skills in the outside world (Mankins et al*., 2021)*. This upskilling helps to expose managers to new ways of thinking and improve their ability to add value to their organization through novel solutions. Research states that organizations should prioritize reskilling in the following highly sought-after occupations: data science, digital marketing, and software engineering (Mankins et al., 2021). This is because the pandemic has inadvertently sped the irrelevance of certain professional skills and accelerated the need for digital technological skills (Mankins et al., 2021).

The curiosity and continuous upskilling of managers has not been adequately described in the academic literature around organizational resilience. It has been acknowledged in the literature that organizational learning is a requirement for organizational resilience, but it does not speak to sufficient detail of how organizational learning is encouraged and prioritized at an individual level especially in larger organizations. This finding that curiosity and skill development can help expand the extant academic literature around organizational resilience.

The next key finding was that managers led interventions that provided comfort and leadership to their direct reports. Managers recognized that their employees were struggling to cope with the impact of the pandemic. These trials involved the increased pressures of working from home and the toll of losing loved ones to the pandemic. Managers stepped into the role of being a counsellor to their staff by exercising empathy and compassion. They realized they needed to prioritize employee wellbeing so that their teams felt that there was genuine concern and support from the organization. This is in line with literature that supports that employees who feel that their wellbeing is a priority, display more commitment to their organizations and exhibit dynamic adaptive capabilities. This contributes to the organization's ability to absorb shocks and disruptions.

6.2.1.3 Conclusion: Research question 1

As highlighted in Chapter 2, the researcher would attempt to explore the relationship between status quo bias and organizational resilience as the literature available is limited on the relationship between these two constructs. The researcher was able to identify what factors enabled organizational resilience to overcome status quo bias. The findings highlighted particular factors that kept status quo bias in place, but also interventions that overcame status quo bias. However, what was interesting was that these interventions had the dual effect of enhancing an organization's resilience. These findings demonstrated that status quo bias, if left unaddressed, can impact an organization's ability to survive and thrive during times of uncertainty.



Source: Researcher's own compilation

Figure 6: Interventions that overcame status quo bias

6.2.2 Research question 2: How do organizations implement new routines, heuristics, and improvisations?

The purpose of this question was to explore how managers develop their solutions in an emerging market context. As stated in Chapters 1 and 2, organizational resilience is a growing field of research. The researcher sought to use the pandemic as a context to explore what responses managers developed to combat the increased uncertainty. This avenue of study would be conducted through the framework of Suarez and Montes' (2020) resilience toolkit of new routines, heuristics, and improvisations.

6.2.2.1 Implementation of emerging technologies

This was an entirely new finding not described in the extant literature as being part of the resilience toolkit or as a capability for organizational resilience (Ortiz De Mandojana & Bansal, 2016; Suarez & Montes, 2020). As reported by participants, an unforeseen outcome of the pandemic was the accelerated adoption of emerging technologies and digitization. Whether organizations were involved in the production of physical goods or services, there was a common drive to consider how technology and data help their organizations survive during the pandemic. This involved organizations automating processes that previously required human intervention. This was vital because due to lockdown restrictions and social distancing, organizations could not have their entire staff complement in the office to perform their duties. Customers were also restricted in their movements due to the aforementioned conditions. This necessitated organizations still having to find ways to survive, and that was to leverage technology to provide their offerings through online channels. What became prominent was that organizations that had already invested in online platforms prior to the lockdown were able to expand the range of services provided for customers. They could use algorithms and machine learning to automate processes and services that could respond faster to customer concerns. Participants also mentioned automating production facilities to maintain productivity during the pandemic when other organizations were battling with employees falling ill with COVID-19.

Introducing new routines and processes is highlighted as part of the resilience toolkit (Anthony et al., 2019; Suarez & Montes, 2020). However, these routines are still more described as depending on human involvement and do not expand to include the potential benefits of automation, the internet of things, digitization, artificial intelligence, and machine learning (Mankins et al*.,* 2021; McGrath & McManus, 2020). The resilience toolkit should be expanded to include potential benefits of emerging technologies to increase agility and scale of operations. Human capacity limits manual processes while automated processes can be scaled up, thereby increasing volumes and margins (Sawhney, 2016).

Participants also noted the advantage of having access to a platform to market and distribute goods and services. The platform business model of Amazon, Takealot, and Apple has introduced powerful ecosystems that provide them with advantages over traditional pipeline businesses (Podolny & Hansen, 2020). This is something that is not just limited to technology businesses, this exists in all industries. This will not be explored for the purposes of this study, but it is a consideration for further research into organizational resilience. The impact of emerging technologies and platform businesses must be considered as they impact both SME and large organizations.

Participants also highlighted the vital need for software development and engineering skills. From retail to healthcare to mining, participants in some shape and form highlighted the need to develop digital technology skills as a priority. One of our participants had transitioned from being a geologist to an information technology specialist. Software development is the number one most in demand job in South Africa and demand is increasing at a rate of 18% per annum (Van Zyl, 2021). This demand is across small, medium, and large enterprises. This demonstrates that the scope of digital transformation and software skills is far reaching across a wide array of industries. The rapid adoption of these skills is pivotal to exploiting the full potential of these technologies and making the desired impact (DalleMule & Davenport, 2017). There was a fundamental shift that digital transformation is not merely a tool to do business but actually transforms the heart of the entity's business. Whatever strategic direction that an organization will head, digital transformation would be a central part of the strategy.

6.2.2.2 Emerging Improvisations

The participants noted that there were a variety of improvisations during the pandemic. Businesses were under strain and found their traditional ways of operating no longer relevant to the current situation. The normal routines were not equipped to deal with the challenges faced. There was also little time to plan or design new procedures as the hard lockdown was implemented overnight, and the business landscape changed irrecoverably.

The immediate improvisations first centred around exploiting the organization's traditional core competencies to explore new opportunities. This was because their old lines of business had been disrupted. One such example was the rock drilling business which used its equipment and competencies to venture into water and sanitation. The next improvisation involved changing an entity's revenue model where they may change from an upfront one-off payment to an ongoing subscription model where payments are spread over a certain period. The advantage here is that there may be gradual changes in the industry, which opens an opportunity for the organization, but there's also pressure to conform by customers. What participants noted was that specific trends could have been taking hold of the industry prior to COVID-19 but were accelerated when the pandemic hit (the participant noted that adoption of their subscription model grew from 12% to 34%). This demonstrates that subtle changes to a collection model can almost prove prescient when a sudden disruption hits (Ciuchta et al., 2020; Gulati & Desantola, 2016; Hu et al., 2020). The ability to gradually improvise can buffer an organization's resilience capabilities.

The next improvisation that provided surprising findings was that organizations would adopt an advisor role to customers as they were able to guide customers through the turbulence of the pandemic. Customers turned to these managers to assist with challenges they faced internally. Managers stepped up to offer their services to alleviate some of the pressure they faced.

This reinforced the emerging research into improvisation as an essential element of the resilience toolkit. The above is coupled with resource constraints that can lead to the serendipitous discovery of opportunities (Fultz & Hmieleski, 2021). This new foray into previously unexplored opportunities was because the government prioritized the provision of water and sanitation facilities in order to curb the spread of COVID-19. This opportunity would not have arisen without the pandemic, and thus, shocks can create new positive opportunities which displace old opportunities (Harrison et al., 2010; Negri et al., 2021). While environmental disturbances can present potential volatility, they can also be sources of new opportunities (Fultz & Hmieleski, 2021; Hu et al., 2020). This is essential for small business owners.

The next improvisation requires exploring post-sale opportunities where an organization has sold a product/service but can still offer value-enhancing features. This can involve the provision of additional features and services that augment the value of the sold product. Moreover, this provides more value to the customers and assists in increasing customer satisfaction and demonstrating the value of the organization to the customer during more challenging times.

The above shows that improvisation coupled with resource constraints can lead to the serendipitous discovery of opportunities (Fultz & Hmieleski, 2021). This supports the emerging field of research that improvisation can result in the form of bricolage where there is the creation of novel solutions that add value to the organization (Fultz & Hmieleski, 2021; Hu et al., 2020; Liu et al*.,* 2018). While the existing body of literature does support that improvisation can be the source of novel opportunities, it does not explore the subtle nuances of the nature of opportunities that can be discovered by employing improvisation during times of socio-economic upheaval (Apaitan et al., 2021; Parker & Ameen, 2018). These findings also support the view that organizations should engage in continual improvisation and encourage teams to work on lean budgets and time constraints. This will inculcate a culture of continuous improvisation, which will proactively improve customer offerings and productivity gradually over time. It was evident that organizations improvising before the pandemic were more easily able to adapt or see their adaptations adopted more readily despite the disruptions. This demonstrates that resilient capabilities are latent but become active during times of severe jolts. Disruptions can serve as a trigger for resilient firms to look for diverse alternatives to address problems (Sajko et al., 2021). There is also growing research that informal team structures support improvisation and maximization of limited resources (Fultz & Hmieleski, 2021). The findings support that SMEs may be better equipped to improvise rather than larger organizations due to their relatively smaller size. Larger organizations should consider how to enable improvisation as their structures can limit the quality of improvisation.

6.2.2.3 Emerging routines

Participants noted that the pandemic spurred them to relook at their business routines and see if they were still relevant. This was because the hard lockdown was implemented overnight and created uncertainty about how the macroeconomic environment would be impacted. There were immediate concerns to assess what new objectives the business would need to fulfil. This would require looking at what requirements would emanate from the new environment. There would also be restrictions in how organizations could operate due to lockdown regulations. Organizations needed to balance adherence to these regulations and be proactive in devising new routines to meet customer needs.

DesJardine et al*.,* (2019) noted that one key aspect of resilient organizations is that they emphasized stability and flexibility. Their routines should support the organization during difficult times and be flexible enough to continually adapt to disruptions. Suarez and Montes (2020) stated that the assumptions behind routines must be questioned, which may not be valid anymore as time progresses. Aside from the actual routines themselves, one must look at the decision-making structure around the routines. This would involve reviewing the delegation of authority as decisions typically made by management may need to be allocated to direct reports to facilitate accountability and quicker turnaround in decisions. There would also be a review of resources assigned to certain processes. Overall, the findings support the assertions found in academic literature.

6.2.2.4 Financial outcomes of new solutions

As previously stated, resilient organizations have the ability to cope with adversity better than their less resilient peers. This is demonstrated in their ability to bounce back quicker from losses in the short term and achieve longer-term growth. The measurement of the losses is defined as the extent of financial losses within one of the disruptive events and time taken to recover back to a place when the organization experienced the disturbance (DesJardine et al*.,* 2019). The ability of an organization to experience lower losses and rebound is important as when an organization suffers severe short term losses; it forces them to sacrifice their long term plans in favour of survival. Resilient organizations are able to persist with their long term goals through environmental shocks and demonstrate a level of flexibility not present in less resilient firms (Ortiz De Mandojana & Bansal, 2016; Sahebjamnia et al*.,* 2018).

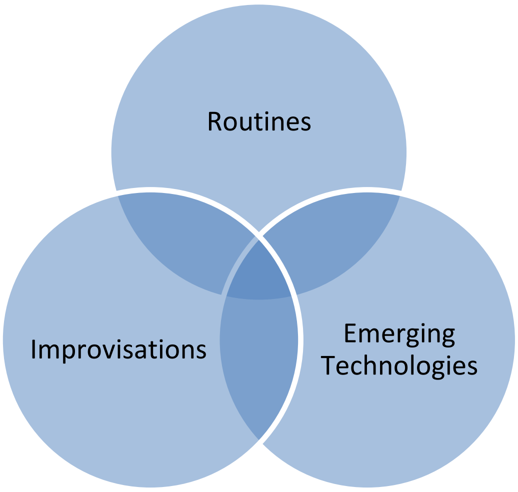
The period of the study (March 2020 to September 2021) provided sufficient time for participants to report on their organizations' financial performances. Although the aim of the study was not to measure the financial outcomes, participants reported them voluntarily. Some participants were astonished by the financial results that their organizations achieved and attributed the success to the interventions that they were able to deploy during the pandemic. In some cases, this provided validation for initiatives that managers began to implement prior to the pandemic. In addition, some participants noted that they performed better than their peers and competitors. This demonstrates that resilient firms are better positioned to absorb external perturbances better than less-resilient firms (Ortiz De Mandojana & Bansal, 2016).

6.2.2.5 Conclusion: Research question 2

From the above, it is evident that the findings regarding research question two were largely consistent with the framework proposed by Suarez and Montes (2020). New routines and improvisations were formed during the period. The findings also brought out new results that were not captured in the Suarez and Montes (2020) framework, particularly the accelerated adoption of emerging technologies and the associated software skills. Participants described this as critical to their businesses during the pandemic and this feedback was consistent across small, medium, and large enterprises. It was a consistent finding across the industries surveyed from mining to retail to financial services to healthcare. What was evident is that organizations that had initiated digitization prior to the pandemic were better equipped to capitalize on the opportunities provided by the pandemic and those who had deferred their plans, had to quickly embrace digital transformation as a way to absorb the impact of the pandemic. This was something that was not included in the resilience framework and not explicitly considered in organizational resilience as an intervention to achieve stability and flexibility. This seems to be an obvious oversight as the number one most in-demand job in South Africa is that of software engineers and developers (Van Zyl, 2021). In fact, demand for software engineers has grown by 18% year on year across small, medium, and large enterprises (Van Zyl, 2021). The incorporation of these skills and the associated technologies is a priority for emerging markets. From the above, it could be surmised that the reason that this does not feature in organizational resilience literature is that much of the research emanates from developed nations that are ahead of curve in terms of digital transformation compared to countries in sub-Saharan Africa. This demonstrates that not just the technology is desired but the skills to exploit these technologies are also a priority for organizations (Ordu, 2021).

A limitation was the study was unable to identify any significant emerging heuristics and this could be a limitation of the instrument of collection. It is noted that participants found the concept of a heuristic difficult to understand and thus unable to provide specific examples in which they implemented new rules of thumbs. As heuristics are simple rules of thumbs, they may also be overlooked by participants as they apply them.

Another possible explanation for the lack of heuristic findings is that reliance on heuristics was displaced by the aforementioned reliance on data to make decisions. Participants in research question one indicated the importance of objective data to make decisions and not subjective opinions. There would be use of human judgement to evaluate insights provided by data extrapolation, but data would be the primary driving force in the design of products, sales strategies, customer segmentation and operational processes. This would coincide with the upskilling of employees to be able to exploit the capabilities of new software. This could be an interesting avenue for future research.



Source: Researcher's own compilation

Figure 7: Emergent New Solutions

6.2.3 Research question 3: Why do emerging routines, heuristics, and improvisations align to the organization's environment?

This final question would build on research question two to explore why the emerged solutions align with its environment. This question was to delve further into the manager's thought process and what factors they considered both in the organization and externally in the environment to develop their solutions. DesJardine et al., (2019) stated that resilience presupposes a system view of an organization in that there are interdependencies between the organization and its environment. These interdependencies are formed through interactions with stakeholders in the broader environment (DesJardine et al., 2019). This includes customers, institutions, suppliers, and other stakeholders (DesJardine et al., 2019; Sahebjamnia et al., 2018; Sellberg et al., 2018). The interdependencies are transactional and relational, reflecting an ongoing sharing of their visions, knowledge, and resources. The quality of these relationships directly bears the ability of organizations to mitigate losses during times of extreme disturbances and their ability to bounce back (DesJardine et al., 2019; Ortiz De Mandojana & Bansal, 2016).

This ability to withstand exogenous disturbances is built on the flexibility of internal dynamic systems. The flexibility of these dynamic systems is capacitated by the deployment of resources and continuously improved over time. This requires deliberate coordination of activities within an organization to create cohesive, interdependent relationships (DesJardine et al., 2019; Ortiz De Mandojana & Bansal, 2016; Singh et al., 2021).

What emanated from the participants were two emergent themes, namely; Internal Environment Alignment and External Environment Alignment.

6.2.3.1 Internal environment alignment

The Internal Environmental Alignment consisted of the activities the organization conducted to coordinate its internal activities. As the interviewed participants sat at a supervisory level where they were responsible for strategy implementation, it was not surprising that they remarked on the importance of strategy as a starting point. What was surprising was that it was imperative to identify and believe the organization's vision on a personal level. Participants stressed that the strategy should have a clear vision that should be communicated from top leadership throughout the organization. Even if the managers were not the ultimate custodians, they made it their goal to align their role closely with the organization's strategy in informing why, how, and what they did. The strategy was a living document that they believed should evolve over time. What made the strategy a living document was the ability for managers to revisit it continuously, measure the outcomes against its objectives in a transparent manner, and revise the strategy when it became necessary. Managers expressed the importance of being able to influence the strategy at their respective levels.

It was also important that managers could identify, confront, and resolve strategic trade-offs with competing or incompatible goals. Larger organizations must examine the segments they compete in and whether they need to expand further through diversification or exit some segments by reducing product lines. The organization must consider which areas they want to compete or partner in. These may also require making short term losses favouring long term results (Ortiz De Mandojana & Bansal, 2016). This formed the crux of strategic decision-making and the heart of the challenges faced by participants.

The importance of strategy as an overall guide for managers is pervasive in organizational literature due to the emphasis on organizational learning as a critical element of adaption and flexibility (DesJardine et al*.,* 2019; Ortiz De Mandojana & Bansal, 2016; Sahebjamnia et al*.,* 2018). This enables the organization's ability to accumulate intangible assets through its activities that add economic value. This also supports change processes that can adapt to the changes in the environment gradually over time. These continual changes allow the organization to develop robustness by learning to operate on limited resources. There are also clear communication channels throughout the organization that allow the building of intraorganizational relationships. This is augmented by flexible operational structures that support adaptive routines and quick decision-making.

It was interesting to note that the ability to revisit, reassess and realign the strategy was closely linked to the findings in research question one when managers identified moments when the business needed to pivot especially during times of uncertainty. This pivoting involves the strategic redeployment of resources to support the reorientation of the business towards altered objectives. Thus it is important to be able to overcome status quo bias in order to be able to explore strategic realignment.

The next emergent theme in the Internal Environmental Alignment was experimentation. This is a new finding not found in the existing academic literature (Suarez & Montes, 2020). Participants noted that when the lockdown was enforced, the business landscape was irrevocably changed. Businesses were not sure how to approach this new situation as new government restrictions disrupted the entire value chain and had a diminished workforce on premises due to lockdown restrictions. In a bid to comply with government regulations, organizations needed to experiment with new ways of doing things because old routines were possibly be no longer relevant (Khanna, Guler, Nerkar, 2016; Thomke, 2020). As with the adoption of digital transformation, what became clear was that organizations that had a prevailing culture of experimentation prior to the pandemic, were better prepared to experiment post the pandemic. Participants highlighted that the culture of experimentation was fostered by senior leadership. This culture created a foundation for continuous organizational learning where objective data was used to determine decisions rather than subjective opinions. Thus creating an environment where all assumptions must be tested and validated before being accepted (Khanna et al., 2016; Thomke, 2020). A key feature of experimentation is that it creates an environment where failure is accepted and even encouraged which actively negates the fear of making losses. This counteracts a key tenet of status quo bias: loss aversion. This ability to overcome status quo bias, makes experimentation an effective tool to create novel innovations that bolstered organizational stability and flexibility. Experimentation was fostered through continual trial and error (Khanna et al., 2016). As much as there needed to be processes to manage day-to-day affairs, there should be an emphasis on experimenting with new ways of doing things. The principles that participants employed were to test concepts by starting small and failing fast. This allows the organization to not commit too many resources in the spirit of working with constrained resources. The biggest takeaway is that experimentation became a key enabler in the execution of long term strategy. In a resilient organization, the strategy became a plan to effect change in the organization, and experimentation facilitates this vision through an iterative process. This creates a continuous feedback loop that allows for organizational learning over time.

6.2.3.2 External environment alignment

The alignment to the external environment provided an interesting perspective as it reinforced the literature that the organization forms interdependent relationships with its external environment. These relationships are not formed on just transactional relationships, e.g., making a sale or procuring raw material. These relationships are ongoing and evolving. These relationships with customers, competitors, and stakeholders are unpredictable, which means they can present unforeseen opportunities and threats. These force the organization not just to respond with products and services but also to question the nature of their business, structure, and purpose.

The first aspect centred around customer intelligence. **At the heart of customer intelligence was the ability of an organization to meet a consumer's need (whether known or known) as part of a comprehensive value proposition and delivered through offering a distinct consumer experience.** These three features of *the consumer need, the company's value proposition*, and *the consumer experience* were emphasized as key in consumer intelligence. These three features also changed drastically because of the pandemic and the organization's need to cope with this disruption. Consumer needs can shift suddenly due to environmental disruption or gradually over time due to ongoing behavioural changes. This supported the need for empathy as a means to understand the consumer from a holistic sense and what is happening to impact consumer needs (Packard & Burnham, 2021). This involves not just viewing the consumer through a commercial lens but also through a socio-economic lens that considers how

uncertainty impacts the consumer's environment. This would give a more in-depth understanding of consumer behaviours. This information requires robust data collection and analytics coupled with imaginative thinking.
The next factor was formulating a customer value proposition that appeals to the consumer and meets consumer needs. This was a challenging aspect for organizations as consumers became savvier and more knowledgeable. The consumer has become exacting of the products/services they require, and they also are specific of how they want it. This is across business-to-business (B2B) and business to consumer (B2C). Consumers are also beginning to absorb the skills that organizations would traditionally bring, which reduces the consumer's reliance on the organization and reduces their customer value proposition. Managers need to anticipate that the consumer is always learning, and this drives consumer behaviour and changes in demand. Consumers want products tailored to their needs.

The final factor is the delivery of products/services. It is essential to own the relationship with the consumer and deliver a distinctive consumer experience that helps impress and retain the consumer. This is particularly important when the organization sells to a customer who is not the ultimate end user. In this case, you must develop strategies for the customer and your consumer. In a business-to-business environment, your customer can end up becoming your competitor over time and try to usurp the end consumer. Customers may offer products that rival your products to the end consumer and may have an advantage as they own the customer experience. This is also complicated by the acceleration of platform businesses during the pandemic, as the only way to distribute goods was through online sales. Traditional retail enterprises had to partner with platform businesses to market and sell their goods. This unwittingly introduced a third party to the customer experience.

Customer intelligence impacted the company's operations and strategy both in the short and long term. The organization had to consider flexibility in production planning, pricing, sales mix, product prioritization, and product tailoring. Long term organizations need to consider their customer segmentation, revenue models, and product development. This ability to respond to the nuances in customer demand requires the ability to be flexible. It also requires the organization to be sensitive to outside changes.

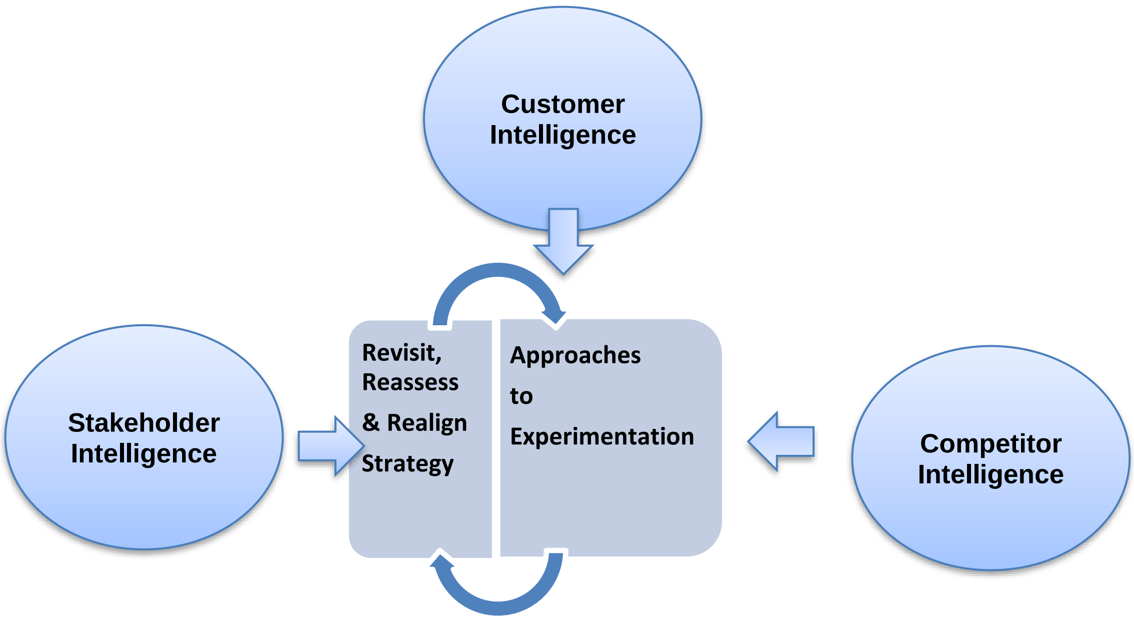
The next element of external alignment is competitor intelligence. Organizations must now contend with new entrants into their markets who leverage technology or specialized knowledge to lower barriers of entry. These entrants are more agile than the established firms and are able to exploit their weaknesses to gain market share. Organizations need to consider whether they should acquire or partner with these new entrants.

The last element is stakeholder intelligence. Stakeholder intelligence differentiated from stakeholder management is that stakeholder management implies more of a compliance view in line with sustainability or corporate social investment (Sajko et al., 2021). The literature states that organizations that engage in corporate social responsibility initiatives exhibited greater levels of resilience (Sajko et al., 2021). While organizations in its context would invest more into stakeholders than required, it still reflected an attitude described as almost begrudging compliance. The findings in this study describe a closer relationship between the organization and its environment. A surprising finding was that organizations were looking to align their organization with emerging cultural norms, including diversity and inclusion initiatives. Participants described their products needed to have a purpose to exist and if that purpose was non-existent or no longer relevant, then the product would be discontinued even if it was profit making. This purpose involved meeting a stakeholder need but also supported stakeholder aspirations and causes. There was an acknowledgment that organizations should align themselves with societal values, including gender and equality movements. This also means carefully navigating the waters of woke culture on social media. In addition, it also means ensuring that branding and marketing also proactively engage on trends and transforming the company to engage with its consumer on the social initiatives they value. If organizations are seen to not be moving with the times, they may find themselves “cancelled,” which can directly impact sales and cause losses. A participant mentioned that after one of their products had caused public outrage on social media, they had to stop sales of that product for one month. This was because the product portrayed racial stereotypes that offended consumers. This has a direct impact on the organization’s sales. This reinforces that exhibiting organizational values both internally and externally as brand activism has become a prevalent cultural norm expected from institutions. This can be best summarized as active corporate citizenry.

These findings expand on the extant literature surrounding how organizations for dynamic relationships with their stakeholders in their broader environment. It also deepens the understanding of how organizations share information, values and resources and how these relationships help bolster an organizations ability to absorb shocks

6.2.3.3 Conclusion: Research question 3

The above findings reinforced the academic literature that describes organizations as part of evolving ecological systems. A resilient organization is strongly aligned to its environment through interdependent relationships (Sellberg et al., 2018). The findings highlight organizations' intricate relationships with their customers, competitors, and their broader environment. It also highlights how dynamic the external environment can change and what managers need to consider when adapting to these changes. Organization's need to enmesh themselves into the environment by embracing corporate citizenship where they align themselves to the prevailing values of the broader community and stakeholder institutions. These findings can add to the literature on the nuances and subtleties of organizational resilience and adaptive management strategies.



Source: Researcher's own compilation

Figure 8: Internal and External Environment Alignment

CHAPTER 7: CONCLUSION AND RECOMMENDATIONS

7.1 Introduction

The study's objective highlighted in Chapter 1 was to explore how organizational resilience overcomes status quo bias in the face of uncertainty. The study then explores the three constructs of organizational resilience, status quo bias, and uncertainty through literature. It was established through the literature review that there was sparse published research that addressed the relationship between status quo bias and organizational resilience. This was found to be a perplexing gap in the literature as the crux of organizational resilience is described as the ability of an organization to be adaptable and flexible in response to volatility in the uncertain external environment (DesJardine et al., 2019; Hitt et al., 2021; Ortiz De Mandojana & Bansal, 2016; Parker & Ameen, 2018; Sellberg et al., 2018; Suarez & Montes, 2020). Resilient organizations are able to bounce back quickly from setbacks by mitigating their losses and generating robust returns in the long term (DesJardine et al., 2019; Ortiz De Mandojana & Bansal, 2016; Suarez & Montes, 2020). To achieve this, resilient firms are able to achieve short term trade-offs to achieve sustainable long term growth (DesJardine et al., 2019; Negri et al., 2021; Ortiz De Mandojana & Bansal, 2016; Parker & Ameen, 2018; Sahebjamnia et al., 2018; Singh et al., 2021). It has long been established that status quo bias can hinder an individual's ability to make rational decisions as they stick to the default or status quo position even if there are potentially better alternatives available (Bekir & Doss, 2020; Dean et al., 2017; Geng, 2016; J. Li et al., 2016). This bias can be exacerbated when decision-makers are under time pressure and if their attention is challenged by many potential scenarios and outcomes (Bekir & Doss, 2020; Geng, 2016; Greve, Rudi, & Walvekar, 2019; Rosokha & Younge, 2020). This can overwhelm decision-makers; thus, making them stick with the status quo out of fear of unfavourable consequences. This sticking with the status quo poses potential challenges for organizations developing adaptive dynamic capabilities to achieve organizational resilience. This becomes especially difficult, as seen with the advent of the COVID-19 pandemic, which induced national lockdowns and organizations having to adapt to the situation overnight.

As was noted previously, there seemed to be limited to no literature exploring the relationship between status quo bias and organizational resilience. Status quo bias was inferred indirectly or in a very shallow manner, but there was no meaningful published research on how it impacts the development of organizational resilience. Thus, the first research question explored what factors kept status quo bias in place and what interventions allowed the managers to overcome the status quo.

Next, the relationship explored was between uncertainty and organizational resilience.

Organizational resilience has established links with uncertainty due to the external disruptions faced as a result of the environmental jolts and shocks (Foss, 2020; Guercini & Milanesi, 2020; Gulati & Desantola, 2016; Ogliastri & Zúñiga, 2016; Ramoglou, 2021; Sahebjamnia et al., 2018). These can range from natural disasters, economic recessions, pandemics and government regulations (DesJardine et al., 2019). These events can precipitate a potential crisis for the organization, impacting its ability to survive and increasing the uncertainty it faces. What was evident from the literature is that organizational resilience studies have focussed predominately on the uncertainty faced by developed nations, and there was relatively little research on organizational resilience in emerging markets such as South Africa and Sub-Saharan Africa (DesJardine et al., 2019; Ortiz De Mandojana & Bansal, 2016; Parker & Ameen, 2018). Organizational resilience may be unique in emerging markets because countries like South Africa face inherent structural socio-economic challenges such as unreliable power supply and lack of infrastructure, which provide ongoing uncertainty for organizations (Parker & Ameen, 2018). These challenges are absent in developed markets; thus, disruptive events are seen as exceptions to the norm. These are events that take place intermittently but imply that stability is the status quo. In an emerging market context, uncertainty is an ongoing challenge faced by organizations. Disruptive events only exacerbate this structural uncertainty. Thus, the second research question aimed to discover how organizations in South Africa developed novel solutions in an emerging market context to combat this ongoing sense of uncertainty and how they dealt with uncertainty, especially during disruptive events such as the COVID-19 induced lockdowns.

The third research question sought to understand how these novel solutions developed in research question 3 aligned to the external environment. Participants interviewed represented a diverse array of industries (Mining, Healthcare, FMCG, Financial Services, Information Technology, Retail, and Consulting). The organizations also ranged from SMEs to large enterprises, which means that organizations operated in unique contexts and thus had unique challenges. This question was explored because it was established in the literature that organizational resilience involves the cultivation of interdependent relationships between organizations and their environment (DesJardine et al., 2019; Dittrich & Seidl, 2018; Luan et al., 2019; Negri et al., 2021; Parker & Ameen, 2018). These interdependencies fostered agility but also opened the organization to gradual and sudden disruptions. Thus, it was key that managers incorporated ecological rationality into forming solutions to ensure the organization was aligned to its environment.

The key findings of Chapters 5 and 6 will be presented in the following section, which will be incorporated into the final organizational resilience framework that combats managerial status quo bias. After this, the researcher will summarize the contribution to the academic literature that this study will provide. This will be followed by a discussion on the implications this study has for managers and stakeholders. The limitations of the study will then be outlined, with potential avenues for future research stated.

7.2 Principal conclusions

7.2.1 Research question 1

As stated above, the first research question aimed to explore the relationship between organizational resilience and status quo bias, particularly the factors that keep status quo bias in place and what interventions can overcome them. These new findings were key as the relationship between status quo bias and organizational resilience has not been researched to a meaningful degree in extant academic literature.

The principal findings from the study were that there were two themes that kept status quo bias in place: Factors that limit change and impediments to decisions. The factors that limit change entail resistance to change, fear of change, and outright denial of a need to change. A surprising finding was the influence of keymen as a factor that kept the status quo in place. Employees who were older were found to be more in favour of retaining the status quo. It was also noted that there was a lack of diversity amongst decision-makers, which enabled status quo bias. Bureaucracy was found to be an obstacle to change as it creates condition structures that frustrate the development of innovative ideas and the entrenching of the status quo.

The factors that counteracted status quo bias included: Promoting factors of change, manager futureproofing, manager support and networking, manager-led interventions for employees, collection and use of data, and enabling factors for decisions. The key findings here were that leadership led change by setting a tone to always look for a better way to do things. The recruitment policy was also an enabler of change when persons with diverse experience and expertise were brought into the organization. This is because they bring in novel ideas.

An insightful finding was that managers are able to identify pivotal moments of change by exercising personal mindfulness and awareness of the external environment. Leaders can note the subtle gradual shifts over time and react with urgency towards sudden disruptive shocks. Managers were cognizant of times when the organization needed to course correct when they realized their current trajectory was not optimal. This pivoting involved the strategic redeployment of an organization’s resources (Kirtley & O’Mahony, 2020). Research indicates the pivoting is in response to circumstances of high uncertainty (Kirtley & O’Mahony, 2020).

Managers bolster their openness to trying new things through curiosity and developing their skills both laterally and more in-depth. It was seen that managers that developed their skills were better positioned to identify opportunities for change and challenge the status quo.

The collection and use of data was another surprising finding. Participants remarked that having access to consumer and market trends provides an objective basis to inform and evaluate decisions. This shifted discussions away from subjective feelings towards a commonly agreed upon basis of facts. Managers also reflected on the need to exhibit emotional resilience personally and offer support to their direct reports as a way to cope with the grief and devastation as a result of the pandemic. They also defined the need to create organizational structures that facilitate quicker decisions and respond to challenges with more agility.

Overall, the surprising finding was that the factors that promoted change and quelled status quo bias had the dual effect of building organizational resilience. The ability to adapt and be flexible allowed the organizations to embrace solutions they would not traditionally have considered. It allowed the freedom to respond to restrictions and unfortunate consequences of the pandemic proactively.

7.2.2 Research question 2

The second research question aimed to discover the solutions that organizations developed as they dealt with uncertainty. Suarez and Montes' (2020) framework was used to explore these solutions, which highlighted three possible interventions: new routines, new heuristics, and new improvisations to form an adaptive resilience toolkit.

What emanated from the interviews conducted was that new routines and improvisations emerged. However, what was surprising was that the accelerated adoption of emerging technologies was a leading theme. This involved the ability of organizations to adopt digitization to automate previously manual processes, and the ability to distribute their products and services online proved crucial during the pandemic. This became a critical intervention, and organizations that had postponed their plans for digital adoption had to accelerate those plans. Entities that had implemented emerging technologies prior to the pandemic found that they were ideally positioned to exploit these solutions to survive and thrive during the pandemic. The omission of digital technology and skills as a key enabler of resilience could be due to developed nations being further along the innovation adoption curve than emerging markets. This would then be reflected in the resilience toolkit being developed for developed markets. The benefit of adopting technology is that it can provide organizations with the ability to scale up operations without having to keep costs low and increasing profit margins (DalleMule & Davenport, 2017; Mankins et al., 2021; Sawhney, 2016). Emerging technologies can also lower entry barriers to previously untapped markets and overcome the infrastructural challenges of emerging markets.

The next key findings were the development of new routines and improvisations. The new key routines centred around exploiting the current capacity to respond to changing customer demand trends. This also involved reprioritizing certain products to achieve an optimal sales mix to continue growth in core revenue lines. Automation was leveraged to maximize the scale of services and products offered, and to improve the speed of distribution. This was vital during the pandemic as organizations had to employ working from home strategies. Therefore, this was a disruption to pre-pandemic processes. Managers had to balance ensuring employees' health and safety while maintaining productivity and value-adding activities.

New improvisations centred around the development of ancillary and new revenue lines. Organizations experienced a decline in their core business and had to look to opportunities that utilized their core competencies, or they had to develop entirely new revenue lines (Baker & Nelson, 2016; Fultz & Hmieleski, 2021; Hu et al., 2020). This was predominantly felt by SMEs that sell to narrower customer bases than larger entities. This reinforced the literature that stated that improvisation meetings with limited resources could result in the serendipitous discovery of new opportunities (Fultz & Hmieleski, 2021). This is an emerging field of study in organizational resilience that improvisation can be used to identify and seize new opportunities. It also supports the growing literature that improvisation can support bricolage activities in an innovative sense.

7.2.3 Research question 3

The key findings were the necessary overall alignment of the organization's internal environment with the external environment. For managers, it emphasized the importance of understanding their role in the context of the greater organization's strategy. It was important that they assimilated the organizational vision and values into their own vision and values. Thus, for resilient organizations, there should be ongoing communication of a coherent and clear strategy. The strategy should be a living document that can be revisited, reassessed, and realigned on an ongoing basis. Managers in their sphere of influence also felt empowered when they felt they had a say in the organization's strategy. This finding is intricately linked to the findings of research question 1, where there needed to be organizational structures that were less rigid and flexible to encourage accountability and ownership. There may be assumptions in the strategy that need to be continuously evaluated based on the outcomes of initiatives. Feedback from these initiatives is based on the collection and use of objective data to evaluate the success of strategies. A challenge for leadership was allocating limited resources to competing for strategic objectives, resulting in managers having to make strategic trade-offs. This becomes especially difficult as organizations must take chances not knowing which bet will pay off in the future. There are no easy answers to these challenges, but it was apparent that organizations that can challenge their own status quo bias and take chances were better placed to respond to environmental shocks. If organizations are unable to challenge the status quo internally, then their strategy document becomes a static document based on increasingly irrelevant assumptions. This is also not a free licence for organizations to be reckless in seeking elevated levels of risk.

An intervention that assisted organizations in moulding and shaping their strategy continuously was experimentation. This was an important finding as when a severe disruption occurs, managers may not know if their current strategies are relevant to the prevailing circumstances. This means they may have to experiment with novel approaches that may succeed or fail. This involved continuous trial and error through the testing of concepts. The objective was to win quick or fail fast to assess the suitability of their strategic interventions. This was a new finding as experimentation was not included in the organizational resilience toolkit as a means to respond to environmental disturbances and build agility. This approach limits the risks that organizations take because if they devote relatively little resources to their experiments, they reduce their losses from failed ventures. This also counteracts any sentiment that the opposite of status quo bias is to seek out reckless or high-risk ventures without measured consideration. The use of experimentation acknowledges the risk of the venture failing; thus, organizations devote slight resources to these pilot projects. This supports the literature that organizations should learn to work on lean resources (Suarez & Montes, 2020).

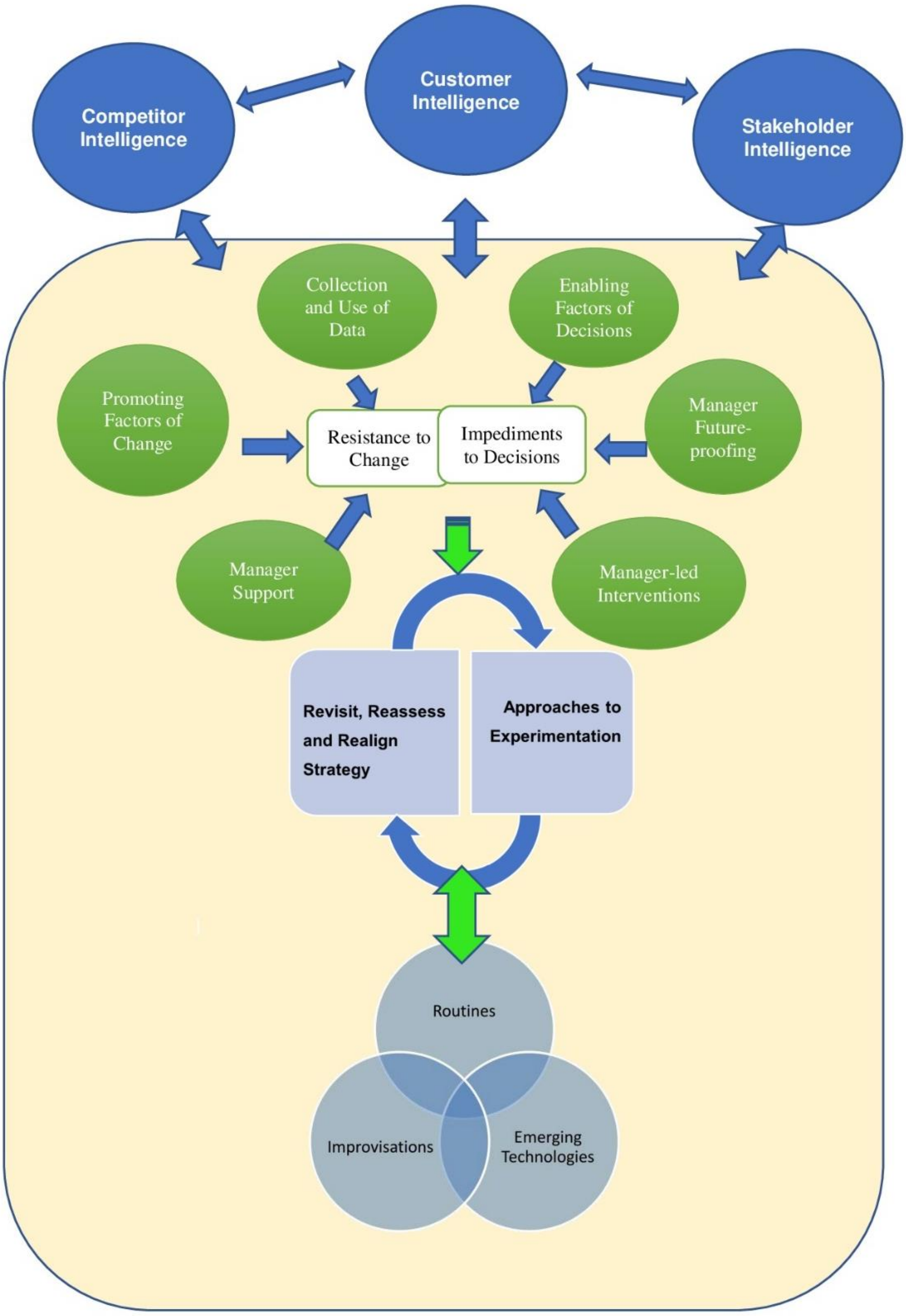
The next theme was the alignment of these internal initiatives to the external environment. The key findings were separated into “customer intelligence,” “competitor intelligence,” and “stakeholder intelligence.” What was important in all relationships with these three parties was dynamic and unpredictable. It was up to organizations to notice subtle changes to adapt before these changes gain critical mass proactively. Customer intelligence demonstrated that consumers are becoming savvier and expect greater quality levels from sellers and suppliers. It is important for organizations to meet a consumer’s need (whether known or unknown) as part of a comprehensive value proposition and delivered through offering a distinct consumer experience.

Competitor intelligence involves understanding that new competitors are entering the market and they are more agile and better equipped. They may use technological advantages to lower the barriers of entry. They are also able to exploit the opportunities presented by structural challenges such as lack of infrastructure better than their established peers. This means that established organizations may struggle to compete and must look to either acquire the competitor or partner with them.

Stakeholder intelligence can be best summarized as corporate citizenry. There were growing expectations that organizations not only manage stakeholder relations through corporate social investment and regulatory compliance. It is not just about brand management but having a purpose that aligns with the broader community. There was an acknowledgment by interview participants that the socio-economic environment was being met with cultural shifts embracing diversity and inclusivity. Organizations must be seen to be proactively aligning with these broader societal values. Organizations should be a reflection of this broader diversity and inclusion. This supports the findings from research question 1 that hiring with a concerted effort to source diverse persons benefits an organization. It was found that organizations that ignore diversity and inclusion could potentially suffer setbacks. Those that embraced diversity and inclusion experienced greater adaptability.

7.2.4 Final conclusion on key findings

The findings from research questions 1, 2 and 3 have been condensed into the framework in Figure 9 below. This figure demonstrates the relationships between the key findings of the three research questions. While the goal of any profit-making organization is to achieve consistent growth over the long term, resilient organizations aspire to more lofty goals which cannot be measured in tangible monetary terms. Resilient organizations look beyond short term outcomes and look to the generation of novel products, processes, and knowledge. They aim for robust and flexible relationships with their broader external environment. The ability to overcome their own status quo bias through the constant challenging of their own assumptions presents an organization whose goal is continuous learning. The fundamental goal is for an organization to continually gain and create novel knowledge and expertise in the long term. It is not an outcome-based strategy, but a strategy that is always challenging its internal assumptions, whether they are successful or not.



Source: Researcher's own compilation

Figure 9: Overcoming status quo bias and building organizational resilience framework

7.3 Theoretical contribution

As stated before, the aim of this study was to shed light on three relationships. The first relationship was between status quo bias and organizational resilience. The author noted that there had been relatively shallow research into how status quo bias can hinder the development of dynamic adaptive capabilities and how organizational resilience can overcome status quo bias. The current literature in organizational resilience infers the presence of status quo bias in that organizations must be flexible and adaptable, but little is done to address the role status quo bias may play in hindering the ability of organizations to respond with agility and speed that is required to deal with disruptive environmental disturbances. This research has provided a contribution to this gap of literature.

The next relationship which required additional research was the exploration of organizational resilience in the context of emerging markets and the structural challenges that continually threaten the survival of entities and aggravate their uncertainty (Parker & Ameen, 2018). This study focussed on managers who represented small, medium, and large enterprises operating in South Africa, Eswatini, and Sub-Saharan Africa. Thus, the study provided valuable insight into how organizations developed capabilities that supported their abilities to deal with the uncertainty posed by the pandemic.

The last relationship explored was how these fresh solutions aligned to the entity's environment. This aspect was meant to explore how the organizations fostered interdependent relationships with their environment and aligned to emerging trends. The interview participants spanned across an assorted set of industries (e.g., Consulting, FMCG, Retail, Healthcare, Financial Services, Information Technology, and Mining); thus, this study was able to provide diverse data that was able to provide rich insights. This helped deepen the understanding of managers' considerations when seeking novel solutions and how they employ ecological rationality to make these solutions unique.

7.4 Implications for management and other relevant stakeholders

7.4.1 Implications for small and medium business owners

The implications for small and medium business owners are that the pandemic presented increased levels of uncertainty, which exacerbated the challenges they currently face due to them operating in emerging markets. As a result, they are more susceptible to disruptions. The key takeaways are that small and medium business owners rely on the knowledge and expertise of their owners to survive. Thus, it is imperative for entrepreneurs to have the ability to persevere and to be emotionally resilient during times of severe disruption. In addition, it is important to develop a sense of curiosity for new opportunities and to develop further. Small organizations are less prone to status quo bias due to their smaller size, informal structures, and leaner decision-making processes. They are also more agile than larger enterprises and can enter markets the established struggle to participate in, especially in developing economies such as Sub-Saharan Africa. This demonstrates that SMEs can cultivate competitive advantages that larger enterprises struggle to enter. Moreover, they can also leverage technology to scale up their capacity, which may not be possible to expand due to resource constraints (Sawhney, 2016).

7.4.2 Implications for managers of large organizations

It is imperative for managers to examine whether their strategy is aligned to their environment and if it is still relevant to their stakeholders, customers, and competitors. This requires honest introspection by managers; to not simply defend their strategy because of the size of their organization and the past success of the organization. The size of organizations and their past success is not a proxy for future success and future resilience. The managers should investigate whether their structures enable quick decisions or impede it as complex internal structures can entrench the status quo and frustrate change initiatives. Senior leadership should consider delegating decision-making to business units to inculcate accountability and agility to respond to opportunities and buffer against threats. Leaders should consider how they incorporate experimentation and improvisation into their organizations processes in a bid to encourage organizational learning. Human Capital Executives should consider their recruitment and succession planning to gauge whether there is a consistent introduction of diverse and younger personnel into the organization. This diversity is not just age, gender, and race, but also includes working experience. Leaders of larger organizations need to assess the current markets they operate in and whether these areas of opportunities will sustain the organization into the future. Due to their size, they need to be more initiative-taking about making bets into nascent opportunities as larger organizations take longer to change course. Thus, they need to rely on gradual change rather than drastic interventions. They also need to leverage technology to explore the power of artificial intelligence, machine learning, and automation to enhance the speed of their response and free up people to reskilling and better value-adding activities. Organizations need to explore how software development skills can assist the organization achieve its goals and how they can bring these skills into the business.

7.4.3 Implications for policymakers

At the policymaker level, government institutions need to consider their role in exacerbating uncertainty for organizations, particularly SMEs in emerging economies such as Sub-Saharan Africa. Policymakers should carefully consider how they prioritize expenditure and how they can best allocate resources to infrastructure development. This infrastructure should be dependable to provide stability to SMEs and help support their survival. Policymakers can also look at interventions that assist SMEs during times of economic downturn as they may not have the financial resources to weather the proverbial storm. This study has highlighted that resilience is built on mutually beneficial interdependent relationships; there is a relationship between stakeholders in the broader environment, and policymakers should seek to close that gap in a pragmatic and decisive manner. Policymakers should take accountability for the manner in which lockdowns have been initiated and the sudden disruption to the market. While a necessary measure to curb a crisis, these events have had unforeseen impacts on small and medium enterprises across Sub-Saharan Africa. This should be a learning curve to explore how policies and regulations are devised and implemented and how stakeholder consultation at a grassroots level needs to be determined and incorporated on an ongoing basis.

7.5 Limitations of the research

It is salient to point out that the findings in this study are limited by certain caveats. The study is qualitative in nature; thus, the findings are not statistically generalizable to the population.

The study was cross-sectional therefore dealing with a specific period from March 2020 to September 2021. Due to organizational resilience being described as "latent, path dependent capability that cannot be directly measured but whose benefits take a long-time to manifest," it would be of benefit to evaluate organizational resilience over a longitudinal basis as prior studies have indicated longer periods (DesJardine et al. 2019; Ortiz De Mandojana & Bansal, 2016). While participants provided feedback on their organization's financial performance, it was limited to the period of the study.

In evaluating organizational resilience through Suarez and Montes (2020), the researcher was unable to adequately assess the development of heuristics as part of the adaptive toolkit. This may be due to the limitations of the data collection instrument (interview schedule). Heuristics are by nature fast-and-simple rules applied without self-awareness by a person. Thus, it may be difficult to recall heuristics applied during an interview. It may also be because organizations began to rely more on objective data to make decisions which may have displaced the need for heuristics thus it would be interesting to explore whether the collection of big data has an impact on formulation of organizational data.

7.6 Suggestions for future research

As emphasized, the existing extant literature provides shallow interface between status quo bias and organizational resilience. This study helps to shed light on the phenomenon of how organizational resilience can overcome status quo bias, but further work can still be explored. For example, an interesting avenue would be how the diversity or lack of diversity in organizational teams can impact status quo bias and the ability of organizations to achieve adaptive resilience capabilities. Another avenue of research can be how geographic locations impact status quo bias in organizations and whether this can impact resistance to change.

Future benefits can be obtained by exploring organizational resilience in an emerging market context. This is a growing body of research as the existing literature has thus far focused on developed markets (DesJardine et al., 2019; Ortiz De Mandojana & Bansal, 2016; Parker & Ameen, 2018). This study provided findings from organizations operating in Eswatini, South Africa, and a Sub-Saharan context, but more research is required. As has been alluded to in this study, the role that structural socio-economic challenges contribute to the uncertainty of organizations, particularly SMEs, is important to understand.

Emerging technologies' role in organizational resilience, especially in an emerging market context, should be probed further. This study uncovered the rapid adoption of digitization, online platforms, and automation during the pandemic by organizations in Sub-Saharan Africa as a matter of urgency. These technologies also played a role in scaling up capacity for existing organizations while reducing barriers of entry for new market players. Emerging technologies could also provide ways to counteract the lack of infrastructure and socio-economic challenges in Africa. This can see whether the organizational toolkit can be further expanded to incorporate emerging technologies as a necessary tool, including artificial intelligence, machine learning, augmented reality, 3D printing, and the Internet of Things.

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APPENDIX A: ETHICAL CLEARANCE

Gordon Institute of Business Science
University of Pretoria

Ethical Clearance Approved

Dear Njabulo Dlamini,

Please be advised that your application for Ethical Clearance has been approved.
You are therefore allowed to continue collecting your data.
We wish you everything of the best for the rest of the project.

Ethical Clearance Form

Kind Regards

This email has been sent from an unmonitored email account. If you have any comments or concerns, please contact the GIBS Research Admin team.

APPENDIX B: CONSISTENCY MATRIX

Title: How organizational resilience overcomes managerial status quo bias in the face of uncertainty

Research Questions	Literature Review	Data Collection Tool	Analysis
1. What are the factors that keep the status quo in place?	(Bekir & Doss, 2020; Dean et al., 2017; Geng, 2016; Greve et al., 2019)	Question 4 in the interview schedule	Content analysis of interviews
2. How do organizations implement new routines, heuristics, and improvisations?	(Anthony et al., 2019; Audretsch & Belitski, 2021; Ciuchta et al., 2020; DesJardine et al., 2019; Fultz & Hmieleski, 2021; Hitt et al., 2021; Luan et al., 2019; Ortiz De Mandojana & Bansal, 2016; Ramoglou, 2021; Sahebjamnia et al., 2018; Sajko et al., 2021; Singh et al., 2021; Suarez & Montes, 2020)	Question 5 in the interview schedule	Content analysis of interviews
3. Why do emerging routines, heuristics and improvisations align to the organization's environment?	(Anthony et al., 2019; Audretsch & Belitski, 2021; Ciuchta et al., 2020; DesJardine et al., 2019; Fultz & Hmieleski, 2021; Hitt et al., 2021; Luan et al., 2019; Ortiz De Mandojana & Bansal, 2016; Ramoglou, 2021; Sahebjamnia et al., 2018; Sajko et al., 2021; Singh et al., 2021; Suarez & Montes, 2020)	Question 6 in the interview schedule	Content analysis of interviews

APPENDIX C: CERTIFICATION OF ADDITIONAL SUPPORT

I hereby certify that (please indicate which statement applies):

- ***I RECEIVED*** *additional/outside assistance (i.e. statistical, transcriptional, and/or editorial services) on my research report*
  Editor ……………………………………………………………………………………….

If any additional services were retained– ***please indicate below which:***

☐ ***Statistician***

☐ ***Transcriber***

✔ ***Editor***

☐ ***Other (please specify:……………………….)***

Please provide the name(s) and contact details of all retained:

NAME: NIM Editorial
EMAIL ADDRESS: info@nimeditorial.co.za
CONTACT NUMBER: 082 587 4489
TYPE OF SERVICE: Thesis editing

I hereby declare that all *statistical write-ups and thematic interpretations of the results for* **my study were completed by myself without outside assistance**

NAME OF STUDENT:

Njabulo Dlamini………………………………………………………………………………….

SIGNATURE:

………………………………………………………………………………………………….

STUDENT NUMBER:

20802910……………………………………………………………………………………. ……

STUDENT EMAIL ADDRESS:

20802910@mygibs.co.za…………………………………………………………………………

APPENDIX D: COPYRIGHT DECLARATION FORM

Student details			
Surname:	Dlamini	Initials:	NM
Student number:	20802910		
Email:	20802910@mygibs.co.za		
Phone:	078 795 8745		

Qualification details			
Degree:	MBA	Year completed:	2021
Title of research:	How organizational resilience overcomes managerial status quo bias in the face of uncertainty		
Supervisor:	Prof Charlene Lew		
Supervisor email:	lewc@gibs.co.za		

Access

	A.	My research is not confidential and may be made available in the GIBS Information Centre and on UPSpace.	X

I give permission to display my email address on the UPSpace website.

B. My research is confidential and may NOT be made available in the GIBS Information Centre nor on UPSpace.

Please indicate embargo period requested:

Copyright declaration

I hereby declare that I have not used unethical research practices nor gained material dishonesty in this electronic version of my research submitted. Where appropriate, written permission statement(s) were obtained from the owner(s) of third-party copyrighted matter included in my research, allowing distribution as specified below.

I hereby assign, transfer and make over to the University of Pretoria my rights of copyright in the submitted work to the extent that it has not already been affected in terms of the contract I entered into at registration. I understand that all rights with regard to the intellectual property of my research, vest in the University who has the right to reproduce, distribute and/or publish the work in any manner it may deem fit.

Signature:	Date:
Supervisor signature:	Date: