Survival of the fittest?
A collective case study assessing the resilience of micro-sized enterprises in Switzerland.

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Preliminary note

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Abstract

'Survival of the fittest?' represents a relevant piece of research as it aims to gain knowledge about the most important economic force of many western economies: The micro-sized enterprises. On assessing the resilience as well as the chances and reasons for the survival of micro-sized enterprises, this paper supplements existing literature and research by adding new knowledge and answering unaddressed questions. This can help to establish more appropriate instruments to support this important pillar of the economy. To inform this collective case study, 10 microenterprises in the Canton of Berne, Switzerland were approached by the means of semi-structured interviews and observations. The questions evaluated the owner-managers’ values, objectives, attitude toward success and failure as well as their resilience potential and chance to become entrapped in business.

The results identified the majority of the researched enterprises as having a medium to high resilience potential and showing no signs of entrapment. While this is a comforting finding in regard to the economic importance of microenterprises in Switzerland, some other findings give way to further discussion: The displayed attitudes toward success and failure are clearly differing from those mentioned as important factors in the literature. Additionally the research revealed that the higher the resilience potential is, the more diversified values and objectives are, and they form a well-balanced set of virtues and aims the owner-managers are following. This implies that microenterprises are not prioritising economical achievement but seek (and are proud) to be a part of the middle class. With that they again display their importance as pillar not only of the economy but also of a healthy and equalised society. The question if the fittest is the one surviving therefore must probably be rephrased after this research and it has to be asked, if it is not much more desirable that the ones surviving are representing the average.

Für mich ist der, der etwas macht, davon leben kann und niemanden plagt ein erfolgreicher Unternehmer.¹

(Original German quote of one of the interviewed owner-managers)

¹ English translation: “A successful entrepreneur in my opinion is one who is doing something he can earn a living of and does not harass anyone.”
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1. Introduction

This paper aims to investigate how microenterprises manage to survive. The background for the choice of this research topic lies in the researcher's personal interest in microenterprises. Grown up in an entrepreneurial family and later on having founded, owned and managed a micro-sized business by herself, the researcher feels a fundamental interest in microenterprises and thinks to have a sound knowledge of the challenges coming along with being an owner-manager of such an enterprise. While this condition must be considered carefully as a certain bias is implied with it, the interest of the researcher led to a closer look at the economic structure in Switzerland and revealed that 99.8% of the businesses are small and medium-sized enterprises (SME) of which over 92% are said to be microenterprises with no more than 9 annual work units (AWU). An unbelievable 519,697 microenterprises (Federal Statistical Office, 2013) are keeping the economy in Switzerland running and thus form the backbone of Switzerland’s common welfare.

A first review of literature and relevant documents to learn more about the topic brought a somewhat surprising conclusion: There are quite a number of papers available discussing different aspects in SME but stunningly few is written specifically about microenterprises. The Fachhochschule St. Gallen (2015: 14) values the situation of microenterprises in Switzerland as moderate. Most important challenges for small and medium-sized enterprises are said to be competition pressure and the vast amount of regulations and terms to be followed. Additionally the strong home currency tightens the competition especially for the export industry. It is also known that approximately half of all SME are surviving the first 5 years, but actually not much is known about the ones surviving that period of time. How are SME and specifically microenterprises managing to survive over time? And how is it possible that microenterprises form the backbone of Switzerland’s and other western economies, but the literature does not discuss them unless as one category of SME, which is not worth to be assessed separately? There must be clear differences between a microenterprise and a medium-sized enterprise with up to 249 employees. The smaller a company the more linked the personal and economic unit must be, the more relevant the owner-manager’s personality, the more the business success must depend on the owner-manager’s attitude. But where is the evidence for that? A first research proposal (see appendix A1) was established, aiming to approach these questions by assessing risk perception and management in microenterprises to get a better understanding of
how resilient they are. This broad orientation soon turned out to be too widespread and was narrowed down to the single purpose of assessing the resilience of micro-sized enterprises (see revised research proposal in appendix A2). The concentration on one main theme allowed researching the literature in more details. A statement of Storey (1994: 109) who mentions that growing firms are more likely to survive evoked another important question: Are growth and flexibility as proposed by the literature really the success factors and relevant for surviving? And finally on coming across the work of Drummond (2004) who discusses the so-called 'entrapment in business': what are actually the reasons for businesses’ survival? Does it necessarily mean that they are resilient? These considerations led to the final set-up of the following three research objectives and relevant questions to be answered:

Objective I): The assessment of the objectives and perceptions of success held by micro-sized enterprises. What are the economic and non-economic objectives of micro-sized enterprises? How do they rate these objectives? What do they perceive as success? How are they dealing with objectives they cannot achieve?

Objective II): The assessment of the microenterprises’ resilience. What are micro-sized enterprises identifying as risk to their business activity? How threatening are these risks for them? How do micro-sized enterprises deal with uncertainty? What do they identify as consequences of the risks? How resilient do they feel towards these consequences? What actions are they taking to manage risks, uncertainty and possible consequences? What actions are they taking to obtain or enhance resilience?

Objective III): The assessment of the chances and reasons for the survival of micro-sized enterprises. How do values, objectives, the attitude towards success and resilience of micro-sized enterprises influence their chance to survive? What attributes contribute to the survival? Is survival synonymous with success? Is it possible to survive without success?

Due to the limited time and financial constraints, the research had to be narrowed down to a collective case study in the Canton of Berne in Switzerland, which was conducted by using semi-structured interviews and observation as method to collect the data. Nevertheless the qualitative data and findings of this research matter and will help to supplement the existing findings on answering the listed and so far unaddressed questions.
Having briefly outlined the background, necessity and corner points of the research at hand, the next chapter aims to review the existing literature and broadly discusses the challenges of defining success and failure as well as (organisational) resilience. The chapter aims also to set up the conceptual framework and explains in details what theoretical lenses will be used to inform the research objectives. Finally a so-called 'graded model of surviving' is introduced as possible way to interpret, compare and structure the findings in regard to the research questions. Chapter 3 describes the methodology of the research, the research design, the methods applied for data collection and analysis and closes with the ethical considerations. Utmost attention is given to explain how credibility and the benchmarks of quality can be met throughout the research. This is an important point, as the research is qualitative and moreover it must be assumed that the researcher cannot approach the subject matter unbiased. Chapter 4 presents and compares the findings on discussing them in relation to the theoretical lenses applied as well as in conjunction with the literature findings. The final chapter summarises the research findings and revisits the proposed 'graded model of surviving' by making conclusions about its appropriateness to express the chances and reasons for the survival of microenterprises. These explanations lead to the final conclusions about the significance of the research findings in regard to the initially established research objectives. The work closes by listing theoretical and practical implementations of the research as well as by highlighting the limitations of the study at hand.
2. Literature review and theory

The dissertation aims to investigate aspects relevant for the survival of micro-sized enterprises including two major areas of research and study throughout the last decades. Based on the theory of organisational resilience and of explanations given regarding success and failure factors of SMEs, the case study investigates the characteristics of micro-sized enterprises, which manage to exist over time. As an alternative perspective to the question why enterprises are surviving, the concept of entrapment in business is considered. For that reason and as the time and financial constraints only allow to investigate the subject in the form of a collective case study, a vast amount of literature has been reviewed and considered for this dissertation and helped to establish the conceptual framework on which the research is based.

The literature review starts with the discussion of the definitions and characteristics of small and medium-sized enterprises. Based on these definitions, the statistical data of Switzerland, Germany, the UK as well as of the European Union is compared. The review then discusses the nature of SMEs with the focus on success and failure factors as they are related to the resilience of small and medium-sizes enterprises. The following paragraph tries to complete the picture on investigating specifically the nature of micro-sized businesses. While this literature gives a first insight into what is understood by a successful or failing business and what aspects are influencing it, the last two paragraphs discuss the definition of organisational resilience, different concepts and models and their application especially for microenterprises. Nevertheless in this section the contrasting theory of entrapment in business is brought up (Becker, 1960; Drummond, 2004), as it shows a very different reason why businesses exist over the years. The literature review ends on considering the SME policy and official guidelines in Switzerland, which gives the framework for the business activities of SMEs in Switzerland. This broad overview of existing literature is the basis of the conceptual framework, which is introduced last and on which this research is built.

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1 Ayyagari et al., 2007; European Commission, 2008; Fueglistaller, 2007; Günterberg and Kayser, 2004; Storey, 1994; Bolton, 1971.
3 Everett and Watson, 1998; Holmes and Zimmer, 1994; Reid, 2007; Stokes and Blackburn, 2002; Storey, 1994.
5 Benoît, 2010; Graham, 2007; Hatton et al., 2012; Mallak, 1998; Masten, 1994; McManus et al. 2007; Pinel, 2009; Smallbone et al., 2012.
2.1 Small and medium-sized enterprises

There is one general statement, which can be taken as starting point to discuss the definition of small and medium-sized enterprises. While a lot of theories and proposals of how to define SMEs have been established, a general agreement could only partially be achieved. Atkins and Lowe (1997) as well as Storey (1994) give a good overview of the challenges coming along with the definition of what an SME is. On considering the applicability of the classification system used by the European Commission (2008: 14), Storey (1994: 8) states that definitions based on the amount of employees, the sales turnover, profitability or other indicators turn out to be insufficient if used on the level of an economic branch. With that he means that in some branches all enterprises might be regarded as small or large depending on the structure and economic weight of the relevant sector. Atkins and Lowe (1997: 1) and Storey (1994: 8,9) therefore point out the work of The Bolton Committee (Bolton, 1971: 1, 3), which sought to overcome this problem by identifying three more qualitative indicators to identify an enterprise as 'small'. The indicators are determined as being a small share of the market place the enterprise is part of, the management of the enterprise by the owner, and the complete independence of an enterprise of a larger company. Storey (1994: 10) furthermore cites Wynarczyk et al. (1993), who explains that small enterprises can mainly be distinguished from large enterprises by investigating the aspects of uncertainty, innovation and evolution. He (1994: 14) finally argues for a 'grounded' definition by citing Curran et al. (1991) who notes, that an agreement between all stakeholders in a particular economic branch should be found on what has to be considered as small enterprise. Nevertheless Storey (1994: 47) agrees that the proposed multi-dimensional indicators are more appropriate for qualitative research and the most suitable indicators for quantitative research remain factors such as the employment size.

Ayyagari (2007: 417-417) who analyses the relationship between the size of small and medium enterprises and the business environment encounters similar problems for finding an appropriate definition of SMEs. He finds different indicators used in different countries but concludes that the most common indicator is the amount of employees – even if different upper and lower size limits are in use.

Günterberg and Kayser (2004: 1-2) present an interesting aspect, which shows once more the difficulty of defining the nature of SMEs. The German expression 'Mittelstand' which can be
translated as 'middle class' is often used synonymously for SME both in Germany and in Switzerland. Analysing the term in depth the authors come to the conclusion that an economic as well as a social and psychological dimension are inherent to it and specifically a close connection between a person and economic unit is implied by the term. This means that – on defining the nature of SMEs – not only the size matters but that SMEs differ in organisational, economical, behavioural and many other aspects from larger enterprises.

The reviewed definition of SMEs after the European Commission (2008: 14-17) offers the classification of the enterprises by number of employees (headcount / annual work unit AWU) and the annual turnover or the annual balance sheet (see figure 1). Additionally each enterprise in the SME status has to hold less than 25% (capital or voting rights) in another enterprise and/or vice versa. Within this threshold, micro-, small- and medium-sized enterprises are separately listed and quantified.

![Figure 1: Revised European SME threshold system (European Commission, 2008: 14)](image_url)

Nevertheless: There is no universally accepted definition of an SME, not outside of or within the European Community and partly not even within a specific government. This has to be considered specifically if statistical data is compared. Before attempting to do so, the Swiss definition of SME shall be considered as the research for this dissertation is taking place in Switzerland.
The Federal Statistical Office (undated) is stating that current statistical data as well as policy papers and guidelines are based on the definitions of the European Commission (2008) and this classification is used throughout the available governmental documentation. However, discussion about the appropriateness of the definition takes place in Switzerland as much as anywhere else. Fueglistaller (2007: 9-11), professor at the Swiss Research Institute of Small Business and Entrepreneurship (KMU-HSG) at the University of St Gall hence emphasises what was already discussed earlier: Simplifying indicators (such as the headcount) are needed to establish standardised and reliable quantitative research but additional and different indicators must be considered to conduct significant qualitative research. Flueglistaller (2007: 10) furthermore agrees with Günterberg and Kayser (2004) regarding the close connection between owner-manager personality and the economic unit. He explains that in small enterprises the owner is usually busy himself with the provision of services while he gets more involved with leadership activities in medium-sized firms. Additionally Flueglistaller observes that management systems and instruments are generally in use in medium-sized enterprises but not in small- and micro-sized firms.

When outlining the difficulties of finding an accepted definition for SMEs, it can already be assumed that it is challenging and time-consuming to compare statistical data. Nevertheless some key figures of Switzerland, Germany, the UK and the European Union, which are all using the European Commission’s categorisation system, shall be carved out with special attention to micro-sized enterprises. The discussion will help to confirm the findings so far and to illustrate the importance of the chosen research area.

Switzerland’s latest survey results are summarized in the Structural Business Statistics 2013 (Federal Statistical Office, 2013). It shows that of a total of 563,178 businesses in Switzerland 99.8% are considered to be SMEs. While this already gives an idea of the importance of SMEs in Switzerland, it is even more impressive to know that 92.5% of all firms are micro-sized enterprises with no more than 9 annual work units (AWU). An additional indicator to support this argument is the survival rate of SMEs in Switzerland. The latest available data collected between 2003 and 2008 show that only 50% of all start-up SMEs survive the first five years. While the statistical data does not explain this high failure rate, it already indicates a specific area of interest, which will be discussed later on.
Upon comparing these figures with data collected in Germany (Statistisches Bundesamt, undated), the United Kingdom and the European Union, a similar trend can be found. While between 99 and 99.8% (European Commission Eurostat, 2011: 11, 14; Rhodes, 2015: 3; Statistisches Bundesamt, undated) of all businesses are categorised as SMEs, between 80.7 and 95% are confirmed to be micro-sized enterprises. The investigation of births and deaths of new businesses collected in the years 2004 to 2013 shows an average survival rate of about 50% (Egeln et al., 2012: 131; European Commission Eurostat, 2014; Office for National Statistics, 2014: 8).

To sum up the outcomes so far, there is comparability between the relevant countries regarding the prosperity and the prevailing business demography. It was also clearly shown that SMEs in general and micro-sized enterprises in particular play an important role regarding the employment rates and added value in the chosen countries. However the latter has not been specifically considered in the presented findings. It was furthermore illustrated that the start-up 5-year survival rate of 60% in Germany is above average. But beside the statistical facts it must be kept in mind that there is still discussion regarding the most suitable definition of SMEs. It was explained that the prevailing definition in Europe focuses on quantitative indicators, which means that the probably most important differences between SMEs and larger enterprises as well as between micro-, small- and medium-sized enterprises are missed. These differences are said to be in the level and kind of engagement of the owners of SMEs on one hand and in the use of management systems and instruments on the other hand (Fueglistaller, 2007; Günterberg and Kayser, 2004). The gap in quantitative data collection might be responsible for the large number of research that looks at the success and failure of SME. This and other relevant research and literature regarding SME in general and micro-sized enterprises specifically are discussed in the following paragraph.

2.1.1 Success and failure of SMEs

A wide range of literature concerned with different aspects in SMEs can be found. For the purpose of this work and owing to the limited scope of this paper, the following discussion focuses on risk related publications that investigate success and failure factors of small businesses. To complete the overview, related research carried out specifically in regard to
micro-sized businesses is debated. The literature discussing organisational resilience and its implication for micro-sized enterprises as well as the Swiss context are debated in separate paragraphs as they are of specific interest for this research.

In an attempt to summarise the research regarding success and failure in SMEs it can be claimed that growth and flexibility are seen as the relevant attributes for success and conversely an unwillingness or inability to grow and adjust as the most important failure factors. But before this notion can be further explicated, it must be discussed what is meant by an SME that fails or succeeds. Everett and Watson (1998: 373) mention five different definitions of failure stressing the two most commonly used: Failure as the discontinuance of ownership of a business (Churchill, 1952; Ganguly and Bannock, 1985; Williams, 1993) and failure as the discontinuance of the business itself (Bates and Nucci, 1989; Dekimpe and Morrison, 1991). A similar conclusion is made by Stokes and Blackburn (2002: 26) who note that it must be distinguished between businesses that close and owners that quit. They furthermore say that quitting owners must be divided into a group of about 30% who are departing (e.g. going back to employment), 10% who retire and about 60% who actually start up with another business. Having in mind that quitting a business can be a voluntary action by an owner (Everett and Watson, 1998: 388), it becomes difficult to determine what failure means. The forced close-down of a business?

Success on the other hand is not clearly defined in the literature. Reid (2007: 29), by quoting Brock and Evans (1986) note that "... fitness to survive is having survived" and actually implies that existing over a certain period of time can be seen as success. While there is an inconsistency concerning the exact definition of success and failure of a business, there is quite broad agreement on what factors influence success (meaning the existence of a business over time) and failure (meaning the forced quitting of a business). Many authors offer research investigating the influence of 'growth' and 'flexibility' for small business success. Holmes and Zimmer (1994: 114-115) as well as Storey (1994: 158) compare growth and non-growth oriented firms and observe significant differences in the attitude of the owners. Owners of growth oriented small firms generally have a tertiary education, set the focus on the development of the personnel, have interest in equity capital, accept and conform to regulations and struggle with price-cost ratio of their products and services. Owners with a non-growth approach on the other hand are more likely to be trained in a specific trade, want to control all activities in their firm, have no interest in equity capital, are concerned about regulations and
have problems with their liquidity. Although Holmes and Zimmer (1994) do not explicitly link the growth or non-growth approach with success, other authors do. Storey (1994: 109) e.g. mentions that growing firms are more likely to survive and very small or young firms are more likely to fail than bigger and older ones. Birley and Westhead (1990: 554-555) note that the profitability is higher the more ownership and management are divided – a characteristic which can only be achieved if an owner is willing to grow, to share responsibility and to release control. On discussing pre-conditions for growth (and success), the initially proposed aspect of flexibility as another important factor emerges. Being growth-oriented means allowing market and product adjustments (Bruno et al., 1987: 51; Storey, 1994: 109), being innovative1 and having a sensitive and well-considered financial management (Bruno et al., 1987: 51, Reid, 2007: 30, Storey, 1994: 310). And this means being adaptive, a feature clearly not attributed to the owner-managers of micro-sized enterprises, according to the cited authors. So what conclusion has to be drawn? That micro-sized businesses are economically unviable because they lack the willingness to grow and the ability to be flexible?

The reality nevertheless shows a different picture: About 92% of the enterprises in the European Union and in Switzerland are micro-sized enterprises. Although 65% of all new businesses in the EU and 50% in Switzerland no longer exist after five years (which does not necessarily imply failure): There are still 45% of SMEs in the EU and 50% in Switzerland that are surviving (European Commission, Eurostat, 2011: 11, 14; Federal Statistical Office, 2013). Even if these figures do include small- and medium-sized enterprises: There must be some micro-sized enterprises, which are doing something right. The following paragraph tries to better define their characteristics.

2.1.2 The nature of micro-sized enterprises – a black hole?

While micro-sized enterprises are generally included in the work about SMEs, there is only limited literature concerned specifically with microenterprises. This is surprising, as the work discussed before revealed clear differences between small and larger businesses. Nevertheless the general literature about micro-sized enterprises can be divided into two major categories. The first category of research is concerned with effective microenterprise development and

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1 Hummel et al., 2013: 471, 490; Price et al., 2014: 10-11, Reid, 2007: 36, Storey, 194: 310.
programs to support and train small businesses. These studies are generally written in a socio-
economical context with the aim to identify best practices to foster small business as way of
poverty alleviation\(^1\). The second category of literature can be summarised as assessing the
performance of small businesses (but not necessarily microenterprises) and factors influencing
it. Here, owner-managers’ personal values, entrepreneurial orientation and managerial
capabilities\(^2\) are the factors examined most often. The findings partly give the answer to the
question posed earlier: A lack of flexibility and unwillingness to grow, which can be assigned to
a specific set of values as well as the level of entrepreneurial orientation and managerial
capabilities of an owner-manager are influencing the business performance.

The literature research so far allows a somewhat chilling conclusion. The organisational entities
called SME and specifically the micro-sized businesses are a very important part of many
economies. Nevertheless (or at least) 50% of all new businesses are surviving the first 5 years.
Extensive research has therefore been done to identify success, failure and performance
factors and growth as well as profitability prospects. Although it cannot be denied that there is a
major concern about what success and failure means. Most of the research done seems to
investigate the results achieved (or not achieved) by microenterprises but little work is done to
find out more about the nature, culture and the ‘way of life’ of micro-sized enterprises that have
been existing for a long time. The literature somewhat contrasts with one part of the reality. For
example, considering the barber, the baker or the plumber in the neighbourhood. Little is known
about these unspectacular but impressively resistant microenterprises. They have been in
business for decades, employing sometimes full-time, sometimes part-time workers. Their
business sometimes grew, sometimes shrunk, and the work remained quite similar over the
years: They are hairdressing, bread baking and repairing sanitary facilities. The interesting
question is, how these businesses are surviving. Do they survive because they never
encountered adverse events and real difficulties? Or because they are lucky? What makes
them able to stay in business over decades? The experts’ findings and interpretations so far do
not really help to answer these questions. The next paragraph looks at theories of
organisational resilience and their implications for micro-sized enterprises and considers
possible explanations.

\(^1\) See for example: Edgcomb, 2002; Else and Gallager, 2000; Eversole, 2004; Goldmark, 2001; Lee, 2008; Servon, 1997,
Servon and Doshna, 2000; Thapa, 2015.

\(^2\) See for example: Greenbank, 2001; Hughes and Morgan, 2007; Kotey and Meredith, 1997; Lumpkin and Dess, 2001;
2.2 Organisational resilience

On looking up definitions for 'organisational resilience', one encounters automatically explanations referring to the concept of resilience in general. In this regard and for the purpose of this paper, definitions given for the resilience of individuals are as relevant as definitions for organisational resilience. This claim is based on the findings presented so far, which show that success and failure of micro-sized enterprises are clearly related to owner-managers behaviours and attitudes. Rutter (1990: 181) on talking about people's resilience defines it as the positive end of an individual's range of possible responses to stress and adversity. Masten (1994: 3) while using different words for individual resilience, states that the successful adaption despite risk and adversity is meant to be resilience. Benoît (2010: 13) on discussing organisational resilience translates Pinel (2009: 71) and notes: "Resilience is a system's capacity to maintain or restore an acceptable level of functioning despite perturbations or failures". Michel and Harris (2012: 1) go into more detail on defining organisational resilience as "...the ability of a system and its component parts to anticipate, absorb, accommodate, or recover from the effects of a shock or stress in a timely and efficient manner". A more general definition, which could also be applied for individuals, is found by Dahms (2010: 23) who explains resilience as an organisation's or its parts' capability to respond quickly to uncertainty.

As much as differing definitions, conceptual models are discussed in the literature aiming to explore how organisational resilience can possibly be 'put into practice' in organisations. Gibson and Tarrant (2010: 12) who present in their work several conceptual approaches, are nevertheless not sure how exactly these models could be implemented in organisations. They conclude that generally, the strategic approach has to focus on resistance, reliability, redundancy and flexibility to improve organisational resilience. Tierney (2003) identifies the relevant components of resilience as robustness, redundancy, resourcefulness and rapidity in the technical, organisational, social and economic domain. Mallak (1998: 8) presents more precise principles to measure organisational resilience. It is interesting that these seven principles mainly focus on an individual’s abilities (rather than e.g. on processes). He notes that it is important to perceive experiences constructively, to perform positive adaptive behaviours, to ensure adequate external resources, to expand decision making boundaries, to practice bricolage (meaning to be able to improvise and individualise), to develop tolerance for uncertainty and to build virtual role systems (to compensate outages). McManus et al. (2007: iii)
finally present a set of 15 'resilience indicators' in three categories: situational awareness, management of keystone vulnerabilities and adaptive capacity. Conducting a pilot case study with ten New Zealand organisations, they show that their principles can be used to measure and compare organisational resilience of all enterprises despite their differing sizes and characteristics.

While a research alone could be undertaken to discover other approaches of organisational resilience and to discuss them in more details, it is important to note that the concepts presented so far form the basis for further explanations. As well as the discussion about success and failure factors for SME, the insight into organisational resilience confirms that owner-managers at least need to have one feature: they must be flexible. Nevertheless the following paragraph examining literature, which is specifically concerned with organisational resilience in micro-sized enterprises, allows an additional interpretation of owner-managers that survive with their businesses.

2.2.1 Organisational resilience and SMEs

Before discussing a somewhat chilling case study that gives a counter-pole to the theories discussed so far, the work about organisational resilience in SMEs written by several authors shall be discussed. As it was observed already earlier, not much research has been carried out regarding micro-sized enterprises. However, Demmer et al. (2011: 5411) note that the existing concepts of organisational resilience are generally applicable to SMEs as well, but the smaller the firm the more difficult it becomes to apply them to certain requirements. This difficulty is also observed by Graham (2007), Hatton et al. (2012) and Sullivan and Branicki (2011) on giving examples e.g. of cut lifelines which cannot be compensated by small businesses because they are too small to run redundant systems (Hatton et al., 2012: 25). Additionally Alesch et al. (2001: 1), Graham (2007: 310) and Hatton et al. (2012) show that small businesses challenges are multiplied after adverse events. They furthermore illustrate that the faster a firm is going back to business (in whatever form) the better is its chance to survive in the long run. Smallbone et al. (2012: 773) stress again the importance of flexibility and adaptability of small businesses and note that small firms "... are neither vulnerable nor resilient: some are vulnerable, while others are resilient." Hatton et al. (2012: 28) present a plausible example of
two small firms which try to recover after the Canterbury earthquakes in 2010 and which once more stresses what Smallbone et al. (2012: 773) were emphasising. One – which was able to adapt its infrastructure and source of temporary cash flow – survived, the other one – persisting in its line of activity – ceased to exist. The mentioned 'persisting in a line of activity' enables a completely different view on the resilience of small enterprises and their success or failure. Drummond (2004: 487) discusses what is called entrapment in small business and gives the example of a barber's shop that has reached the point of no return or as she puts it "... is drifting idly towards eternity". On referring to Becker's work (1960) she asks why people engage in a consistent but suboptimal line of activity and uses the idea of 'entrapment' in micro-sized business to explain this behaviour. The longer an owner-manager persists with a specific line of activity, the more challenging it becomes to change direction even if this would be the right thing to do economically. Drummond (2004: 495) explains that this behaviour is based on a myopic vision, which is sustained by ego-defensiveness and sometimes by social pressure. What follows, is delusion, the attempt to preserve and the running of a business (sometimes over decades), which is actually no longer a business. This new dimension of behaviour especially by micro-sized enterprises and owner-managers gives rise to an even more complicated view of small firms. On revisiting the theory discussed so far, the core messages are: There are some small businesses that survive and others that do not survive. The ones surviving are doing so through success (being flexible and growth-oriented) or without success (trapped in a certain line of activity). The ones not surviving are either failing (forced to close the firm) or voluntarily ceasing the business. According to Pinel's (2009: 71) definition of organisational resilience that depends on what is seen as acceptable level of functioning, a resilient business is a surviving, but not necessarily a successful business. It can therefore be said that two sorts of surviving resilient firms exist: The ones resilient to failure and the ones resilient to success.

2.3 Switzerland’s SMEs: Well supported or left alone?

As it was mentioned earlier, the SME sector is an important part of the Swiss economy. The Swiss government is well aware of that and embraces all its activities to support SMEs in an SME policy document. The main objectives of the Swiss government in the support of SMEs can be found in the policy paper and are listed as easing the administrative burden, development of e-government, facilitation of business financing, improvement of the access to
markets and encouragement of education, research and innovation (Federal Department of Economic Affairs, Education and Research EAER, 2013: 4). With that they summarise indicators that are in line with government and policy implications given by authors reviewed earlier in this paper (e.g. Storey, 1994: 305, 315). To guarantee the SME easy access to relevant information such as regulations, best practices, guidelines and administrative tools for different relevant management areas all documentation is available online (Staatssekretariat für Wirtschaft SECO, undated; Swiss Confederation, undated).

The Swiss Research Institute of Small Business and Entrepreneurship at the University of St Gall supports the Swiss government in many areas with research but also publishes autonomous publications, offers courses and maintains consulting services for SMEs. The institute’s research focus is said to be the triangle of SME, entrepreneurship and family business. Available work from the institute includes the publication of Fueglistaller (2007) or Keating and Adler (2013) that is focussing on success factors of Swiss SME. Fueglistaller (2007: 23) mentions flexibility, customer focus, individualised services, the personality of the owner-manager, team spirit and an environment free of intrigues as the strengths of SMEs. Keating and Adler (2013: 10) on the other hand comment a regularly completed survey, which evaluates the factors relevant for success as perceived by Swiss SME. The factors judged as to be most relevant in a positive sense are employees and their qualifications followed by the indicator infrastructure and the lived values in the Swiss society. Surprisingly, financial services and support as well as the science environment only rank third and fourth place. On the negative side, Swiss SMEs judge the economic environment as well as the regulatory framework as most hindering for business success.

While it is difficult to quantify the government’s measures established to foster research and innovation, it is obvious that the direct support for SMEs is broad. Whether an enterprise is a start-up or already in business for a long time, if it realises that help is needed and actively seeks it, support can be found for almost every matter of concern. Considering again the findings of the survey (Keating and Adler, 2013) that clearly shows that SMEs are concerned with the economic environment and the regulatory framework, it has to be asked if the government’s support is focussing on the right thing. In Storey’s (1994: 315) words: Governments should do less, and better and primarily focus on creating suitable macroeconomic environment conditions for small businesses.
2.4 Conceptual framework – the theory revisited

Before models and concepts are revisited that shall be used for this research, the findings so far are summarised. The review has demonstrated the diversity and extent of literature available in the chosen research area. Neither the definition of what an SME is and what can be considered as indicator for success or failure nor the definition of organisational resilience and its implication for SME is a subject, which could not be discussed further in many aspects. But it remains clear that SMEs are important economic players that should be studied further and better understood. This is especially true for micro-sized enterprises, which seem to be congruent with the nature of small- and medium-sized enterprises in many aspects but nevertheless are different regarding the degree of personification. Management theories, success and failure prospects as well as concepts concerned with organisational or system theories are not fully applicable anymore. The size of microenterprises can sometimes be limited to the owner-manager only and implies that the character, values, behaviour, culture and social embedment of the owner-manager are more relevant for business success than the application of management theories and practices. Or in other words: Whether a microenterprise survives or not depends on the owner-manager. With this research that aims to assess the resilience of microenterprises, the attitude of the owner-managers shall be investigated and be compared with the mainstream research that identifies specific attributes as requirements for success and resilience.

Greenbank’s (2001) work that investigates objective settings in small businesses can be used as framework to establish a set of questions that evaluates an owner-manager’s attitude in regard to success. Greenbank (2001: 111) conducted semi-structured interviews and grouped his questions in three categories: Personal economic objectives, personal non-economic objectives and business objectives. As he is citing some of the answers in full it can be seen that his approach is able to generate rich qualitative data that can be used to identify the owner-managers’ attitude and interpretation of success. The remarkable advantage of Greenbank’s approach to address the objective setting of owner-managers is that it is not as biased as if they would be asked about success factors. On one hand it is assumed that owner-managers have an idea of what is commonly seen as success in small businesses (e.g. maximised profit or growth) and that this would influence their answers, on the other hand it is supposed that their notion of success factors does not necessarily reflect what they are aiming for. Conversely, the
questioning about their objectives is value-free and helps to understand how owner-managers define success in their very own business.

To evaluate resilience of the chosen microenterprises, the work of Mallak (1998) is taken as a framework. While the multi-dimensional model of McManus et al. (2007) would certainly represent a more sophisticated approach to evaluate resilience, the concept of Mallak (1998) is better suited for micro-sized enterprises. The advantage of his model in regard to this research is the focus on individuals rather than organisational attributes, which influence resilience. Instead of asking an owner-manager questions concerning his crisis and risk strategies (which he is most likely not able to answer adequately) Mallak’s resilience principles (see table 1) establish more practical and comprehensible questions.

To evaluate, as an example, the first principle which states that experiences have to be perceived constructively, the owner-manager can be asked what kind of painful experiences he had or he can imagine and if he sees something positive in that experience.

<table>
<thead>
<tr>
<th>Principle</th>
<th>How to put the principle to work</th>
</tr>
</thead>
<tbody>
<tr>
<td>Perceive experience constructively</td>
<td>Even if the experience causes pain, find the positive angle and move forward.</td>
</tr>
<tr>
<td>Perform positive adaptive behaviours</td>
<td>Perceive change as opportunity, not danger. Allow responses to adapt to the needs of the situation rather than execute ineffective “programmed” responses.</td>
</tr>
<tr>
<td>Ensure adequate external resources</td>
<td>Ensure access to adequate resources to allow positive adaptive response to approach a wide variety of possible events.</td>
</tr>
<tr>
<td>Expand decision-making boundaries</td>
<td>Provide greater decision-making authority to support positive adaptive response and the use of resources to achieve the objective</td>
</tr>
<tr>
<td>Practice bricolage</td>
<td>Develop the ability to create solutions on the spot with materials at hand.</td>
</tr>
<tr>
<td>Develop tolerance for uncertainty</td>
<td>Develop the ability to make decisions with less than the desired amount of information.</td>
</tr>
<tr>
<td>Build virtual role systems</td>
<td>In a team, individuals have a shared understanding of the team’s mission and can fill in wherever needed to ensure smooth functioning of the team</td>
</tr>
</tbody>
</table>

Table 1: Mallak’s resilience principles and how to put them to work (Mallak, 1998: 13).

While with the proposed models the owner-managers’ attributes regarding success and the resilience can be assessed, one additional aspect still needs to be addressed: The title of this paper asks whether the fittest is the one surviving. Drummond (2004: 489) offers a possible way
to approach that question on considering entrapment in business. While a series of observations and informal interviews over the time period of two years built the basis for her work, this longitudinal approach cannot be integrated into this research because of the limited time available. Nevertheless it is possible to make observations during the one visit and to include a narrator’s section in the interview to gain more informal insights about the owner-managers’ state of entrapment. It is expected that this third dimension of evaluation will help to create a more complete picture why the specific owner-managers are surviving. Structuring the possible outcomes of this three-dimensional research, it is assumed that four types of owner-managers can be found in regard to their likelihood and reason for surviving (see figure 2). This idea of a ‘graded model of surviving’ as illustrated in figure 2 additionally proposes that success factors and accordingly the objectives of the owner-managers are more congruent with the experts’ opinion (who attest success to growth-orientation and flexibility) the higher the degree of resilience and the lower the degree of entrapment is.

![Figure 2: Proposed combinations of entrapment and resilience and their chance of surviving.](image)

After having explored and summarised the literature concerned with SMEs, their success and failure as well as factors influencing their resilience, theoretical models were proposed to support the information gathering in the micro-sized enterprises to be researched. It was
furthermore proposed to link the collected information and to establish a four-box model as displayed in figure 2. How exactly this shall be done and how the data collection and analysis process is designed is explored in the following chapter discussing the research methodology.
3. Research methodology

Before the research design and quality, the methodology used for data gathering and analysis as well as ethical considerations can be outlined, it is worth to consider the mind-set of the researcher, as this helps to understand under which pre-conditions the research must be seen. Although it is difficult to draw a clear line between positivism and phenomenology, the researcher follows a mainly normative approach (Institute of Lifelong Learning (2011), Module 3, Unit 2: 2.3). In doing so, the researcher accepts that her work is not value-neutral and knowledge gained from the results is socially constructed (Bauchspies et al., 2006: 68; Berger and Luckmann, 1967: 15; Mc Carthy, 1996: 12-23). On one hand the researcher herself brings a certain bias into the study. To give an example: The researcher, in former days an owner-manager of a micro-sized enterprise by herself, is having a basic sympathy for owner-managers. This influenced the choice of the research issue, might influence the setting of the theoretical framework or the final conclusions drawn. On the other hand the candidates chosen are all subject to a socially constructed reality as well. Every owner-manager approached believes in different values and truths, which are built based on differing education, experiences and social environments. Therefore the participant’s statements can always only be seen in relation to their background and could also be different. How this dilemma is approached and quality and credibility of the research shall be maintained is explained in the following paragraph.

3.1 Research design, quality and sampling procedures

The study follows an applied research approach (Institute of Lifelong Learning (2011), Module 3, Unit 9: 9.2.1.1) and aims to discuss existing theories regarding success, resilience and the entrapment of small and medium-sized enterprises. Nevertheless the research is exploratory insofar as a combination of objectives is investigated that was not researched before. As Gilbert (2008: 36) notes, qualitative case studies can release very detailed information about a specific topic or case but cannot be generalised without expanding the research to a representative sample size. Nevertheless the case study is an efficient way to start a discussion regarding a specific phenomenon and to encourage further research. As exactly this is the aim of the proposed study, a collective case study (Stake, 1994: 237), investigating and comparing several
cases of microenterprises, is chosen as the most appropriate research design. The study is on one hand descriptive (de Vaus, 2001: 1-3) by discussing what microenterprises are and by giving an insight into the characteristics of some specific microenterprises. On the other hand the research is explanatory (de Vaus, 2001: 1-3) by asking why microenterprises are surviving based on their potential of success, resilience or entrapment.

An important point to address in research is credibility that can usually be achieved through compliance with the benchmarks of quality (Institute of Lifelong Learning (2011), Module 3, Unit 5: 5.4.2). This is a challenge considering the earlier mentioned social construction and qualitative methods of data collection and analysis used in this study. Hence triangulation is an important instrument to enhance credibility (Salkind, 2010). The use of multiple theoretical lenses, two different qualitative methods to collect data as well as the use of confirmation questions (scenarios) are applied to enable theory, methodological and data triangulation (Salkind, 2010). Additionally utmost transparency throughout the whole research setting and process shall help to increase credibility of the qualitative study at hand (Flick, 2009: 387-391).

Bearing this in mind, the detailed sampling procedure is illustrated in the following. Potential candidates were chosen by opportunity sampling. For the convenience of the researcher and based on the limited time available to visit the candidates, only micro-sized enterprises in the Canton of Berne, Switzerland were chosen (the researcher’s living and working hemisphere). Nevertheless systematic random sampling was applied to select potential candidates by using the official business telephone directory of the Canton of Berne (see appendix B for a more detailed description). The initial list of enterprises was sorted by applying three criteria: The candidate must be a micro-sized enterprise with no more than 0 to 9 AWU (annual work unit), German speaking (the Canton of Berne is bilingual German / French), and the microenterprise must have existed for at least 5 years. While the first criterion is mandatory based on the research objectives, which aim to evaluate microenterprises, the second criterion aims to minimise the threat of language barriers and misinterpretations (as the researcher’s first language is German). The third criterion was introduced to ensure that the chosen candidates already survived the most difficult time of the first five years (see also page 7) and therefore can be seen as to hold a basic potential of resilience. Out of the pre-sorted list, 44 enterprises had finally to be contacted by phone to find the ten needed participants and one additional candidate that agreed to participate as pilot. A description of the detailed procedure and the phone script
can be found in appendix B, C1 and C2 of this paper. After that, the participating candidates, who had to be the owner-managers themselves, received a letter with more information as well as the informed consent form (see appendix D1 and D2). The additional information was given to build trust and to reduce bias of the candidates as they generally expressed scepticism about the aim of the research and the researcher's personality based on bad experiences they made. The candidates were again contacted some time later to fix an interview date and to submit the interview questions to them in advance. This was done to reduce uncertainty over what is expected from the candidates and to enhance trust in the professionalism of the researcher.

3.2 Methods of data collection and analysis

To guide the semi-structured interviews, a script following four main parts was developed (see appendix E1 and E2). The first part of the interview aimed to gather general information that helps to categorise the enterprise and to get the owner-manager in a 'talking mood'. The aim of the second part was to gain insight into the owner-managers objective setting. For that purpose the candidate was asked about the values he is following as well as what personal economic, non-economic and business objectives he is trying to achieve. As framework for these questions, the work of Kotey and Meredith (1997: 40) and Greenbank (2001: 111) has been considered. Additionally this part included questions to evaluate the owner-manager's attitude towards success and failure. The third part of the interview was based on Mallak's seven resilience principles (1998: 13) and aimed to get an idea of the owner-manager's understanding of risk and degree of resilience. Based on Drummond's work (2004) the last part of the interview was used to capture the physical condition of the micro-enterprises. While this was not done by a detailed floor plan as proposed by Drummond (2004: 489) a table was established to record observations in a structured way, which would help to evaluate the degree of neglect (the table is included in appendix E1 and E2). This part of the interview was also used to allow the owner-manager to add important information that could not be discussed before. Each section of the interview closed with a number of scenarios to be imagined and answered. The purpose of these scenarios was to ensure an internal data triangulation additionally to the methodological triangulation that was aspired to by using two qualitative methods for the evaluation (interview and observation).
The interview questions were tested with a pilot candidate and beside minor wording corrections to be done, the questions generally proved to be understandable and appropriate to generate the data of interest. All interviews were recorded by using an audio record app on a cell phone.

As the interview questions were open and did not allow using common methods of quantification, the ‘framework analysis’ to evaluate qualitative data (Ritchie and Spencer, 1994) was applied. Additionally, the criteria identified by Krueger (1994) were used to interpret the data. The first stage of data analysis consisted of the listening over and verbatim typing down of the records. One script per candidate was established and completed with the notes taken during observation. Scripts were read through several times to identify major themes and directions emerging. In a next step the answers were sifted and reduced, paraphrased in short sentences or left in original quotes if they were concise and meaningful. Paraphrased sentences were translated into English, original quotes were added in German and English. To ensure transparency of the research process the result of this step, a list of the compacted answers of all candidates is added to this paper as appendix F. For the following step of data interpretation it was important to consider the compacted answers (as they are reduced on comments directly related to questions posed) as well as the initial scripts and additional notes made by the researcher. Based on Krueger’s (1994) criteria the data was analysed considering the context, frequency and intensity of comments. Furthermore internal consistency was analysed by comparing the answers given to questions and to the relevant scenarios. A criterion that was given special attention to was the specificity of responses in that regard that answers based on personal experiences are considered to represent the truth rather than answers given on hypothetical situations (see appendix G for a summary of the analysis). The final stage included the re-arrangement, abstraction and allocation of each participant’s answers to the initially identified theoretical lenses (success and failure factors, organisational resilience, entrapment in business). The different findings of this crystallisation process will be presented in chapter 4 of this paper.

3.3 Ethical considerations and constraints

The main ethical issues to be considered in this research included transparency, voluntariness, confidentiality and privacy. Transparency towards the participants was maintained throughout
the research process. The candidates were informed how they have been chosen, what the aim of the research is, how the study is going to be used and what kind of questions they are going to be asked. Special attention was given to the observation part and participants were specifically informed that an observation is taking place and will be used as additional source of information for the research.

Voluntariness was guaranteed at any stage of the research and could easily be ensured, as no gatekeepers were involved. Each candidate was given several possibilities to agree to or withdraw from the research: With the first contact by phone, after receiving the information letter and the informed consent form, before participating in the interview and within one week after the interview has taken place. Only one of the initially chosen candidates withdrew after having received the information letter and was replaced by another candidate.

Confidentiality was maintained from the earliest stage on when the candidate agreed to participate in the research. Documents using the participant’s name, address and phone number are stored on a coded external hard disk and are going to be deleted as soon as the dissertation is marked. All other documents are made anonymous by using the code names Company A to J. The researcher has the agreement of all participants that their gender, age, the geographical region and economic branch can be released.

Privacy was a matter of concern for some of the candidates and this concern was one of the reasons to submit the interview questions to the participants in advance. It was clarified before the interview started that they are free to refuse answers at any time of the interview.

Beside the ethical issues mentioned above, one constraint is remaining and has to be specified. While the possible bias of the researcher and social construction of the participants were already addressed earlier, the concern has to be added that the gender of the researcher might have influenced the participants and their answers. It has to be remarked that only male owner-managers agreed to the participation, while several female owner-managers that were contacted all refused to participate. It must therefore be questioned if the gender of the researcher influenced the potential candidates in their decision to participate as well as in the answers they gave in the interview.
4. Findings and analysis

After having outlined the methodology used to collect and analyse the data, this chapter aims to give an overview of the findings and to set them in relation to the established theoretical framework and existing research results. For that reason the general setting of the research shall first be recalled once more:

The participants were assessed regarding their values, objective and attitudes towards success and failure, as well as their potential of organisational resilience and entrapment was evaluated. A collective case study comprising 10 microenterprises was chosen as appropriate mean. The sample population was chosen by random sampling but was limited to the Canton of Berne, Switzerland. Potential candidates had to comply with three criteria: They had not to exceed an annual work unit of 9, had to be German speaking and must have existed for at least 5 years. All of the 10 participants are the owner-managers of the microenterprises. All participants are male, one participant’s age is between 30 and 39, four are between 40 and 49, three between 50 and 59 and two participants’ age is between 60 and 69. Six participants are located in urban areas or in the vicinity of bigger cities, four participants’ firms are situated in rural areas. They all together represent six different economic branches (for more details see appendix F). Six participants have been running their business for 10 to 15 years, four participants even longer and up to 35 years. The next paragraph gives a compressed profile of each company including a meaningful quote (translated in English) to outline its main attributes and orientation.

4.1 Company profiles

Company A is located in the city of Berne and is busy with specialised construction activities. The company is organised as sole proprietorship and the owner-manager’s age is between 40 and 49. He got the possibility to take over the business by coincidence. He has owned and managed the business for 12 years and does rent the business facilities. He employs additional four full-time staff. His wife is helping him with administration and accounting but does not get a salary. The participant’s answers allow three major statements to be made about the owner-manager of company A: He is generally concerned about costs, feels pride regarding the social responsibility he takes and has very strong feelings towards his business.
… It is difficult to cope with the market situation. I take certain things personally … It stresses me if I counsel a customer for two hours and then he is going to a competitor. This totally stresses me …

Company B is located in Berne city busy with retail trading. The company is organised as incorporated company of which only the owner-manager has shares. The owner-manager’s age is between 50 and 59. He got the possibility to take over the business after having been employed in it for several years. He has managed the business for 15 years and has owned it for 10 years. He does rent the business facilities and employs five additional part-time staff. He offers apprenticeships and is currently taking care of one trainee. He is not getting any help from family members in his business. The given answers allow three major statements about the owner-manager of company B: He has a proud and confident attitude, is seeking for freedom and shows signs of weariness.

No, it is actually not difficult to follow (the values) … but being friendly all the time, this is not easy. Certain people are sometimes just a pain in the neck …

Company C is located in the rural region Biel/Bienne Seeland and situated in a medium-sized village. The company is engaging in retail trading and organised as incorporated company of which only the owner-manager has shares. The owner-manager’s age is between 60 and 69. He started with his business 35 years ago and owns the facilities he is using. He employs one additional full-time staff and one part-time staff. His life partner is the full-time employee. The owner-manager’s answers allow the following general statements about company C: He remains true to his path, shows resignation and a lack of understanding for changed circumstances.

… I am not able anymore to read the market correctly. The market is not playing along anymore. There are different rules. I cannot play along with the market anymore …
Company D is located in the agglomeration of the city of Thun. The company is occupied with wholesale and retail trade and is organised as sole proprietorship. The owner-manager is between 40 and 49 years old and started his business 25 years ago. He owns the business facilities and employs two additional full-time staff. He offers apprenticeships and is currently taking care of one trainee. His life partner helps part-time with administration issues but does not get a regular salary. The given answers allow two major statements about the owner-manager of company D: His business represents his personality or vice versa and he is seeking for harmony, social support and justice.

… No, I would not do this (taking over another firm). I take responsibility and I stand with my name for my business. Who is going to do that in the other firm? …

Company E is located in the rural region Emmental and situated in a medium-sized village. The company is busy with retail trading and organised as sole proprietorship. The owner-manager’s age is between 40 and 49. Together with his wife he took the business over in the third generation 15 years ago. He owns the business facilities and employs four additional full-time and two part-time employees. He offers apprenticeships and is currently taking care of two trainees. His wife is one of the regular full-time employees. The parents of the owner-manager are helping out without regular salary. The given answers allow two major statements about the owner-manager of company E: Family and team are most relevant to him and the location development and cooperation with departments a major concern.

… You need to swallow extremely much. There are many challenges. And the departments are not keeping their promises …

Company F is located in the rural region Emmental and situated in a small city. The company is busy with advertising and market research. The company is organised as sole proprietorship and the owner-manager’s age is between 30 and 39. He started the business 10 years ago and does rent the business facilities. He employs four additional full-time staff and one part-time staff. He offers apprenticeships and is currently taking care of two trainees. His father is helping
out but does not get a salary. The owner-manager’s answers allow the following general statements about company F: He holds up his professional pride, is dedicated to quality and lives the values of the proletariat.

... I am a worker ... I do not have any respect for people who are not doing anything and get everything stuck up in their ass. I hold the opinion that something is only of value if one has worked it out by oneself.

Company G is located in Berne city and busy in the security/investigation branch. The company is organised as incorporated company of which the owner-manager and his wife have shares. The owner-manager’s age is between 50 and 59. He got the possibility to take over the business by coincidence even though the economic branch was not related to what was his expertise at that time. He has owned and managed the business for 17 years and rents the business facilities. He employs additional three full-time staff and one part-time staff. His wife and his daughter are two of the full-time employees and get a regular salary. The participant’s answers allow two major statements about the owner-manager of company G: His general interest lies in profit maximisation and personal wealth and he is concerned about quality and discipline of employees.

... We do not want to grow. This is an intentional decision. Otherwise we would need a manager and this is too expensive. Meanwhile we more than doubled our turnover ...

Company H is located in the rural region Emmental and situated in a medium-sized village. The company is engaging in manufacture of furniture and organised as company with limited liability of which the owner-manager and his wife have shares. The owner-manager’s age is between 40 and 49. He took over the business 11 years ago and represents the second generation. He does rent the facilities and employs two additional full-time and one part-time staff. He offers apprenticeships and is currently taking care of two trainees. His wife is the part-time employee and gets a regular salary. The given answers reveal two major areas of interest of the owner-manager: Local anchoring and a general openness towards alternatives.
… It is rare that one is coming to discuss the price … If one is coming, then often because of minor things. You discuss it with him. This is the advantage of being locally active. You know each other and you are not doing things like that …

Company I is located in the agglomeration of the city of Thun. The company is occupied with specialised construction activities and organised as sole proprietorship. The owner-manager is between 60 and 69 years old and could take over the business by coincidence 25 years ago. He does rent the business facilities he is using and employs one additional full-time staff. He is not getting any help of family members in his business. The owner-manager’s answers allow the following general statements about company I: He displays risk appetite and pride and is giving utmost attention to authenticity.

... I am not cheating … I keep my promises. Even though I know it is a mess for me. But I go through that. Even though I lose money. I stand by my word.

Company J is located in the city of Thun. The company is busy with whole trading and organised as incorporated company of which the owner-manager and his life partner have shares. The owner-manager’s age is between 50 and 59. Together with his life partner he could take over the business by coincidence 12 years ago. He owns the facilities and employs two additional full-time and one part-time staff. His life partner is one of the full-time employees. The given answers display one main attitude of the owner-manager: Pragmatism, consistency and clarity.

... Well, it is not possible that the product is bad. Maybe he does not like it, but I cannot do anything if he orders products he does not like. It does not happen that our service is not appropriate. If he is not satisfied he should go to another one …
Generally and beside of a few exceptions of minor importance, the given comments of all participants are internally consistent and it can be assumed that the participants did answer sincerely. The summary of the participant’s answers analysis can be found in appendix G of this paper. To discover consistencies or differences within and between the researched organisations as well as general tendencies or dependencies, the findings shall now be discussed in the light of the different theoretical lenses introduced.

4.2 The findings in the light of different theoretical lenses

The theoretical framework and lenses relevant for this research have been outlined in details in chapter 2 of this paper. Mainly Greenbank’s work (2001: 111) was proposed to evaluate the owner-manager’s attitude towards success and failure, the principles of Mallak (1998: 13) to assess the potential for organisational resilience and the ideas of Drummond (2001) to estimate entrapment in business. The following paragraphs are evaluating the findings in more detail by looking at them through these theoretical lenses.

4.2.1 Values, objective setting and attitudes towards success and failure

The significant questions for the disclosure of the owner-manager’s values, objectives and attitude towards success and failure are listed in part 2 of the interview (see appendix E1). After having worked out the core meanings of the answers (see appendix F and appendix G) following the process described in chapter 3, the success and failure factors mentioned by the participants were outlined but turned out to be very diversified. To disclose any meaning, distribution and number of mentions, the factors were grouped into economic, personal, social and product attributes the participants link with success and failure of micro-enterprises (see figure 3). This categorisation enables the following statements regarding the participant’s rating of success and failure factors: With 6 mentions each personal and economic attributes (e.g. having reasonable working hours, working hard, earning a living or making profit) are mostly associated with success of a microenterprise. Nevertheless social and product attributes such as having a good team or having a good product, with 5 and 4 mentions, are almost equally linked with success. Regarding factors displaying failure of a microenterprise, the overall picture
is more differentiated. A total of 9 mentions see certain personal attributes such as not being straight, being a loudmouth or not having competence as relevant failure factors. Still 6 mentions associate failure with economic attributes like having debts. With 2 mentions each, factors related to social or product attributes such as no engagement in general welfare or a lack of renewal are mentioned least by the participants.

_Einer ist erfolgreich, wenn er zufrieden ist, ein zufriedenes Leben lebt und die Arbeitszeiten im Griff hat ... Aber es ist schwierig zu sagen, es ist sehr subjektiv was Erfolg ist._¹

(Original German quote of company H relating to success factors.)

To increase comparability, the same grouping was applied to categorise values and objectives mentioned by the owner-managers (see figure 3). More than half of the values (30 mentions) chosen by the participants are concerned with personal attributes such as honesty, reliability, straightness or competence. With 16 mentions the second most frequent set of values is related to social attributes like responsibility, respect or equality. Values comprising economic attributes, for example ambition or growth, are ranking third with 7 mentions and values related to product attributes such as quality are least considered with only 3 mentions.

Objectives on the other hand, with more than half of the mentions (26), are most frequently related to economic attributes (e.g. satisfactory income, coverage of expenses, being debt free, or building up financial reserves). Still 10 mentions include objectives concerned with personal attributes such as reasonable working hours, health or life quality. Objectives comprising social attributes like maintaining employment or domestic happiness are ranking third with 6 mentions. Least considered are objectives related to product attributes such as job satisfaction.

¹ English translation: *"One is successful if he is satisfied, has a satisfied life and is able to keep his working hours under control ... But it is difficult to define success, this is subjective."*
As values and objectives did not turn out to be as diversified as success and failure factors, the most frequent individual mentions were considered as well. All of the owner-manager mentioned honesty as one of the values they are following. For half of the participants, reliability is an important value. Straightness is still followed by four mentions out of the ten owner-managers and a number of other values are mentioned one to three times. Considering objective setting, satisfactory income, reasonable working hours / recreation and job satisfaction are mentioned 6 times each, followed by 4 mentions each for coverage of expenses / survival / break even, being debt free / self-financing and maintaining employment. A number of objectives belonging to different attributes are mentioned one to three times. The complete overview of values, objectives, success and failure factors by number of mentions can be found in appendix H.

_Ehrlichkeit ist ein wichtiger Wert. Aber das ist vielleicht das Problem, so werde ich nicht reich …_  
(Original German quote of company A relating to values.)

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1 English translation: "Honesty is an important value. But there is maybe the problem – I cannot become rich that way …"
To establish a better comparability within and among the ten researched microenterprises, the same categorisation based on the four sets of attributes was applied for each company (see figure 4). As the evaluation of and comparison between the ten microenterprises did not uncover any tendencies or associations, which have to be clarified in detail, the footprint of each company with an explanation is only added in appendix I.

![Example of a company's 'footprint' showing values, objectives, success and failure factors in conjunction with economic, personal, social and product attributes.](image)

*Figure 4: Example of a company’s ‘footprint’ showing values, objectives, success and failure factors in conjunction with economic, personal, social and product attributes. Additionally the main issues as raised by the owner-manager (and outlined in the company profiles) are illustrated in grey colour. In this example, the main issues in the company are related with personal attributes.*

To summarise all findings so far, the following statements can be made: The most frequently mentioned values are concerned with personal attributes, the most frequently mentioned objectives with economic attributes. Success is equally assigned to personal and economical attributes, failure in the first place to personal, in the second place to economic attributes. Honesty, reliability and straightness are the values mentioned most often, satisfactory income, reasonable working hours and job satisfaction the objectives mentioned most often. The footprints of the researched microenterprises give a very mixed picture with no obvious tendencies. Company C, E, F, G and J display a general consistency between the evaluated
factors and the main orientation given throughout the interview. Company A, B, D, H and I do not display a clear consistency. Personal attributes are most often mentioned by company H, economical attributes by company C and F, social attributes by company C and the highest number of mentions regarding product attributes were made by company E and F. While these results will be revisited later on, the next paragraph is evaluating the findings regarding organisational resilience.

4.2.2 Organisational resilience

The significant questions to evaluate the owner-manager’s potential of organisational resilience are summarised in part 3 of the interview (see appendix E1 and E2). The quintessence of the answers (see appendix F and appendix G) formed the starting point for the detailed assessment of each company’s resilience potential. A table was established (see appendix J) to compare which companies meet or do not meet Mallak’s resilience principles (1998: 13) as outlined earlier (see chapter 2, page 17). While conformities were registered with 'yes' and nonconformities with 'no', the partial fulfilment of a principle was recorded with 'partially'. Principles the participants valued as to be not applicable for their business were not rated. A scale starting from 'no resilience potential' up to 'high resilience potential' was established on determining the necessary number of conformities or partial conformities to achieve a certain level of the scale.

Half of the companies show conformity and two participants partial conformity with the first resilience principle that requests the constructive perception of experiences. The same number of conformity and a slightly higher number of partial conformity can be found for principle 2, which demands the performance of positive adaptive behaviour. Only four participants confirmed and one partially confirmed that external resources are ensured. The same participants admitted also to expand decision-making boundaries, one more confirmed to do it partially. Three owner-managers confirmed to fully, four to partially apply the practice of bricolage. Nevertheless three owner-managers stated that this is not requested at all in their business. Beside one participant who stated that there is no need to develop tolerance for uncertainty, all participants confirmed that they apply that principle. Four participants finally affirmed and four partially affirmed that they have a virtual role system in place.
Considering each company’s resilience potential company H shows a very high potential and complies with all principles. A medium to high potential of resilience is shown by company B, company D and company G. Nevertheless company B denies that practicing bricolage and tolerance for uncertainty is needed in his business, company D admits to struggle with the constructive perception of experiences and company G only complies partially with four of the principles. The companies E, F, I and J show medium / moderate resilience potential. Company A and C finally hold a low resilience potential by only confirming one of the seven principles.

The findings can be summed up in the following way: Almost all participants do develop a tolerance for uncertainty (principle 6), more than half of the participants perceive experiences constructively (principle 1), perform positive adaptive behaviours (principle 2) and try to build up virtual role systems (principle 7). Half of the participants expand decision-making boundaries (principle 4) and practice bricolage (principle 5). Less than half of the participants ensure adequate external resources. At the level of the companies, company H shows the highest and companies A and C the lowest resilience potential, the other companies display a medium / moderate to high resilience potential (see figure 5).

Wenn ich lange rumstudiert habe, ging es meistens in die Hose.

Bauchentscheide das hat sich bewährt.¹

(Original German quote of company C relating to Mallak’s 6th principle.)

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Figure 5: Frequency of resilience principles followed and the resilience potential by company.

1 English translation: “If I considered something for too long it always went wrong. Decisions taken based on my gut feeling proved to be right.”
4.2.3 Entrapment in business

To estimate the degree or potential of entrapment in business, no specific questions were posed during the interview. Nevertheless part 4 of the interview (see appendix E1 and E2), giving the participants the possibility to freely reflect on their life as well as other comments made during the interview produced meaningful comments regarding their degree of entrapment. Additionally the facilities and website of the companies were assessed by using a specific pattern (see appendix E1 and E2).

The original and compressed answers (see appendix F and appendix G) were analysed regarding their compliance with what Drummond (2004: 495) identified as a sign of one consisting in a suboptimal line of activity: a myopic vision, delusion and the attempt to preserve. Conformities were summarised and registered with 'yes', nonconformities with 'no' and partial conformities with 'partially'. Additionally the facilities were rated regarding order, cleanness, modernity, atmosphere and up-to-dateness, the website regarding design, usability, service and up-to-dateness. Each facility and the website were given a 'plus' (+) for the fulfilment of the criteria and a 'minus' (–) for default. Where the observation led to a mixed impression or did not uncover clear signs (e.g. the up-to-dateness proved to be difficult in some cases) a 'zero' (0) was given. A scale starting from 'no entrapment potential' up to 'high entrapment potential' was established on determining the necessary number of conformities or partial conformities to achieve a certain level of the scale. A table showing the summary of this analysis is added in appendix J.

Discussing the comments of the participants, only one owner-manager displays a clear potential for entrapment respectively a certain degree of entrapment by showing delusion and the clear attempt to preserve. One other owner-manager though shows a low entrapment potential respectively entrapment degree by displaying weariness and seeing no alternatives and no more potential for improvement. All other owner-managers do clearly not show any signs of entrapment in their comments. Regarding the facilities the most positively valued criterion is cleanness, which was given for 27 of the 30 evaluated facilities. While the positive ratings overweigh for all criteria, the highest number of negative counts is made for the atmosphere, which in some facilities is not welcoming. Modernity on the other hand leaves a mixed picture, mainly because some companies are using old machines and infrastructure but clearly state
that there is nothing that would fit them better. The websites finally are good or appropriate overall, the highest number of positive rating is given to the service criterion, which in 7 out of 10 cases is well implemented.

Considering each company’s entrapment potential, the owner-manager of company C shows a high degree of entrapment in his comments but the facilities and website give a mainly positive impression, which leads to the final rating of a medium degree of entrapment. The owner-manager of company B displays a low to medium potential or degree of entrapment in his comments. However the facilities as well as the website of company B get the highest ranking of them all and are clearly not showing any sign of entrapment, which results in an overall rating of a low entrapment degree for company B. Company A on the other hand does not show entrapment potential in his comments, but gets the lowest rating for facilities and website. Both leave a mixed picture and can best be characterised as being 'one step behind'. This leads to a final rating of a very low (but not no) entrapment potential. For the seven remaining companies the summarised rating for the facilities and the website is positive. Considered in conjunction with the comments given by the owner-managers, which do not release any obvious signs of entrapment, it can be noted that these companies do not have a potential or display a certain degree of entrapment (see figure 2).

<table>
<thead>
<tr>
<th>Observation</th>
<th>No entrapment sign visible (no)</th>
<th>Signs partially visible (partially)</th>
<th>Signs visible (yes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>+</td>
<td>No entrapment potential</td>
<td>Low entrapment potential</td>
<td>Medium entrapment potential</td>
</tr>
<tr>
<td>0</td>
<td>Very low entrapment potential</td>
<td>Low to medium entrapment potential</td>
<td>Medium to high entrapment potential</td>
</tr>
<tr>
<td>–</td>
<td>Low entrapment potential</td>
<td>Medium entrapment potential</td>
<td>High entrapment potential</td>
</tr>
</tbody>
</table>

Company A  Company B  Company C  Company D to J

Table 2: Entrapment potential levels and assignment to the companies researched.

After the results have been evaluated in regard to the theoretical lenses applied, the following paragraph aims to reconsider and compare the findings in conjunction with the insights outlined in the literature review.
4.3 Comparison of findings with the literature review

The literature started discussing the different definitions used to encompass small and medium-sized enterprises (SME) and it was concluded that it remains an open question what the right or most appropriate definition would be. The definition finally used for the research at hand is based on the European Commission’s categorisation system and turned out to be appropriate as ten microenterprises could be found and the sought information could be gained. Nevertheless the findings of this case study confirm an additional aspect outlined by Günterberg and Kayser (2004: 1-2) as well as by Flueglistaller (2007: 9-11): The microenterprises (as one category of the SME) are dedicated to the 'Mittelstand' (middle class) and display a close connection between the person and economic unit. The former is shown for example in the high number of values concerned with social attributes and in the generally moderate economical attributes mentioned (e.g. satisfactory income or coverage of expenses), which reflect well the 'Mittelstand' spirit. The latter is perfectly confirmed in the values, objectives as well as in the mentioned success and failure factors, which in the first place are all related either to personal or economic attributes or both.

The discussion in chapter 2 revealed that the literature does not offer a common understanding of what failure and success in SME implies. This fact is mirrored by the findings of the research at hand, which released 38 different factors mentioned as to be relevant for success and failure. Additionally the owner-managers confirm with their comments the notion (Everett and Watson, 1998: 373; Stokes and Blackburn, 2002: 26) that there can be businesses that close and owners that quit but neither one nor the other does explicitly imply failure. The literature review summarised the most important factors for failure and success to be growth and flexibility. Different authors that compared growth and non-growth oriented firms observed significant differences, which they partially link with success and failure. This cannot be confirmed completely with the research at hand. The following table 3 shows the characteristics of growth and non-growth oriented owner-managers as proposed by the literature and compares it with the owner-managers participating in this case study.
Table 3: Consistency and/or inconsistency of characteristics of growth and non-growth oriented owner-managers as discussed in the literature and researched in the case study.

Additional claims raised in the literature (e.g. Storey, 1994: 109) state that growing firms are more likely to survive – a fact that clearly could not be confirmed with this case study: Out of the 10 microenterprises evaluated only two have grown notably (company E and company F), six kept their size (company C, D, G, H, I and J) and two even decreased voluntarily in order not to dissipate their energy (company A and B). For the aspect of flexibility as another important factor deciding over success and failure, different authors (see chapter 2, page 10) name growth-orientation, allowing market and product adjustments, being innovative and having a sensitive and a well-considered financial management as the significant reasons for success. As the flexibility was not evaluated specifically with this research, a direct comparison to that claim cannot be made. Nevertheless it was already shown that growth-orientation does not apply for most of the researched microenterprises. Still the evidence of adjustment to a changing environment is given by at least seven participants. Particular innovation efforts could only be observed for company J, which invented an own niche product. But the other six microenterprises able to adjust show innovation in a more concealed way of how they are dealing with the changing environment. Regarding the financial management it can be said that all participants clearly set priority on self-financing and reducing or avoiding debts. However, the evaluation if this is a sensitive and well-considered financial management was not the aim of this research. To sum up the comparison of the literature and research at hand in regard to
success and failure, it has to be said that the theory pictures the reality only partly. Remembering the participants' statements related to success and failure, which mostly also stand for their own situation, economic and personal attributes were mentioned as success and mainly personal attributes as failure factors. Nevertheless none of the mentioned attributes exactly represented growth-orientation or flexibility.

Reconsidering the literature findings regarding resilience (see page 13ff.), all of the listed definitions – either describing individual or organisational resilience – turned out to be appropriate. Resistance, redundancy, reliability, flexibility, resourcefulness and rapidity were mentioned as important factors for organisational resilience by several authors. But they admit as well that especially redundancy is difficult to achieve in small firms. This claim could be confirmed with the research at hand and by applying Mallak’s resilience principles (1998: 13): The principle requesting the expanding of decision-making boundaries and ensuring of external resources is addressing redundancy and uncovered the major nonconformity among the participants. The literature review did not reveal major insights in conjunction with micro-enterprises, but it was mentioned by several authors that the effects of adverse events are multiplied in small firms. Although it was not the aim to evaluate that notion with this study, it can be noted that the only company known to have experienced an adverse event (company H, accident of the owner-manager) actually could profit from it by being forced to build up adequate external resources on the spot and expanding the decision-making boundaries. As a general remark it can therefore be noted that a high level of flexibility (tolerance towards uncertainty) might help to overcome or actually equalise the multiplication of adverse effects in small firms.

The discussion about entrapment in business as presented in the literature review encloses not much more than the work of Drummond (2004), which is used as one of the theoretical lenses throughout this research and helped to spot three participants with entrapment potential or showing a certain degree of entrapment. She states that the longer an owner-manager persists with a specific line of activity, the more challenging it becomes to change direction. This can be confirmed with this study: The owner-manager of company C, following the same way of doing business for 35 years somehow missed the point where his practice was no longer appropriate. He is now clearly persisting in a suboptimal line of activity, knows about it but is not able to change it anymore. Company A and B, in business for 13 and 10 years respectively, show only a certain tendency of a suboptimal line of activity and still actively try to change their situation.
They are therefore judged to display a low and very low potential of entrapment, which they still have chances to escape if they are able to enforce the change. Entrapment must therefore be seen as a creeping process, which only after a certain time and with a certain degree of entrapment reaches the point of no return.

The last point to be mentioned in regard to the existing literature are the findings revealed concerning the official support of SMEs in Switzerland. While it was not the aim of this study to evaluate this in detail, the comments of the participants still allow some general statements. It was noted in chapter 2 (p. 15) that the support for SMEs in Switzerland is broad. Nevertheless some studies at hand showed that SMEs do actually not agree on the priorities set by the government and are more concerned with the economic environment and the regulatory framework. This claim can be confirmed with this study. Financial services and support as one of the main priorities of the government as an example are clearly not sought for. The researched microenterprises show explicitly that they would not ask for external financial help (or if yes, then they are talking to their house bank). On the other hand almost all of the questioned participants show concerns about the market situation and are annoyed by regulations they have to apply. Their concerns are well represented in the following original statement of company A regarding short-time work he requested in a difficult time, but did not get the allowance to do it (by contrast to a bigger competitor close by who got the allowance):

\[\textit{Wir Kleinstunternehmer werden schikaniert, dabei ist schon die ökonomische Situation sehr schwierig ist für uns. Ich bin total enttäuscht davon. Obwohl wir so viele sind und so ein wichtiger Wirtschaftsfaktor. Ich mache eine Jahresumsatz von 1 bis 2 Millionen. Ist das denn nichts?}^{1}\]

With all this rich evaluated data at hand and the broad review of the literature in conjunction with the findings, it is time to move to the final chapter to discuss the meaning of the results in regard to the proposed 'graded model of surviving' and the initial research objectives.

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^{1} English translation: "We owner-managers of microenterprises are bullied, although the economic situation is very hard especially for us. I am completely disappointed by that. Even though we are a lot and such an important pillar of the economy. I have a turnover of 1 to 2 million per year. Is this nothing?"
5. Discussion, conclusion and recommendations

This final chapter aims to summarise the research findings and discusses their significance in regard to the proposed 'graded model of surviving' and the research objectives. Furthermore a conclusion is drawn by highlighting the theoretical and practical implications and by outlining recommendations for further research. The last paragraph is dedicated to the limitations of the research at hand.

5.1 Summary or research findings

The collective case study at hand revealed a rich set of meaningful findings. First of all, it was shown that despite the differing economic branches and personalities of the owner-managers values, objectives, risk perception as well as attitudes toward success and failure can be compared. They are either concerned with personal, economic, social or product attributes. Economic and personal attributes turned out to be the most important dimensions. It could furthermore clearly be shown that success and failure of the researched microenterprises are not related with growth orientation and only partly with flexibility as defined in the literature. The microenterprises’ behaviour also illustrated consistency with what they judge as success and failure of other microenterprises.

The findings regarding organisational resilience have generally shown a moderate to high resilience potential of the researched microenterprises. The one showing the highest resilience potential (company H) turned out to be the only one that recently suffered from a serious adverse event. Company A and C, showing the lowest resilience potential are the ones as well mostly concerned with their environment (regulations, market situation or customer relations) and expressing the strongest feelings toward their business. Nevertheless, no general connections between values, objectives, success and failure factors and organisational resilience could be drawn. While the literature observes that effects of adverse events are multiplied in small businesses, the research revealed that owner-managers that personally experienced adverse events are showing a higher resilience than the ones not used to it. To put this finding down in a simple way: What does not kill them seems to make them stronger.
Drawing conclusions from the findings in regard to entrapment in business turned out to be difficult. The result did not release clear trends or connections. Surprisingly the two companies showing signs of entrapment in their business do not display that with their facilities, which are very well cared for. On the other hand one owner-manager showing no signs of entrapment in his comments gives the impression of a certain entrapment based on the condition of his facilities. In conjunction with organisational resilience it could be observed that company A and C that were judged to have a low resilience potential also turned out to show signs of entrapment. But company B evaluated as to have a low entrapment potential and a medium to high resilience potential does not confirm this connection.

The research at hand does not show any clear connections between a company’s values, objectives, attitude toward success and failure, organisational resilience and entrapment. The only relation that could be found is related to company A and C, which were the companies displaying the strongest feelings and mental dependence in regard to their business and turned out to have a low resilience potential and both showed certain signs of entrapment.

5.2 Significance of findings in regard to the proposed 'graded model of surviving' 

When outlining the conceptual framework in chapter 2, it was proposed to structure the outcomes of this three-dimensional research in a 'graded model of surviving' showing four types of owner-managers (see page 18). To review this model and to make a conclusion about its applicability, the four types of owner-managers expected to be found shall be recalled:

The first type of owner-manager was supposed to show a high degree of entrapment and a low degree of resilience, which would imply that he is likely not to survive through failure (failure standing for the forced closure of the business). The second type of owner-manager was assumed to show a low degree of entrapment and a low degree of resilience, which was considered as to be likely not to survive, but through voluntary closing and not failure. The third type of owner-manager would display a high degree of entrapment and a high degree of resilience and be likely to survive but without success. The fourth type finally was supposed to show a low degree of entrapment and a high degree of resilience and would be likely to survive through success. Additionally it was proposed that success factors and accordingly the
objectives of the owner-managers would be more congruent with the experts’ opinion (who attest success to growth-orientation and flexibility) the higher the degree of resilience and the lower the degree of entrapment is.

Trying to apply this model to the assessed companies (see figure 6), the conclusions to be drawn are the following: Company A is likely not to survive and to close the business voluntarily. Company B is likely to survive with success, if the level of entrapment is not increasing over time. Company C is equally likely to close the business voluntarily (liquidation) or through forced closure (bankruptcy). Company D stands also for company G and is likely to survive with success if resilience can be further increased. Company H is likely to survive with success. Company J is also representing the companies E, F, I and equally likely to survive with success or to quit the business voluntarily over time. While these claims will only be possible to be verified over time, a closer look at the objective setting of the researched companies allows a very interesting conclusion: The lower a company’s degree of resilience, the more important economic objectives become. In contrast to that, the higher the resilience of a company, the more diversified are the objectives. To correctly explain this finding, more research focusing specifically on this aspect would be necessary. Nevertheless the attempt to give a possible interpretation will be made. As mentioned earlier, two of the most important features of resilience are redundancy and tolerance for uncertainty. The setting of multiple and diversified objectives by the owner-managers with a medium to high resilience can possibly be seen as expression and implication of these preconditions. Multiple objectives in different domains (personal, economic, social and product domain) ensure a balanced development and at the same time it must not be feared that some aims (e.g. profit maximisation) overweigh others too much and therefore jeopardise the flexibility to react rapidly.

Nevertheless a similar connectivity between the degree of entrapment and objectives cannot be drawn. Exactly the contrary as for objectives can be observed regarding the factors perceived as to be relevant for success. The lower the degree of resilience, the more the factors mentioned are scattered over the different domains. This is somewhat disturbing as it could be assumed that owner-managers that focus on specific objectives also see this as relevant success factors. Again a correct interpretation of this finding cannot be made without further research, but one assumption is that owner-managers showing a low degree of resistance actually know what is needed to be successful and mention this as success factors. But as they
are constantly struggling with their business, they are not able to improve in all domains and concentrate on the setting of objectives in one domain only. The other way around, it implies that resilient owner-managers might look at success from another level, taking many factors as normal and no special achievement and therefore just pitch on specific features, which in their eyes makes a company more successful or special than others.

![Figure 6: 'Graded model of surviving' with location of researched companies and revised description of objectives and success factors.](image)

Additionally it has to be concluded that the success factors remain different from the expert’s opinion regardless of the degree of entrapment and resilience. Generally the factors do not reflect growth orientation and flexibility but much more attributes closely associated with the values in the 'Mittelstand': Earning a living, being satisfied, working hard and treating customers and employees decently.

As a final conclusion, it can be claimed that the proposed 'graded model of surviving' proves to be a feasible way of working out connections and conclusions regarding organisational resilience and entrapment. Nevertheless it is proposed to review the model in regard to objective settings and success factors (see figure 6, explications given for the colour green).
One additional concern remains: Are there owner-managers with a high degree of entrapment and a high degree of resilience? The research at hand cannot answer this question as no such owner-managers participated in the case study. This can be based on the random sampling, which did simply not catch them, it is possible that they are the ones refusing to participate or it has also to be considered that there are no such owner-managers. The latter might in fact be the reason: The attributes requested for resilience (e.g. tolerance for uncertainty, the ensuring of external resources or the performing of positive adaptive behaviour) and for entrapment (e.g. displaying a myopic view, the attempt to preserve or ego-defensiveness) are actually contradicting. Still Drummond (2004) proved the existence and obvious survival of entrapped businesses. Therefore the question posed in chapter 2 (page 11) emerges again: Are they surviving just because they are lucky? Or is their voluntary or involuntary quitting just a matter of time and degree of compulsion? Finally it has to be admitted that only a longitudinal study with a representative sample size could disclose if the model proves to be right in its forecast of who is going to survive and how.

5.3 Significance of the findings in regard to the research objectives

The objectives of this research have been explained in detail in chapter 1 and were outlined as to be: The assessment of the objectives and perception of success held by micro-sized enterprises, the assessment of the resilience of micro-sized enterprises and finally the assessment of the chances and reasons for the survival of micro-sized enterprises. These aims were summarised in the overall question implied by the title of this paper that asks if the fittest is the one surviving.

The first aim has been achieved and objectives and perception of success held by the owner-managers could be evaluated. Additionally the owner-managers were asked about the values they are following as it was expected to find connections between values, objectives and perceived success factors. The reality nevertheless turned out to be more complicated. While the participants’ answers generally proved to be internally consistent and gave a sound overall picture of each owner-manager, the interpretation of the data was difficult and did not lead to any meaningful findings. The data was therefore grouped in a personal, economic, social and product domain, which helped to increase interpretability and comparison of the data.
The categorisation into four groups showed that over half of the values chosen by the owner-managers are concerned with personal attributes. Here, the ones most frequently mentioned are honesty, reliability and straightness. The second most frequent set of values chosen is related to social attributes like responsibility, respect or equality. Objectives, on the other hand, are most frequently related to economic attributes (e.g. satisfactory income, coverage of expenses, being debt free, or building up financial reserves) followed by personal attributes such as reasonable working hours, health or life quality. Finally, factors perceived to be significant for success were mainly related equally to personal and economic attributes. This allows the conclusion that the values represent the more idealistic, the objectives the more practical attitude of the owner-managers. Interestingly success, in the eyes of the owner-managers, is mentioned as to consist of both – attributes that belong to an idealistic and to a more practical attitude. In regard to the research objective, the general statement can be made that owner-managers of microenterprises follow a balanced set of values and objectives mainly in the personal and economical, secondly in the social and product domain. The same set and prioritisation of values and objectives is seen as precondition for success. With that they demonstrate that microenterprises must be seen as an inseparable entity of the personal and the economic unit.

The second objective has been achieved as well and the resilience of the owner-managers was assessed and evaluated. Nevertheless it has to be mentioned at this point that actually only the resilience potential could be evaluated. Although the participants have all been in business for at least 10 years and therefore already proved to be resilient to a certain degree, it must be admitted that the study at hand can only record the current situation and attitude of the owner-managers. This means that actually only the resilience potential can be analysed. Time alone will show if the businesses effectively use their potential and manage to survive over time.

Another limitation that has to be added at this point is the application of a specific theoretical lens. As explained in chapter 2, there are many different ideas and concepts to approach the theory of resilience and it would be a research topic by itself to apply these concepts and compare the findings. For the purpose of the research at hand, Mallak’s resilience principles (1998:13) have been chosen as theoretical lens. These principles allow to assess an individual’s resilience as well as a system’s resilience – a fact that is of utmost importance as the evaluation of the values and objectives has uncovered the inseparability of the owner-
manager and his business. The findings themselves have shown that one of the researched companies displays a high, two microenterprises a low resilience potential. The other seven participants display a medium or medium to high potential. Regarding the factors relevant to assess resilience it could be seen that almost all participants are living with a tolerance for uncertainty and more than half of the participants perceive experiences constructively, perform positive adaptive behaviours and try to build up virtual role systems. On the other hand it became obvious that more than half of the participants do not ensure adequate external resources. It has to be acknowledged at that point that this does clearly not stand for an inability but much more for an unwillingness to do it and a general neglect of getting help. Based on additional comments given by the participants this denial is either based on past disappointments, on pride to be self-sufficient, or on the belief that no external could understand and interpret their situation correctly. These findings reflect once more what was considered in chapter 2 (page 15) when discussing the role of the government in regard to SMEs in Switzerland: SMEs do not seek and need direct help but expect that governments create suitable macroeconomic environmental conditions for small businesses.

The last objective aiming to assess chances and reasons for the survival of micro-sized enterprises could only partially be achieved. The first question was answered by applying the theoretical lens of organisational resilience. This revealed a clear picture of the resilience potential of each company (with the limitations as outlined before), which in turn quantifies each company’s chance to survive. Resilient companies hence are seen as having the highest chance of survival, companies with a low resilience are assumed to have minor chances to survive. It must be admitted that this of course represents only one possible way to identify the chances of survival (instead e.g. also economic factors could be measured to quantify the likelihood of survival) and the findings therefore must be seen in relation to the applied theoretical lens. Answering the second question turned out to be a challenging task, which is actually jeopardising the argumentation so far. In chapter 2 (page 11) examples of what were called 'unspectacular but impressively resistant microenterprises' were given and it was asked how they manage to survive. Drummond’s (2004) idea of entrapment in business was called in to find a possible explanation for businesses surviving over time but obviously not being really successful. The 'graded model of surviving' as discussed earlier was established and proposed to better understand the reasons for businesses’ survivals. It was assumed to find either businesses that are surviving through success and businesses surviving without success. Both
would actually display resilience but the ones surviving without success were expected to display attributes that can be linked with entrapment. As explained in the last paragraph discussing the findings in conjunction with the 'graded model of surviving', this assumption could not be confirmed. Hence once more the question: What are the reasons for the survival of micro-sized enterprises? The only well-grounded answer that can be given based on the research findings at hand is that the majority of the questioned owner-managers follow a well-balanced set of values and objectives in the personal, economic, social and product domain, that their perception of success represents the values of the 'Mittelstand' and that most of them show a medium to high resilience in regard to Mallak's principles (1998). Nevertheless some of the participants do not conform to that characteristic and still are surviving so far. Again it has to be admitted that only longitudinal research could help to answer this question more adequately. Or considering a different angle: A more effective way of approaching that question would possibly be to evaluate the reasons why businesses are not surviving.

'Survival of the fittest?' is the question posed by the title of this paper. That it depends on what is determined as to be 'fit' is one possible answer to that question. That it depends over what time one is supposed to survive is another possible answer. Or possibly it should be asked whether this question matters at all?

5.4 Implications and limitations of the research

Not without any purpose the last paragraph is ending with a scrutinising question. The literature has been researched, a conceptual framework established, relevant research questions set up, the research conducted, data analysed, interpreted and interesting findings have been presented. And in the end, new and more questions are unanswered than have been approached by the research.

Are the definitions of success and failure for SMEs as proposed by the literature really appropriate? This research implies that the answer is no. Success and failure must be seen in regard to its social implications. SMEs offer apprenticeships, SMEs know the families of their employees and try to do the splits between a global market and local anchoring. SMEs represent the 'Mittelstand' and thus the main pillar of many western economies. Their values,
objectives, needs and sorrows need to be researched in more detail and better understood. Not with the purpose to help them growing, but to help them strengthening the middle class.

What is the appropriate approach to research microenterprises resilience? The research at hand shows that Mallak’s resilience principles are suitable to evaluate microenterprises’ resilience. Nevertheless this might not be the only feasible approach. More research applying different methods, measurements and sampling criteria can help to get a more complete picture of the microenterprise’s resilience and its influence on survival.

What is the appropriate approach to research entrapment? This research tried to pursue with Drummond’s work (2014) but had to be adapted as it was not possible to observe and question the participants over time. The chosen method of allowing a narrative part in the interview and observing the facilities and website based on a structured procedure was manageable but leaves the impression that too much subjectivity and bias of the researcher is likely to distort the findings. It is desirable that more researchers help to develop a broader understanding of what entrapment is, how it is demonstrated and how it can be properly researched.

And finally once more: What are the reasons why businesses do survive or not survive? The question has to be researched by applying a much broader approach. The case study at hand focussed on specific theoretical lenses, which might have led to blindness towards or ignorance of significant factors not directly related to the theory applied. A broader understanding of the reasons for survival or non-survival would help to find measures to enhance the number of survivors and to reduce the number of non-survivors.

Beside the encouragement for further research that could increase the knowledge about microenterprises, it is proposed that the Swiss government and related institutions need to rethink their strategy and current support in regard to its significance and appropriateness for microenterprises. None of the researched microenterprises was aware of the Swiss SME strategy, nor are they aware of any outcome or the availability of the online help for SMEs (and say that they don’t need it). The government needs to grant administrative, financial and market facilities that have a direct and tangible impact on the 519,697 microenterprises in Switzerland (Federal Statistical Office, 2013).
The researcher already outlined some of the limitations of this case study and wants to highlight them once more to encourage a critical reading of the findings. First of all and as explained in chapter 3 (page 20), the researcher has to be seen as biased and the participants as part of a social constructed reality. While it has been tried to minimise the impact of this fact by applying appropriate research methods and quality assurance, only further research will confirm or disprove the findings. Secondly it must be recalled that the findings have to be seen in the light of the theoretical lenses applied. The research objectives could have been approached by using other theories and concepts and the outcome might be different. Finally, the research is limited in regard to the sample size and population, which is not representative for microenterprises in Switzerland. Additionally the case study can be seen as a snapshot but nevertheless tries to forecast the likelihood of the participants’ survival. It has to be kept in mind that this claim can only be proved with a longitudinal study, with the actual survival or non-survival of the participants respectively.

Despite of the unanswered questions and limitations, this case study supplements existing knowledge, shows new ways to approach the issue and hopefully encourages others to engage in further research of microenterprises.
6. Bibliography


Statistisches Bundesamt DESTASIS (undated) Kleine & mittlere Unternehmen (KMU), Mittelstand; available online at: https://www.destatis.de/DE/ZahlenFakten/GesamtwirtschaftUmwelt/UnternehmenHandwerk/KleineMittlereUnternehmenMittelstand/KleineMittlereUnternehmenMittelstand.html; accessed 31 October 2015.


Institute of Lifelong Learning (2011) MSc in Risk, Crisis and Disaster Management, Module 3.


Appendix A1: Research proposal

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**Dissertation Proposal Form**

**Name:** Katrin Stauffer  
**Course:** MSc in Risk, Crisis and Disaster Management  
**Intake:** March 2014

**Initial Comment:**  
This research is a new proposal (the first one was submitted on July, 15th). The issue to be studied had to be changed because the researcher received a refusal of the parties participating in the first proposed research topic. Sir Simon Bennett was informed about the refusal and the researchers’ concern regarding the submission date for a new proposal. It was agreed that it can be submitted in its rough form as soon as possible and further details can be discussed with the assigned supervisor during the Study School in September.

1) **Subject Area:**  
Risk perception, risk management practices and resilience in small and medium sized enterprises.

2) **Working Title:**  
Assessing risk perception and management in micro-sized enterprises: How resilient are they?  
A comparative case study in the broader area of Berne, Switzerland.

3) **Brief Synopsis:**  
The dissertation aims to investigate what kind of risks micro-sized enterprises are worried about and how they deal with the risks. It further aims to investigate if their view is shared by official agencies (such as the Federal Department of Economic Affairs, Education and Research EAER, the State Secretariat for Economic Affairs or the Association of Swiss small and medium-sized enterprises). The findings of the research can help to gain a better view of the resilience of micro-sized enterprises and uncover deficiencies or discrepancies in regard to the official support for micro-sized enterprises in Switzerland. The research matters because Switzerland’s economy consists of 99.8% small and medium sized enterprises of which 92.3% are micro-sized enterprises with 0 to 9 contributors. With this high percentage, these small enterprises are crucial for the resilience and success of the Swiss economy. As it cannot be expected to find institutional risk management practices in enterprises of that size, it is important to gain information about their attitude towards risk and how they deal with it. This insight can help to establish better support for micro-sized enterprises from official agencies.

4) **Aims of the Research:**  
Objective I): Assessing the risk perception in micro-sized enterprises  
Objective II): Assessing the risk management practices in micro-sized enterprises
Objective III): Assessing the compliance or discrepancies in regard to relevant official agencies’ opinion

5) Area of interest and problems to be studied:

Problems to be studied to inform objective 1): What are micro-sized enterprises identifying as risk to their business activity? How threatening are these risks for them? What are the factors influencing acceptance or non-acceptance of identified risks?

Problems to be studied to inform objective 2): How do micro-sized enterprises deal with acceptable and non-acceptable risks? What do they identify as consequences of the risks? How resilient do they feel towards these consequences? What actions are they taking to manage the risks and possible consequences? What actions are they taking to obtain or enhance resilience?

Problems to be studied to inform objective 3): What are official agencies judging as the main risks for micro-sized enterprises? What kind of statistical data is available? Does the official opinion mirror statistical data? Does the official opinion mirror the researched micro-sized enterprises view? Is their view finally mirrored by statistical data? Where are the discrepancies between statistical data, the official opinion and the studied examples? What do the discrepancies mean in regard to existing or future support for micro-sized enterprises by official agencies?

6) Locating the problem in the literature:

This will be done by conducting a broad literature review.

7) The analytical framework:

The analytical framework will be built on theories of risk perception, risk management, economic resilience and small and medium-sized enterprises.

8) Proposed Chapters:

The dissertation will be structured in:

- A dissertation title and abstract: This chapter provides information what the research is about and gives a brief summary over the research problem, research methodology, results and conclusions.

- An introduction that discusses the research problem, gives general background to the subject area, enlightens why the proposed research is important and what the specific research objectives and questions are, what is expected to be uncovered and what existing work and theory can be considered for the research.

- A chapter describing the research methodology including the detailed description of the chosen sample population, the research instruments and procedures applied.

- A section presenting the data gathered with the chosen research methodology.
The last section which discussed the findings and offers a conclusion with regard to the raised research objectives.

9) Methodology:
To inform the overall aim of the research, a qualitative methodology is chosen applying the design of a collective case study on using opportunity sampling. It is planned to assess between 10 and 20 micro-sized enterprises in depth.

The research methods are:
- A narrative literature review to gain better insight of existing research results.
- An assessment of the relevant documentary available regarding Swiss small and medium sized enterprises, including statistical data and official policies and guidelines. The assessment will be supplemented with a telephone survey where data are not available or more information is needed to gain information about the official opinion towards the risk attitude of micro-sized enterprises.
- A semi-structured interview with the chosen micro-sized enterprises.

A rough timetable:
- September / October 2015: Establishing the detailed research proposal, collecting relevant documentary, narrative literature review and set up of final research methods and procedures. Conducting the enterprises to be interviewed.
- November / December 2015: Conducting the semi-structured interviews and conducting the telephone survey if / where necessary to gain the needed information.
- December / January 2016: Data analysis
- January / Mid February 2016: Writing and completion of dissertation.

10) Ethics:
The researcher will give detailed information on how to address these issues with the Ethics form that still has to be provided.

11) Additional comment:
See initial comment.

Dissertation Supervisor: (to be completed by Course Director)
Appendix A2: Revised research proposal

Dissertation Proposal Form

Name: Katrin Stauffer
Course: MSc in Risk, Crisis and Disaster Management
Intake: March 2014

Initial Comment:
This research is a new proposal (the first one was submitted on July, 15th). The issue to be studied had to be changed because the researcher received a refusal of the parties participating in the first proposed research topic. Sir Simon Bennett was informed about the refusal and the researchers’ concern regarding the submission date for a new proposal. It was agreed that it can be submitted in its rough form as soon as possible and further details can be discussed with the assigned supervisor during the Study School in September.

1) Subject Area:
Risk management / organisational resilience

2) Working Title:
Survival of the fittest?
Assessing the resilience of micro-sized enterprises in the broader area of Bern, Switzerland.

3) Brief Synopsis:
The dissertation aims to investigate how microenterprises manage to survive. It further aims to investigate if they use or are in need of the help of official agencies (such as the Federal Department of Economic Affairs, Education and Research SAER, the State Secretariat for Economic Affairs or the Association of Swiss small and medium-sized enterprises). The findings of the research can help to gain a better view of the resilience of micro-sized enterprises and uncover deficiencies or discrepancies in regard to the official support for micro-sized enterprises in Switzerland. It furthermore gives insight in the objectives of microenterprises and with that indicates how successful micro-enterprises are surviving. The research matters because Switzerland’s economy consists of 99.8% small and medium sized enterprises of which 92.3% are micro-sized enterprises with 0 to 9 contributors. With this high percentage, these small enterprises are crucial for the resilience and success of the Swiss economy. As it cannot be expected to institutionalised management practices in enterprises of that size, it is important to gain information about their attitude towards risk and how they deal with it. This insight can help to establish better support for micro-sized enterprises from official agencies.

4) Aims of the Research:
Objective I): Assessment of the objectives and perception of success held by micro-sized enterprises.

Objective II): Assessment of the resilience of micro-sized enterprises.

Objective III): Assessment of the chances and reasons for the survival of micro-sized enterprises.

5) Area of interest and problems to be studied:

Problems to be studied to inform objective 1): What are the economic and non-economic objectives of micro-sized enterprises? How do they rate this objectives? What do they perceive as ‘success’? How are they dealing with objectives they cannot achieve?

Problems to be studied to inform objective 2): What are micro-sized enterprises identifying as risk to their business activity? How threatening are these risks for them? How do micro-sized enterprises deal with risks? What do they identify as consequences of the risks? How resilient do they feel towards these consequences? What actions are they taking to manage the risks and possible consequences? What actions are they taking to obtain or enhance resilience?

Problems to be studied to inform objective 3): How and how much do objectives, definitions of success and resilience of micro-sized enterprises influence their chance to survive? What attributes help for the survival? Is survival synonymous with success? Is it possible to survive without success?

6) Locating the problem in the literature:

This will be done by conducting a broad literature review.

7) The analytical framework:

The theoretical framework is built on the theory of organisational resilience, the idea of entrapment in business and on the general discussion about the definition of success and failure in micro-sized enterprises.

8) Proposed Chapters:

The dissertation will be structured in:

- A dissertation title and abstract: This chapter provides information what the research is about and gives a brief summary over the research problem, research methodology, results and conclusions.

- An introduction that discusses the research problem, gives general background to the subject area, enlightens why the proposed research is important and what the specific research objectives and questions are, what is expected to be uncovered and what existing work and theory can be considered for the research.

- A chapter describing the research methodology including the detailed description of the chosen sample population, the research instruments and procedures applied.
9) Methodology:

To inform the overall aim of the research, a qualitative methodology is chosen applying the design of a collective case study on using opportunity sampling. It is planned to assess between 10 and 20 micro-sized enterprises in depth.

The research methods are:

- A narrative literature review to gain better insight of existing research results.
- An assessment of the relevant documentary available regarding Swiss small and medium sized enterprises, including statistical data and official policies and guidelines. The assessment will be supplemented with a telephone survey where data are not available or more information is needed to gain information about the official opinion towards the risk attitude of micro-sized enterprises.
- A semi-structured interview with the chosen micro-sized enterprises.
- Observation of and field notes about the physical appearance of the micro-sized enterprises (e.g. shop design, infrastructure used, logo design, web appearance)

A rough timetable:

- September / October 2015: Establishing the detailed research proposal, collecting relevant documentary, narrative literature review and set up of final research methods and procedures. Conducting the enterprises to be interviewed.
- November / December 2015: Conducting the semi-structured interviews and conducting the telephone survey if / where necessary to gain the needed information.
- December / January 2016: Data analysis
- January / Mid February 2016: Writing and completion of dissertation.

10) Ethics:

The researcher will give detailed information on how to address these issues with the Ethics form that still has to be provided.

11) Additional comment:

See initial comment.

Dissertation Supervisor: (to be completed by Course Director)
Appendix B: List of potential and participating candidates

The micro-sized enterprises were selected by systematic random sampling. Out of the official business telephone directory of the Canton of Berne, 150 potential candidates were selected on choosing every 13th entry on every 26th page of the directory. In a second sweep, every 5th on every 10th page was selected until the 150 entries were chosen. Of initially 150 potential participants, 116 were remaining after having conducted an internet research to evaluate (where applicable) if the business was still existing, existing since at least five years, if there are no more than 9 annual work units (AWU) and if the firms main language used is German. The list below shows the firms, which were finally contacted (from the reduced list of 116 potential participants every 5th and in a second sweep every fourth, alternating from the top and the bottom of the list were chosen and contacted). Who could not be reached within 5 hours and 3 phone calls was ignored. The procedure was stopped as soon as 10 participants (plus 1 candidate for a pilot) could be found.

<table>
<thead>
<tr>
<th>Company</th>
<th>Geographic area</th>
<th>Economic branch* (orange = tertiary sector / blue = secondary sector)</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pilot</td>
<td>Berne Mittelland</td>
<td>43 Specialised construction activities</td>
<td>Participating as pilot</td>
</tr>
<tr>
<td>Company 1</td>
<td>Berne City</td>
<td>56 Food and beverage service activities</td>
<td>Does not participate (owner-manager says, that they are not interested because they are workers and not managers)</td>
</tr>
<tr>
<td>Company 2</td>
<td>Berne City</td>
<td>71 Architectural and engineering activities</td>
<td>Does not participate (could not be reached)</td>
</tr>
<tr>
<td>Company 3</td>
<td>Berne Agglomeration</td>
<td>77 Rental and leasing activities</td>
<td>Does not participate (is part of a bigger holding)</td>
</tr>
<tr>
<td>Company 4</td>
<td>Berne Agglomeration</td>
<td>47 Retail trade</td>
<td>Does not participate (does not exist anymore)</td>
</tr>
<tr>
<td>Company A</td>
<td>Berne City</td>
<td>43 Specialised construction activities</td>
<td>Participating</td>
</tr>
<tr>
<td>Company 5</td>
<td>Berne City</td>
<td>32 Other manufacturing</td>
<td>Does not participate (could not be reached)</td>
</tr>
<tr>
<td>Company 6</td>
<td>Berne City</td>
<td>25 Manufacture of fabricated metal products</td>
<td>Does not participate (owner-manager says, that he does not think that any academic work is helpful for micro-enterprises, therefore he does not want to participate)</td>
</tr>
<tr>
<td>Company 7</td>
<td>Berne City</td>
<td>86 Human health activities</td>
<td>Does not participate (no time)</td>
</tr>
<tr>
<td>Company 8</td>
<td>Berne City</td>
<td>86 Human health activities</td>
<td>Does not participate (no time)</td>
</tr>
<tr>
<td>Company 9</td>
<td>Berne Agglomeration</td>
<td>56 Food and beverage service activities</td>
<td>Does not participate (no time)</td>
</tr>
<tr>
<td>Company 10</td>
<td>Berne City</td>
<td>86 Human health activities</td>
<td>Does not participate (part of a larger holding)</td>
</tr>
<tr>
<td>Company 11</td>
<td>Berne Agglomeration</td>
<td>43 Specialised construction activities</td>
<td>Does not participate (too large, 20 AWU)</td>
</tr>
<tr>
<td>Company 12</td>
<td>Berne Mittelland</td>
<td>86 Human health activities</td>
<td>Does not participate (could not be reached)</td>
</tr>
<tr>
<td>Company 13</td>
<td>Berne City</td>
<td>82 Office administrative, office support and other business support activities</td>
<td>Does not participate (first agreed, but later said not enough time to participate)</td>
</tr>
</tbody>
</table>

* Federal Statistic Office (2013)
<table>
<thead>
<tr>
<th>Company</th>
<th>Geographic area</th>
<th>Economic branch*</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company B</td>
<td>Berne City</td>
<td>47 Retail trade</td>
<td>Participating</td>
</tr>
<tr>
<td>Company 14</td>
<td>Berne City</td>
<td>71 Architectural and engineering activities</td>
<td>Does not participate (organized as citizen cooperative )</td>
</tr>
<tr>
<td>Company 15</td>
<td>Berne City</td>
<td>47 Retail trade</td>
<td>Does not participate (no time)</td>
</tr>
<tr>
<td>Company 16</td>
<td>Berne City</td>
<td>47 Retail trade</td>
<td>Does not participate (part of a larger holding)</td>
</tr>
<tr>
<td>Company 17</td>
<td>Berne City</td>
<td>59 Motion picture, video and television programme production, sound recording and music publishing activities</td>
<td>Does not participate (too large, 16 AWU)</td>
</tr>
<tr>
<td>Company 18</td>
<td>Berne City</td>
<td>86 Human health activities</td>
<td>Does not participate (no time)</td>
</tr>
<tr>
<td>Company 19</td>
<td>Berne Mittelland</td>
<td>24 Manufacture of basic metals</td>
<td>Does not participate (owner-manager says that he is already 70 and no more interested in such things)</td>
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<tr>
<td>Company 20</td>
<td>Berne Agglomeration</td>
<td>68 Real estate activities</td>
<td>Does not participate (owner-manager says that all these studies make him aggressive and therefore he is not participating anymore)</td>
</tr>
<tr>
<td>Company 21</td>
<td>Berne City</td>
<td>86 Human health activities</td>
<td>Does not participate (organized as citizen cooperative )</td>
</tr>
<tr>
<td>Company C</td>
<td>Biel/Bienne Seeland</td>
<td>47 Retail trade</td>
<td>Participating</td>
</tr>
<tr>
<td>Company 22</td>
<td>Biel/Bienne Seeland</td>
<td>47 Retail trade</td>
<td>Does not participate (no time)</td>
</tr>
<tr>
<td>Company D</td>
<td>Thun Agglomeration</td>
<td>45 Wholesale and retail trade and repair of motor vehicles and motorcycles</td>
<td>Participating</td>
</tr>
<tr>
<td>Company 23</td>
<td>Biel/Bienne Seeland</td>
<td>96 Other personal service activities</td>
<td>Does not participate (first agreed but after receiving the information letter said no because it is not wanted to release personal information)</td>
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<tr>
<td>Company E</td>
<td>Emmental</td>
<td>47 Retail trade</td>
<td>Participating</td>
</tr>
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<td>Company 24</td>
<td>Biel/Bienne Seeland</td>
<td>68 Real estate activities</td>
<td>Does not participate (could not be reached)</td>
</tr>
<tr>
<td>Company F</td>
<td>Emmental</td>
<td>73 Advertising and market research</td>
<td>Participating</td>
</tr>
<tr>
<td>Company 25</td>
<td>Biel/Bienne Seeland</td>
<td>28 Manufacture of machinery and equipment</td>
<td>Does not participate (too large, over 20 AWU)</td>
</tr>
<tr>
<td>Company 26</td>
<td>Berne Mittelland</td>
<td>45 Wholesale and retail trade and repair of motor vehicles and motorcycles</td>
<td>Does not participate (could not be reached)</td>
</tr>
<tr>
<td>Company 27</td>
<td>Biel/Bienne Seeland</td>
<td>45 Wholesale and retail trade and repair of motor vehicles and motorcycles</td>
<td>Does not participate (no time)</td>
</tr>
<tr>
<td>Company 28</td>
<td>Berne City</td>
<td>82 Office administrative, office support and other business support activities</td>
<td>Does not participate (could not be reached)</td>
</tr>
<tr>
<td>Company 29</td>
<td>Biel/Bienne Seeland</td>
<td>71 Architectural and engineering activities</td>
<td>Does not participate (could not be reached)</td>
</tr>
<tr>
<td>Company 30</td>
<td>Biel/Bienne Seeland</td>
<td>39 Remediation activities and other waste management services</td>
<td>Does not participate (no time)</td>
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<td>Company 31</td>
<td>Biel/Bienne Seeland</td>
<td>10 Manufacture of food products</td>
<td>Does not participate (does not exist anymore)</td>
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<td>Company</td>
<td>Geographic area</td>
<td>Economic branch*</td>
<td>Remarks</td>
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<tr>
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<td>----------------</td>
<td>-----------------</td>
<td>---------</td>
</tr>
<tr>
<td>Company G</td>
<td>Berne City</td>
<td>80 Security and investigation activities</td>
<td>Participating</td>
</tr>
<tr>
<td>Company 32</td>
<td>Emmental</td>
<td>86 Human health activities</td>
<td>Does not participate (owner-manager says not to be interested in management topics)</td>
</tr>
<tr>
<td>Company H</td>
<td>Emmental</td>
<td>31 Manufacture of furniture</td>
<td>Participating</td>
</tr>
<tr>
<td>Company 33</td>
<td>Oberaargau</td>
<td>10 Manufacture of food products</td>
<td>Does not participate (organized as citizen cooperative)</td>
</tr>
<tr>
<td>Company 34</td>
<td>Oberaargau</td>
<td>69 Legal and accounting activities</td>
<td>Does not participate (owner-manager says as a trust company they underlay national regulations, not exposed to the free market)</td>
</tr>
<tr>
<td>Company 35</td>
<td>Thun Agglomeration</td>
<td>56 Food and accounting activities</td>
<td>Does not participate (no time)</td>
</tr>
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<td>Company I</td>
<td>Thun Agglomeration</td>
<td>43 Specialised construction activities</td>
<td>Participating</td>
</tr>
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<td>Company 36</td>
<td>Thun City</td>
<td>86 Human health activities</td>
<td>Does not participate (part of a larger holding)</td>
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<td>Company 37</td>
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<td>47 Retail trade</td>
<td>Does not participate (no time)</td>
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<td>Company 38</td>
<td>Frutigen-Niedersimmental</td>
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<td>Does not participate (does not exist anymore)</td>
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<tr>
<td>Company I</td>
<td>Thun Agglomeration</td>
<td>43 Specialised construction activities</td>
<td>Participating</td>
</tr>
<tr>
<td>Company 39</td>
<td>Obersimmental-Saanen</td>
<td>55 Accommodation</td>
<td>Does not participate (too large, 20 AWU)</td>
</tr>
<tr>
<td>Company 40</td>
<td>Obersimmental-Saanen</td>
<td>71 Architectural and engineering activities</td>
<td>Does not participate (no time)</td>
</tr>
<tr>
<td>Company 41</td>
<td>Interlaken-Oberhasli</td>
<td>28 Manufacture of machinery and equipment</td>
<td>Does not participate (owner-manager for three weeks abroad)</td>
</tr>
<tr>
<td>Company 42</td>
<td>Frutigen-Niedersimmental</td>
<td>25 Manufacture of fabricated metal products</td>
<td>Does not participate (owner-manager just took over a year ago)</td>
</tr>
<tr>
<td>Company 43</td>
<td>Thun Agglomeration</td>
<td>43 Specialised construction activities</td>
<td>Does not participate (too large, about 20 AWU)</td>
</tr>
<tr>
<td>Company J</td>
<td>Thun City</td>
<td>46 Whole trade</td>
<td>Participating</td>
</tr>
</tbody>
</table>

Overview Canton of Berne / administrative districts

- Administrative district Oberaargau
  - (mostly French speaking)
- Administrative district Berner Jura
- Administrative district Emmental
- Administrative district Interlaken-Oberhasli
- Administrative district Biel/Bienne Seeland
  - (bilingual)
- Administrative district Berne Mittelland
  - (with the capital Berne)
- Administrative district Thun

Canton of Berne, Switzerland

Appendix C1: Phone script first contact in English

**Background / purpose of the phone call:**

After potential candidates were selected using systematic random sampling, a first selection was done based on internet research. Only firms known to have no more than 9 annual work units (AWU) and known to have been in business for at least 5 years were kept. Nevertheless the potential candidates of which these two requirements could not be evaluated were kept in the list. Out of the remaining list, every fifth was chosen and contacted by phone. Purpose of the phone call:

- A short introduction of the researcher, what the research is about and why they are potential candidates
- Evaluate AWU and founding year where not yet known
- Unofficial request (followed by an official request by a written letter) for participation if they fit the above mentioned criteria.

**Script for phone call:**

*Good Morning Mr / Mrs / Ms…*

(If is not the owner-manager who is picking up the phone, it will be asked to become connected with him)

*My name is Katrin Stauffer and I am student in a distance learning program at the University of Leicester. I am currently busy with my dissertation, which requests me to conduct a research to a relevant issue related to risk, crisis and disaster management. My chosen research topic are micro-sized enterprises and I would like to research how they manage to survive. Therefore enterprises in the Canton of Berne were randomly chosen and you were selected as one of the potential candidates. This phone call aims to confirm if you fit the criteria and to ask you if you would agree to participate in the study, which would request that you agree to an interview with me.*

If the potential candidate is announcing strong dislike, he is not further bothered and the next potential candidate is contacted. If the reaction of the potential candidate is not general dislike, he is further asked about AWU and the founding year of the firm. If this fits the criteria, the next steps are announced:

*Dear Mr / Mrs / Ms…, thank you for your interest. I would like to send you a letter explaining the detailed purpose of the research, what is requested in terms of our time needed and how the confidentiality of the research results is ensured. If you permit, I would then like to contact you once more next week, confirm your participation, and set a possible date for the interview.*

…..(Answer of participant)

*Thank you very much and have a nice day.*
Appendix C2: Phone script first contact in German

Guten Tag Herr / Frau


If the potential candidate is announcing strong dislike, he is not further bothered and the next potential candidate is contacted. If the reaction of the potential candidate is not general dislike, he is further asked about AWU and the founding year of the firm. If this fits the criteria, the next steps are announced:

Besten Dank für Ihr Interesse, das ist grossartig!
Ich werde Ihnen in den kommenden Tagen einen Brief zukommen lassen, der die Zielsetzung der Studie genau erklärt und erläutert, wie viel Zeit Sie dies kostet. Ebenso wird darin erläutert wie die Vertraulichkeit der Daten gewährleistet ist. Ich werde mir dann erlauben, Sie in der nächsten Woche noch einmal zu kontaktieren um Ihre Teilnahme zu bestätigen und einen Termin für ein Interview festzulegen.

…..(Answer of participant)

Vielen Dank und auf Wiederhören
Appendix D1: Information letter and informed consent form in English

Background / purpose of the follow up letter

The candidates contacted by phone who did not dislike the idea of participating in the study and fit the criteria are sent the letter displayed below. The purpose of this letter is:

- To explain the purpose of the research in more detail
- To give some background information about the researcher and her motivation
- To give a rough time table and idea of what the participations means in terms of time requested from the owner-manager
- To address ethical considerations
- To submit an informed consent form (to be returned latest before the interview starts)

Letter text

Dear Mr / Mrs / Ms…

As we discussed on the phone, I would like to ask you for your participation in the research requested for the partial fulfillment of my MSc in Risk, Crisis and Disaster Management. This letter aims to give you more information about the purpose and methods of the research, about who I am, what a participation means for you in terms of time requested and what ethical considerations were taken by the researcher. Furthermore you find attached an informed consent form which you would be requested to sign, if you agree to a participation (the form can be returned to me before the interview takes place).

Purpose and methods of the research

The research aims to investigate how microenterprises (0 to 9 contributors) manage to survive.
As over 99% of the Swiss economy are small- and medium-sized enterprises and over 92% are microenterprises, the latter are crucial for the resilience and success of the Swiss economy. The academic literature states that micro-sized enterprises must show certain attributes to be resilient, to have success and to survive over time. I am interested to research if microenterprises in Switzerland confirm the theory or if there are nevertheless differing characteristics that help the microenterprises to survive. The research therefore wants to gain information about your personal and your business objectives and about your resilience potential. This information can be gathered by conducting an interview with you and by gaining an insight in your business location, your production facility, your shop as well as by analyzing e.g. your web presence.
**The researcher**

My name is Katrin Stauffer and I am born in 1978 in the area of Thoune. After having completed an apprenticeship as typographer, I soon founded my own small advertising company in Berne which I ran for about six years. Coming close to the age of thirty, I decided to start once more a completely different career. I sold my microenterprise, joined the Swiss Armed Forces and became an Explosive Ordnance Disposal Technician. Having been in this job now for seven years, I got more and more interested in risk management which is a crucial part of my work job. I therefore started a distance learning course at the University in Leicester to get an MSc in risk, crisis and disaster management. Being now at the end of these studies, I was in need of a research theme which is on one hand relevant, on the other hand of personal interest to me. While I could have studied different issues in the environment of the Swiss Armed Forces, I decided to somewhat going back to my roots and research a topic that personally interests me most: How do microenterprises manage to survive and what attributes make them resilient over years.

---

**Ethical considerations**

The most important thing on doing research is to follow strict ethical guidelines. Regarding the participation in this research I therefore ensure you:

- **Transparency:** With this letter you are informed about the purpose and content of the research. There are no hidden agendas or aims of this research.
- **Independency:** The research is done autonomously by me with the single purpose of finishing my studies at the University of Leicester. There is no sponsorship or interest of third parties, which is influencing my autonomy.
- **Voluntariness:** You are participating voluntarily and can withdraw from participation at any time.
- **Anonymity, Privacy and Confidentiality:** Any personal information as well as your company’s name are not released at any time. All information is anonymised. Records of the interviews are only kept with the researcher until the dissertation is marked, after that they are deleted. The dissertation paper can be used for the purpose of the University (e.g. to initiate further studies or as example for future students).
Your participation – scope and time needed

To gather the necessary information, it is necessary to conduct an interview with you. The interview questions will be sent to you in advance. The interview is divided into three parts:

- General information (size of business, economic branch etc.)
- Personal and business objectives (e.g. what is important in your life, have you any annual goals for your business etc.)
- Exposure to risk and difficulties (e.g. what do you perceive as risk to your business, how do you manage them etc.)

Additionally it is required to have a look at your shop, office or your production facility. This is needed in order to gain a better understanding of what you are doing and how you are doing it.

Time required for interview and viewing: 2 hours

Time period: Between 7th and 18th December 2015.

I thank you very much for your time and interest in this research. I will contact you next week to get your opinion and hopefully your final confirmation of your participation.

Sincerely

Katrin Stauffer
Aebnit, 3614 Unterlangenegg
katrin.stauffer@yahoo.de, cell phone 079 636 67 34

Attachments:
- Informed Consent Form
Informed Consent Form

Dear Mr / Mrs / Ms

As part of the research I am conducting I would like to find out your views on success and survival of microenterprises: What are your personal and your business objectives, what are you perceiving as risk and how are you surviving.

Any views expressed are treated confidentially, any findings are anonymised and used solely for my personal purpose or for the purpose of the University.

It is important to note that you can withdraw from the research at any time.

If you are willing to take part in this research, would you please sign below. If you would like to ask any questions concerning this process, please feel free to contact me:
Katrin Stauffer, cell phone 079 636 67 34, katrin.stauffer@yahoo.de

Yours sincerely,

Katrin Stauffer

I agree to participate in this research on the basis outlined.

Signature: ___________________________ Date: ___________________________

Print name of interviewee: ___________________________

Print address: ___________________________
Appendix D2: Information letter and informed consent form in German

Sehr geehrter Herr… / Sehr geehrte Frau…

Wie in unserem Telefon diskutiert, möchte ich Sie gerne anfragen, ob Sie mich mit Ihrer Teilnahme in der Abschlussarbeit unterstützen, welche ich im Rahmen meines Studiums im Bereich Risiko-, Krisen- und Desaster-Management an der Uni Leicester (Grossbritannien) durchführe.

Dieser Brief erläutert genauer worum es geht, wer ich bin, unter welchen Rahmenbedingungen Ihre Teilnahme steht und welchen Aufwand eine Teilnahme für Sie bedeutet. Ich schicke Ihnen ausserdem eine Einwilligungserklärung, die ich Sie im Falle einer Teilnahme zu unterschreiben bitte. Diese kann mir aber während des Interviews zurückgegeben werden.

Ziel der Abschlussarbeit und gewählte Methoden

Zu meiner Person


Als Abschluss meines Studiums steht mir nun noch die Masterarbeit bevor. Dafür habe ich nach einem Thema gesucht, dass einerseits wissenschaftlich von Bedeutung ist und mich auf der anderen Seite aber auch persönlich interessiert. Ich habe verschiedene Themen im Bereich meiner beruflichen Tätigkeit in Erwägung gezogen, habe mich aber schlussendlich entschlossen, zu meinen Wurzeln zurückzukehren und eine Fragestellung zu untersuchen, die mich persönlich am meisten interessiert: Wie überleben Mikrounternehmen und was macht sie widerstandsfähig?

Ethische Grundsätze

Das Wichtigste bei der professionellen Forschungsarbeit ist die Einhaltung von strikten ethischen Richtlinien. Dies heisst konkret:

- **Transparenz:** Mit diesem Brief wird Ihnen der Zweck und Inhalt der Studie dargelegt. Es gibt keine versteckte Agenda oder Ziele, welche Ihnen nicht kommuniziert worden.

- **Unabhängigkeit:** Die Studie wird durch mich gemacht mit dem einzigen Zweck, meine Masterarbeit zu erstellen. Ich arbeite unabhängig und werde nicht von Drittparteien bezahlt oder beziehe andere Unterstützungsleistungen, die meine Unabhängigkeit und Neutralität beeinflussen könnten.

- **Freiwilligkeit:** Sie nehmen freiwillig an der Studie teil und können Ihre Bereitschaft zur Teilnahme jederzeit zurückziehen.

- **Anonymität, Privatsphäre und Vertraulichkeit:** Jede persönliche Information sowie der Name Ihrer Person und Ihres Unternehmens werden vertraulich behandelt. Alle Information werden in der Studie anonymisiert abgebildet. Aufnahmen von Gesprächen werden durch mich verschlossen aufbewahrt, bis zur Bewertung der Masterarbeit, danach werden alle Daten unverzüglich gelöscht. Die Masterarbeit kann von der Universität Leicester für interne Zwecke weiter genutzt werden (z.B. als Ausgangspunkt für weitere Studien oder als Beispiel für Studierende).
Ihre Teilnahme – Umfang und benötigte Zeit.

Um die nötigen Informationen zu sammeln, ist es nötig ein Interview mit Ihnen zu führen. Dieses Interview ist in drei Teile gegliedert:

– Allgemeine Angaben (z.B. Größe des Unternehmens, Firmenform, wichtigstes Produkt / Dienstleistung usw.)
– Persönliche und Geschäftszielsetzungen (z.B. was für Sie in Ihrem Leben wichtig ist oder ob und wenn ja welche Jahresziele Sie sich setzen usw.)
– Risikowahrnehmung / Umgang mit Schwierigkeiten (z.B. was empfinden Sie als das größte Risiko für Ihr Unternehmen und wie gehen damit um, was war die schwierigste Situation in Ihrer Geschäftstätigkeit und wie haben Sie sie gemeistert usw.)


Benötigte Zeit für das Interview / die Besichtigung: 2 Stunden

Ich bedanke mich herzlich für Ihr Interesse. Mit einer Teilnahme ermöglichen Sie mir, wichtige Erkenntnisse über Mikrounternehmen zu gewinnen. Ich erlaube mir, Sie nächste Woche zu kontaktieren und hoffe darauf, dass ich mit Ihnen einen Interviewtermin vereinbaren darf.

Mit freundlichen Grüssen

Katrin Stauffer
Aebnit, 3614 Unterlangenegg
katrin.stauffer@yahoo.de
Telefon 079 636 67 34

Anhang:
– Einwilligungserklärung
Einwilligungserklärung

Sehr geehrter Herr / Sehr geehrte Frau

Als Teil meiner Studie möchte ich mehr in Erfahrung bringen über Ihre Ansichten bezüglich Erfolgs- und Überlebenschancen von Mikrounternehmen: Was sind Ihre persönliche Ziele und die Ziele für Ihr Unternehmen, was empfinden Sie als Risiko und wie überlebt Ihr Unternehmen.

Ihre Ansichten und Aussagen werden vertraulich behandelt und anonymisiert. Die Studie wird lediglich für meine Zwecke oder für die Zwecke der Universität weiterverwendet.

Sie haben die Möglichkeit, Ihre Einwilligung zur Teilnahme jederzeit zurückzuziehen.

Ich bitte Sie diese Einwilligungserklärung zu unterschreiben, wenn Sie in die Teilnahme einwilligen. Wenn Sie Fragen haben, können Sie sich jederzeit an mich wenden:
Katrin Stauffer, 079 636 67 34, katrin.stauffer@yahoo.de

Mit freundlichen Grüßen

Katrin Stauffer

 Unter den oben beschriebenen Bedingungen willige ich ein, an der Studie teilzunehmen.

Unterschrift:   Datum:

Name in Druckschrift
Adresse in Druckschrift
Appendix E1: Interview script / questions in English

Explanations for the marker of this dissertation are written in normal letters, the script text is written in italic letters.

General remarks:

- The underlined words will be explained to the participant in more detail to ensure the equal understanding of the particular terms. Explanations of the terms are listed at the end of the interview script.
- The researcher will acknowledge 'No' answers with a short pause and a confirming question back ('No?') to encourage the interviewee to give insights into the reason for his answer.
- The scenario questions in each part / section aim to check general consistency or inconsistency of the participant's answers. The questions request a practical decision-making consideration of the owner-manager with which the answers to the more abstract questions can be compared. The scenario questions can therefore be seen as part of an internal data triangulation process and will mainly be considered for that reason in the data analysis.
- The abbreviations Q[…] are just used in the English script for a better recognition of the questions in appendix F.

The first part of the interview aims to get the participant into a talking 'mood' and to collect data that can help to better categorize the enterprise.

Part 1) General information

- Q1: Since when are you running your business?
- Q2: What type of organization is your business (e.g. incorporated company, sole proprietorship)?
- Q3: Do you have an entry in the commercial register?
  For some company types such as incorporated company, limited liability companies etc. registration is mandatory. For other companies such as sole proprietorship, general partnership, limited partnership etc. an entry is required if it conducts trade, manufacturing or any other business in a commercial manner. In the case of sole proprietorships, an annual turnover of at least CHF 100,000 is requested as requirement for an entry.
- Q4: Are you liable to VAT? (annual turnover > CHF 100,000)
- Q5: How many employees work for you part-time and fulltime?
- Q6: Do you have family members employed or family members that help in the business?
- Q7: What is the product / service mostly requested by your customers?
- Q8: What kind of facilities do you use (office, factory, shop etc.)?
- Q9: Based on what criteria did you choose the location of your facilities?
- Q10: What would you describe as the strengths and weaknesses of your business?
- Q11: If you think about your business' history: Can you identify any milestones, which you would say had influence on how your business is today?
Part 2) Objective setting

A) Values
This section is evaluating the degree of entrepreneurship and will be used as benchmark / in comparison to the objective setting to check general consistency or inconsistency of the participants answers.
- Q1: Are you following any values as an owner-manager? If yes: Which ones?
- Q2: Are you following any values in your private life? If yes: Which ones?
- Q3: If you have personal values: Do you find it easy or difficult to follow these values?
- Q4: Is there a change in the values you were following over the time? If yes: Can you explain what has changed?
- Q5: What do you think: Do or don’t your values influence the performance of your business?
- Q6: From the presented list: Which three values can you most and which three least identify with?
List is given to the participant in written form.

- Ambition
- Creativity
- Affection
- Honesty
- Reliability
- Responsibility
- Equality
- Competence
- Growth
- Achievement
- Compassion
- Social Recognition
- Hard work
- Optimism
- Innovation
- Aggressiveness
- Social protection

Imagine the following scenarios:
- S1: Scenario 1): You accidentally find out that one of your employees has been regularly cheating you for quite some time. What are you going to do?
- S2: Scenario 2): A customer is unhappy about the product / service you delivered. He demands a substantial discount. You know that the product / service delivered was of reasonable quality. What are you going to do?
- S3: Scenario 3): Your business is not going very well. You know, if there is no change there will be consequences either for your business or for you personally or for both. What are you going to do?

B) Personal economic, personal non-economic and business objectives
- Q1: Do you have personal economic objectives? If yes: What are they?
- Q2: Do you have personal non-economic objectives? If yes: What are they?
- Q3: Do you have business objectives? If yes: What are they?
- Q4: From the presented list: Which three objectives can you most and which three least identify with?
- High or higher income
- Profit maximisation
- Maintain employment
- Job satisfaction
- Survival / break even
- Satisfactory income
- Reasonable hours
- Money for luxury
- Growth
- Control
- Establish business
- Flexibility
- Q5: What would you define as success in regard to microenterprises?
- Q6: What would you define as failure in regard to microenterprises?
Q7: How do you see your business in regard to success and failure?
Q8: Would you say that you are satisfied or not satisfied with the performance of your business?

Imagine the following scenarios:
- S1: Scenario 1): You are asked to offer a complex and highly individualized service / product you are not used to. What are your considerations and what are you going to do?
- S2: Scenario 2): You get a very attractive offer to take over another business or to expand your business. What are you going to do?
- S3: Scenario 3): You are looking back on an unexpectedly successful business year, which brings you an unusual high profit. What are you going to do?

Part 3) Risk and organizational resilience

- Q1: What are you considering as risks for your business?
- Q2: How do you cope with these risks?
- Q3: Considering all the experiences you made as an owner-manager: What can you say about the amount of positive and negative experiences?
- Q4: Would you say that these experiences influence or do not influence how you cope with new experiences today?

B) Following Mallak’s 2nd resilience principle (1998: 13): Performing positive adaptive behavior
- Q1: Considering again the risks you identified for your business: Do or don’t you take any actions to minimize or avoid the risks?
- Q2: What are you going to do if the risks nevertheless come true?
- Q3: What are you going to do if your plan to cope with the risks is not working?
- Q4: Thinking about risks and possible unintentional / unplanned changes in your business: How does it make you feel?
- Q5: Can you remember any unintentional / unplanned changes happening to your business in the past?
- Q6: If yes: How did you cope with that change and what do you think today about this change?

C) Following Mallak’s 3rd resilience principle (1998: 13): Ensuring adequate external resources
- Q1a: Can you imagine a situation in which you would ask for external advice?
- Q1b: If yes: What would be such a situation and whom would you ask?
- Q1c: Did you ever encounter such a situation?
- Q2a: Can you imagine a situation in which you would need information you cannot access by yourself?
- Q2b: If yes: What would be such a situation and who could give you access to the needed information?
- Q2c: Did you ever encounter such a situation?
- Q3a: Can you imagine a situation in which you would ask for external financial support?
Q3b: If yes: What would be such a situation and whom would you ask?
Q3c: Did you ever encounter such a situation?
Q4a: Can you imagine a situation in which you would ask for external practical help?
Q4b: If yes: What would be such a situation and whom would you ask?
Q4c: Did you ever encounter such a situation?
Q5a: Can you imagine a situation in which you would ask for external emotional support?
Q5b: If yes: What would be such a situation and whom would you ask?
Q5c: Did you ever encounter such a situation?

D) Following Mallak’s 4th, 5th and 6th resilience principles (1998: 13): Expanding decision making boundaries / Practicing bricolage / Developing tolerance for uncertainty
- Q1: Considering decision-making: Who is taking what decisions in your business?
- Q2: Are there decisions that are easier / more difficult to take than others?
- Q3: Can you imagine a situation where a quick solution has to be provided on the spot?
- Q4: Who is providing these solutions?
- Q5: What do you think about the effect of such solutions?
- Q6: Can you imagine a situation where decisions have to be taken without having all the needed information to consider it properly?
- Q7: Who is taking such decisions?
- Q8: What do you think about the result of such decisions compared to more reflected decisions?

- Q1: What do you think is going to happen to your business if you are missing unexpectedly?
- Q2: Did you ever encounter such a situation?
- Q3: What would be the biggest challenge if this was going to happen?
- Q4: Do or don’t you prepare for such a situation?
- Q5: Turning the question around: What do you think is going to happen to your business if one of your employees is missing unexpectedly?
- Q6: Did you ever encounter such a situation?
- Q7: What would be the biggest challenge if this was going to happen?
- Q8: Do or don’t you prepare for such a situation?

Imagine the following scenarios:
- S1: Scenario 1): A very important client or partner does not want to work with you anymore and justifies his decision by saying that he is not happy with the quality of your work. How does that make you feel and what is your reaction?
- S2: Scenario 2): As of late, a new competitor has challenged your business by offering the same products / services for lower prices. You have already lost clients to this competitor. What do you think about that and what are you going to do?
- S3: Scenario 3): Over the last months you realised that your business activity, turnover and profit are slowly
decreasing. You do not have any idea why. What are you going to do?

- S4: Scenario 4): You are asked to provide a series of products / services within a fixed time period. While this job would be very lucrative, it would also request quite an amount of additional expenses in advance without knowing yet if you really will get the job. What are you going to do?
- S5: Scenario 5): You are traveling. One of your employees needs to find an immediate solution for an emerging problem and tries to call you to ask for your advice. Unfortunately you are on the plane for several hours and cannot be reached. What do you think is going to happen?
- S6: Scenario 6): During your leisure activities you have a serious accident, which results in your absence for several weeks. What do you think is going to happen to your business?

Part 4) Narrative interview and observation

B) Script for narrative interview

Aims to get a feeling of the owner-manager’s passion for what he is doing. The following questions are examples and can be used to encourage the owner-manager to tell more about his business.

- How does it come that you are doing what you are doing today?
- Could you imagine doing something different?
- Are you happy about how things developed and are today?
- If you could change something: What would it be?
- What do you think how long will you proceed with your business?
- What would be a reason to stop with your business?
- What would you do then?
- .....

The interview is closed with this part, nevertheless the end will be determined based on what the candidate wants to tell in the narrative section.

- We have come to the end of the interview. Would you like to add something or do you have any questions?
- Thank you very much for your time and willingness to share all that information with me.

Explanation of terms used in the interview:

For the purpose of this interview the term (...) means:

- Values: A person’s principles of behavior and judgment of what is important in life.
- Performance: The effectiveness and efficiency of actions, tasks, or functions that are in progress or accomplished.
- Microenterprises: Enterprises with 0 to 9 annual work units (AWU)
- Risk: A situation involving exposure to danger
External advise / support: advise / support coming from outside of the owner-manager’s usual relationships (friends, family, his own business)

The following patterns are guidelines for the researcher to lead and categorise the observation of the business facilities and the analysis of the website in a standardized manner.

B) Observation pattern

What facilities were shown to the researcher?

Pattern for the categorization / description of each facilities’ state (to be done by the researcher):

<table>
<thead>
<tr>
<th>Facility</th>
<th>Observation category</th>
</tr>
</thead>
<tbody>
<tr>
<td>Area Order Cleanness Modernity Atmosphere Up-to-dateness</td>
<td></td>
</tr>
<tr>
<td>Working area (location of the main business activity e.g. factory, office, shop)</td>
<td></td>
</tr>
<tr>
<td>Back office (areas to support the main business activity, e.g. storehouse or office)</td>
<td></td>
</tr>
<tr>
<td>Surroundings (areas not related to the business activity but in the responsibility of the enterprise e.g. smoking area, parking lot, break room, waiting room)</td>
<td></td>
</tr>
</tbody>
</table>

Explanations to observation categories:

- **Order**: Tools / papers / articles etc. have their place, places are practical and accessible; what is not used immediately for work is not in the first place; proper labeling is used and respected.
- **Cleanness**: Tools / papers / articles / machines are not covered with dust; floors, desks, windows are cleaned; ashtrays are emptied; places to sit down or clothes are not grubby.
- **Modernity**: Tools / articles / machines are up-to-date; furniture and infrastructure follow a style and are appropriate.
- **Atmosphere**: Spacious, bright and inviting; gives the feeling that breathing is easily possible, staff and owner-managers personal note can be found, friendly and cooperative mood.
- **Up-to-dateness**: New editions of articles / magazines; telephone lists, safety posters etc. are up-to-date; advertising material represents the actual offering, price lists are updated.

Assessment: Each facility and category is given a + (good), a 0 (neutral or difficult to assess) or a – (not good).
Pattern for the categorisation / assessment of the website

<table>
<thead>
<tr>
<th>Observation category</th>
</tr>
</thead>
<tbody>
<tr>
<td>Design</td>
</tr>
<tr>
<td>Usability</td>
</tr>
<tr>
<td>Service</td>
</tr>
<tr>
<td>Up-to-dateness</td>
</tr>
</tbody>
</table>

Explanations to observation categories:
- **Design**: Modern, suits the business activity, friendly and welcoming, tidy and well structured.
- **Usability**: Good and easy structure, easy user prompting, good overview, logical structure and no complicated interlocking.
- **Service**: Website brings additional benefit for the customer, makes the life of the customer easier.
- **Up-to-dateness**: Current offers and news are published regularly, website is maintained on a regular basis.

Assessment: Each facility and category is given a + (good), a 0 (neutral or difficult to assess) or a – (not good).
Appendix E2: Interview script / questions in German

Teil 1) Allgemeine Informationen

- Seit wann sind Sie mit Ihrem Geschäft aktiv?
- Was hat Ihr Geschäft für eine Firmenform
- Sind Sie im Handelsregister eingetragen?
- Sind Sie mehrwertsteuerpflichtig?
- Wie viele Mitarbeitende arbeiten für Sie Voll- oder Teilzeit?
- Sind unter den Angestellten Familienmitglieder oder helfen Familienmitglieder anderweitig mit im Betrieb?
- Welches ist das meist gefragte Produkt / die meist gefragte Dienstleistung?
- Was für Einrichtungen / Räumlichkeiten benutzen Sie (Büro, Fabrikation, Laden)?
- Aufgrund welcher Kriterien haben Sie die Lage Ihrer Räumlichkeiten ausgewählt?
- Was würden Sie als die Stärken und Schwächen Ihrer Firma bezeichnen?
- Wenn Sie über Ihre Firmengeschichte nachdenken: Können Sie Meilensteine identifizieren, von denen Sie sagen würden, dass diese beeinflusst haben, wie Ihr Geschäft heute ist?

Teil 2) Zielsetzungen

A) Werte

- Gibt es Werte, denen Sie als Unternehmer folgen? Wenn ja: Welche?
- Gibt es Werte, denen Sie im Privatleben folgen? Wenn ja: Welche?
- Wenn Sie persönliche Werte haben: Finden Sie es eher leicht oder eher schwer denen zu folgen?
- Gab es über die Zeit einen Wechsel von Ihren Werten? Wenn ja: Können Sie erklären, was sich geändert hat?
- Was denken Sie: Beeinflussen die Werte die Leistung Ihrer Firma oder beeinflussen diese Werte die Leistung nicht?
- Von der vorgelegten Liste: Mit welchen drei Werten können Sie sich bezogen auf Ihre Geschäftstätigkeit am ehesten und mit welchen am wenigsten identifizieren?

- Ehrgeiz •  Ehrlichkeit •  Erfolg / Leistung •  Erfolg / Leistung
- Kreativität •  Zuverlässigkeit •  Mitleid •  Mitgefühl
- Gleichheit •  Kompetenz •  Mitgefühl •  Optimismus
- Erfolg / Leistung •  Mitgefühl •  Optimismus •  Soziale Sicherheit
- Warmherzigkeit •  Verantwortung •  Wachstum •  Anerkennung
- Verantwortung •  Wachstum •  Anerkennung •  Innovation

Stellen Sie sich folgende Szenarien vor:

- Szenario 1): Sie finden zufällig heraus, das einer Ihrer Mitarbeitenden Sie seit längerer Zeit und regelmässig betrügt. Was tun Sie?
- Szenario 2): Ein Kunde ist nicht zufrieden mit Ihrem Produkt / Ihrer Dienstleistung und will eine erhebliche Vergünstigung. Sie wissen, dass die Qualität Ihres Produktes / Ihrer Dienstleistung stimmt. Was tun Sie?
– Szenario 3): Ihr Geschäft läuft nicht sehr gut. Sie wissen, dass dies Konsequenzen für das Geschäft oder für Sie privat haben wird, falls sich die Situation nicht ändert. Was tun Sie?

B) Persönliche wirtschaftliche und nicht wirtschaftliche Ziele, Geschäftsziele
– Haben Sie persönliche wirtschaftliche Ziele? Wenn ja, welche?
– Haben Sie persönliche nicht wirtschaftliche Ziele? Wenn ja, welche?
– Haben Sie Geschäftsziele? Wenn ja, welche?
– Von der vorgelegten Liste: Mit welchen drei Zielen können Sie sich am ehesten, mit welchen am wenigsten identifizieren?

• Hohes oder höheres Einkommen • Profitmaximierung • Arbeitsplätze erhalten
• Zufriedenheit mit der Arbeit • Überleben / Kosten decken • Zufriedenstellendes Einkommen
• Angemessene Arbeitszeiten • Geld für Luxusgüter • Wachstum
• Kontrolle • Geschäft etablieren • Anpassungsfähigkeit

– Wann ist ein Mikrounternehmen aus Ihrer Sicht erfolgreich?
– Wann ist ein Mikrounternehmen aus Ihrer Sicht gescheitert?
– Wie ordnen Sie Ihr Unternehmen ein in Bezug auf Erfolg oder Misserfolg?
– Würden Sie sagen, Sie sind eher zufrieden oder eher unzufrieden mit der Leistung Ihres Unternehmens?

Stellen Sie sich folgende Szenarien vor:
– Szenario 1): Sie werden angefragt einen komplexen und hochindividualisierten Auftrag zu übernehmen, den Sie noch nie in dieser Form gemacht haben. Was sind Ihre Überlegungen und was tun Sie?
– Szenario 2): Sie erhalten ein sehr interessantes Angebot um ein anderes Unternehmen zu übernehmen oder in einen anderen Geschäftsbereich zu expandieren. Was tun Sie?
– Szenario 3): Sie schauen auf ein unerwartet erfolgreiches Geschäftsjahr zurück, dass Ihnen einen ungewöhnlich hohen Profit beschert. Was tun Sie?

Teil 3) Risiko und Widerstandsfähigkeit

Teil A)
– Was sehen Sie als Risiko für Ihr Geschäft?
– Wie gehen Sie mit diesen Risiken um?
– Wenn Sie Ihre Erfahrungen als Unternehmer Revue passieren lassen: Was können Sie sagen bezüglich der Menge an positive und negativen Erfahrungen, die Sie gemacht haben?
– Würden Sie sagen, dass diese Erfahrungen einen Einfluss oder keinen Einfluss darauf haben, wie Sie heute mit neuen Erfahrungen umgehen?

Teil B)
– Wenn Sie wieder an die Risiken denken, die Sie für Ihre Firma identifiziert haben:
  Tun Sie etwas oder tun Sie nichts um diese Risiken zu minimieren oder zu verhindern?
- Was werden Sie tun, wenn sich die Risiken bewahrheiten?
- Was tun Sie, wenn Ihr Plan, wie Sie mit den Risiken fertig werden nicht funktioniert?
- Wie fühlen Sie sich, wenn Sie über diese Risiken und mögliche ungewollte / ungeplante Veränderungen in Ihrer Firma nachdenken?
- Können Sie sich erinnern, dass solche ungewollten / ungeplanten Veränderungen in der Vergangenheit eingetreten sind?
- Wenn ja: Wie sind Sie mit diesen Veränderungen umgegangen und was denken Sie heute darüber?

Teil C)
- Können Sie sich eine Situation vorstellen, in der Sie um externen Rat fragen würden?
- Wenn ja, was wäre so eine Situation und wenn würden Sie fragen?
- Haben Sie jemals so eine Situation erlebt?
- Können Sie sich eine Situation vorstellen, in der Sie Informationen brauchen, zu denen Sie aber keinen Zugang haben (Insiderinformationen)?
- Wenn ja, was wäre so eine Situation und wer könnte Ihnen die Informationen geben, die Sie benötigen?
- Haben Sie jemals so eine Situation erlebt?
- Können Sie sich eine Situation vorstellen, in der Sie externe finanzielle Unterstützung brauchen?
- Wenn ja, was wäre so eine Situation und wer könnte Ihnen die Unterstützung geben?
- Haben Sie jemals so eine Situation erlebt?
- Können Sie sich eine Situation vorstellen, in der Sie externe praktische Hilfe benötigen?
- Wenn ja, was wäre so eine Situation und wo würden Sie sich die Hilfe holen?
- Haben Sie jemals so eine Situation erlebt?
- Können Sie sich eine Situation vorstellen, in der Sie externe emotionale Unterstützung brauchen?
- Wenn ja, was wäre so eine Situation und wen würden Sie aufsuchen?
- Haben Sie jemals so eine Situation erlebt?

Teil D)
- Wenn Sie über Entscheidungsfindung nachdenken: Wer trifft welche Entscheidungen in Ihrer Firma?
- Gibt es Entscheidungen, die einfacher oder schwieriger zu treffen sind als andere?
- Können Sie sich eine Situation vorstellen, wo eine schnelle Lösung an Ort und Stelle gefunden werden muss?
- Wer kann solch schnelle Lösungen liefern?
- Was denken Sie über die Auswirkung von solchen Lösungen?
- Können Sie sich eine Situation vorstellen, wo Entscheidungen getroffen werden müssen, ohne dass alle benötigten Informationen für eine gut durchdachte Entscheidung zur Verfügung stehen?
- Wer kann solche Entscheidungen machen?
- Was denken Sie über die Auswirkung von solchen Entscheidungen?

Teil E)
- Was denken Sie, passiert mit Ihrer Firma, wenn Sie ungeplant ausfallen?
- Haben Sie jemals so eine Situation erlebt?
– **Was ist die größte Herausforderung, wenn so etwas passiert?**
– **Sind Sie auf so eine Situation vorbereitet oder nicht?**
– **Drehen wir die Frage um: Was denken Sie, passiert mit Ihrer Firma, wenn einer Ihrer Mitarbeiter ungeplant ausfällt?**
– **Haben Sie jemals so eine Situation erlebt?**
– **Was ist die größte Herausforderung, wenn so etwas passiert?**
– **Sind Sie auf so eine Situation vorbereitet oder nicht?**

Stellen Sie sich folgende Szenarien vor

– **Szenario 1)**: Ein sehr wichtiger Kunde oder Partner von Ihnen will nicht mehr mit Ihnen zusammenarbeiten, weil er mit der Qualität der Arbeit nicht mehr zufrieden ist. Was fühlen Sie und was ist Ihre Reaktion?
– **Szenario 2)**: Seit kurzer Zeit ist ein neuer Konkurrent in unmittelbarer Nähe aktiv. Er bietet dieselben Produkte / Dienstleistungen zu einem günstigeren Preis an. Sie haben bereits Kunden an diesen Konkurrenten verloren. Was denken Sie darüber und was tun Sie?
– **Szenario 3)**: Sie stellen fest, dass Ihre Geschäftstätigkeit über die letzten Monate harzig ist und der Umsatz sinkt. Sie haben keine Ahnung wieso. Was tun Sie?
– **Szenario 4)**: Sie werden angefragt, eine Serie an Produkten / Dienstleistungen in einem fixen Zeitraum zu liefern. Der Auftrag wäre sehr lukrativ, aber er bedingt, dass Sie bereits heute massgebende Aufwände haben ohne zu wissen, ob Sie den Auftrag überhaupt erhalten werden. Was tun Sie?
– **Szenario 5)**: Sie sind unterwegs. Einer Ihrer Angestellten muss für ein unmittelbares Problem sofort eine Lösung finden. Er versucht Sie anzurufen und Sie um Rat zu fragen, aber Sie sitzen im Flugzeug und sind für mehrere Stunden nicht erreichbar. Was denken Sie, wird passieren?
– **Szenario 6)**: Während einer Freizeitaktivität erleiden Sie einen schweren Unfall und fallen für mehrere Wochen aus. Was denken Sie, wird mit Ihrem Geschäft passieren?
Teil 4) Freies Erzählen und Besichtigung

A) Leitfaden für freies Erzählen

- Wie kommt es, dass Sie das machen, was Sie machen?
- Könnten Sie sich vorstellen, etwas anderes zu machen?
- Sind Sie zufrieden damit, wie sich die Dinge entwickelt haben und wie sie heute sind?
- Wenn Sie etwas ändern könnten: Was würde das sein?
- Was denken Sie, wie lange wird Ihr Geschäft bestehen oder wie lange machen Sie damit weiter?
- Was wäre für Sie ein Grund, das Geschäft aufzugeben?
- Was würden Sie dann machen?
- .....

- Wir sind am Ende des Interviews angelangt. Würden Sie gerne etwas ergänzen oder haben Sie Fragen?
- Vielen Dank, dass Sie sich Zeit genommen und sich bereit erklärt haben an diesem Interview teilzunehmen.

Erklärungen der im Interview gebrauchten Begriffe (unterstrichene Wörter):

- Werte: Die Prinzipien nach denen eine Person handelt und nach denen sie beurteilt, was für sie wichtig ist im Leben.
- Leistung: Wirksamkeit und Effizienz von Tätigkeiten, Funktionen, Auftragserfüllung
- Mikrounternehmen: Unternehmen mit 0 bis 9 Vollzeitäquivalenten
- Risiko: Eine Situation, in der man einer bestimmten Gefahr ausgesetzt ist.
- Externer Rat / Unterstützung: Unterstützung welche ausserhalb des normalen Bezugskreises (Familie, Unternehmen, Freunde) des Unternehmers ersucht wird.
B) Besichtigungsraster / Beurteilungsraster Internetauftritt
Welche Einrichtungen werden gezeigt?

Raster für die Kategorisierung / Beschreibung der verschiedenen Einrichtungen:

<table>
<thead>
<tr>
<th>Einrichtung</th>
<th>Beobachtungskategorien</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Bereich</td>
</tr>
<tr>
<td>Arbeitsbereich</td>
<td></td>
</tr>
<tr>
<td>(Bereich in dem die Geschäftstätigkeit hauptsächlich ausgeübt wird, z.B. Fabrikationsstätte, Büro, Ladenlokal)</td>
<td></td>
</tr>
<tr>
<td>Back office</td>
<td></td>
</tr>
<tr>
<td>(Bereiche zur Unterstützung der Geschäftstätigkeit, z.B. Lagerhalle, Büro)</td>
<td></td>
</tr>
<tr>
<td>Umgebung</td>
<td></td>
</tr>
<tr>
<td>(Bereiche, die nicht unmittelbar mit der Geschäftstätigkeit zu tun haben, für welche das Unternehmen aber verantwortlich ist, z.B. Raucherzone, Pausenraum, Parkplätze, Warteraum)</td>
<td></td>
</tr>
</tbody>
</table>

Erklärung zu den Beobachtungskategorien
– Ordnung: Werkzeuge / Papiere, Artikel etc. haben ihren Platz, die zugeordneten Plätze sind praktisch und gut erreichbar; was nicht unmittelbar benutzt wird für die Arbeit steht nicht zuvorderst, alles ist sauber beschriftet und die Beschriftungen / Ordnung wird eingehalten.
– Sauberkeit: Werkzeuge, Papiere, Artikel, Maschinen sind nicht mit Staub bedeckt; Böden, Tische, Fenster sind sauber, Aschenbecher geleert, Sitzplätze und Kleider nicht schmuddelig.
– Modernität: Werkzeuge, Artikel, Maschinen sind zeitgemäss, Möbel und Infrastruktur folgt einem durchgängigen Stil und sind der Geschäftstätigkeit angepasst.
– Atmosphäre: Grosszügige, helle und einladende Räume, die das Gefühl verbreiten, dass man atmen kann; Angestellte und Unternehmer bringen Ihre persönliche Note ein, es herrscht eine freundliche und kooperative Stimmung.
– Aktualität: Magazine / Artikel / Zeitungen usw. sind aktuell, Telefonlisten, Sicherheitshinweise usw. sind up to date, Werbemittel bewerben die aktuellen Angebote, Preislisten sind aktualisiert.

Beurteilung:
Pro Einrichtung und Kategorie wird ein + (gut), eine 0 (neutral oder schwer zu beurteilen) oder ein – (nicht gut) vergeben.
**Raster für Kategorisierung / Beschreibung der Website:**

<table>
<thead>
<tr>
<th>Beobachtungskriterien</th>
<th>Design</th>
<th>Benutzerfreundlichkeit</th>
<th>Service</th>
<th>Aktualität</th>
</tr>
</thead>
</table>

**Erklärung zu den Beobachtungskategorien**

- **Design:** Modern, passend zur Dienstleistung, freundlich, aufgeräumt, strukturiert.
- **Benutzerfreundlichkeit:** Struktur, Benutzerführung, Übersicht, Aufbau und Verschachtelung, Logik
- **Service:** Welchen Mehrwert bringt der Internetauftritt, was profitiert der Kunde davon, welche Informationen erhält der Kunde.
- **Aktualität:** Sind aktuelle Angebote / News publiziert, wird die Website kontinuierlich aktualisiert.

**Beurteilung:**

Pro Website und Kategorie wird ein + (gut), eine 0 (neutral oder schwer zu beurteilen) oder ein – (nicht gut) vergeben.
### Appendix F: Summary of participant’s answers

#### Part 1) General information – Companies A to E

| Q1 | 2003 / Took it over from former owner, just recently paid the last rate. |
| Q2 | Sole proprietorship |
| Q3 | Yes |
| Q4 | Yes |
| Q5 | 5 full-time employees incl. owner-manager. |
| Q6 | Wife helps with administration and book keeping. Gets no salary. |
| Q7 | Stoves and products made of natural stones. |
| Q8 | Show room, office, meeting room, factory, car park. |
| Q9 | Took it over from former owner. Is renting the premises. |
| Q10 | Qualified, standing employees |

<table>
<thead>
<tr>
<th>Company A</th>
<th>Company B</th>
<th>Company C</th>
<th>Company D</th>
<th>Company E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Berne City</td>
<td>Berne City</td>
<td>Bie/Bienne Seeland</td>
<td>Thun Agglomeration</td>
<td>Emmental</td>
</tr>
<tr>
<td>Specialised construction activities</td>
<td>Retail trade</td>
<td>Retail trade</td>
<td>Wholesale and retail trade</td>
<td>Retail trade</td>
</tr>
<tr>
<td>Age of participant: 50 to 59</td>
<td>Age of participant: 60 to 69</td>
<td>Age of participant: 40 to 49</td>
<td>Age of participant: 40 to 49</td>
<td></td>
</tr>
<tr>
<td>Q1</td>
<td>Since 2000 executive officer, since 2005 owner-manager.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q2</td>
<td>Incorporated company (only owner-manager has shares)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q3</td>
<td>Yes</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q4</td>
<td>Yes</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q5</td>
<td>5 part-time employees, 1 full-time (owner-manager) and 1 apprentice (a total of approx. 500% by position).</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q6</td>
<td>Life partner as regular employee. Daughter helps out, no salary.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q7</td>
<td>There is nothing that is much more requested than other products.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q8</td>
<td>Shop, storage area, small cafeteria, car park.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q9</td>
<td>A coincidence. Since 9 years on this location. Not really dependent on the place of location. The customers used to come from all over Switzerland (not any more &gt; e-commerce, Euro crisis, strong Swiss franc). Owns the premises.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q10</td>
<td>Qualified, standing employees</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### Additional Information

- **Company A**
  - Started in 2003.
  - Took it over from former owner.
  - Owner-manager.
  - Current premises.
  - 5 full-time employees incl. owner-manager.
  - Wife helps with administration and book keeping.
  - Renting the premises.
  - Showroom, office, meeting room, factory, car park.
  - Took it over from former owner.

- **Company B**
  - Started in 2000.
  - Executive officer since 2005.
  - Owner-manager.
  - Current premises.
  - 5 part-time employees, 1 full-time (owner-manager) and 1 apprentice.
  - Wife helps with administration and book keeping.
  - Renting the premises.
  - Shop, storage area, small cafeteria, car park.

- **Company C**
  - Owner-manager.
  - Current premises.
  - 60% by position (incl. owner-manager and life partner full-time, one employee part-time).
  - Daughter helps out, no salary.
  - Renting the premises.
  - Showroom (indoor), garage, car park.

- **Company D**
  - Founded in 1946.
  - Owner-manager.
  - Current premises.
  - 300% by position (incl. owner-manager and 1 apprentice).
  - Wife helps with administration and book keeping.
  - Renting the premises.
  - Showroom (outdoor, 1 on the main location, 2 external).

- **Company E**
  - Founded 1980.
  - Owner-manager.
  - Current premises.
  - 300% by position (incl. owner-manager and shares).
  - Wife helps with administration and book keeping.
  - Renting the premises.
  - Showroom (indoors, 1 on the main location, 2 external).
### Part 1) General information – Companies F to J

<table>
<thead>
<tr>
<th>Q1</th>
<th>Employees that left the company</th>
<th>Personal deep hits where I asked myself if I should stop the business.</th>
<th>But also really exciting jobs like the project in London.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>&quot;... Actually a lot of negative experiences that also turned into positive things.&quot;</td>
<td>(&quot;... eigentlich viel Negatives, das auch Positives hervorgebracht hat.&quot;)</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Q2</th>
<th>The political decision of performance-oriented payoffs for our economic sector.</th>
<th>The start / the beginning</th>
<th>To become an agency for a special brand in 2000.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>&quot;First everyone thought it is very bad, but I think on the long term with the current price decline it is a good thing.&quot;</td>
<td>The first expansion on the old location</td>
<td>The construction of the new buildings</td>
</tr>
<tr>
<td></td>
<td>(&quot;Zuerst hat jeder gewettert, aber ich glaube längst mit dem Preiszerfall, ist es eine gute Sache.&quot;)</td>
<td>The new location with another expansion</td>
<td>External outdoor show location on the main road</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Upcoming milestone: liquidation</td>
<td>(lots of new customers)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>&quot;... But I am still convinced that my customers come because of me and not because of the agency I hold.&quot;</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>(&quot;Ich bin nach wie vor davon überzeugt, dass die Kunden wegen mir kommen, nicht wegen der Vertretung.&quot;)</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Q3</th>
<th>Started the business in 2005.</th>
<th>1998, took it over from former owner.</th>
<th>Approx. 1990, could buy a branch office out of a bigger company.</th>
<th>2003, took it over from former owner.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Q5</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Q6</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Q7</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Q8</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Q9</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Q10</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Q11</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Company F</th>
<th>Company G</th>
<th>Company H</th>
<th>Company I</th>
<th>Company J</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emmental</td>
<td>Advertising and market research</td>
<td>Emmental</td>
<td>Thun Agglomeration</td>
<td>Thun City</td>
</tr>
<tr>
<td>Age of participant: 30 to 39</td>
<td>Age of participant: 50 to 59</td>
<td>Age of participant: 40 to 49</td>
<td>Age of participant: 60 to 69</td>
<td>Age of participant: 50 to 59</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Q1</th>
<th>Started the business in 2005.</th>
<th>1998, took it over from former owner.</th>
<th>Approx. 1990, could buy a branch office out of a bigger company.</th>
<th>2003, took it over from former owner.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q2</td>
<td>Sole proprietorship (will be changed to an incorporated company with his father within the next months)</td>
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</table>
Q9  Style / architecture of the location. Cool design. Rents the premises.

One location was taken over from the former owner. The second location was rented 3 years ago to better serve clients in a specific geographic area. Second location is going to be closed again. Rents the locations.

"I see that we are fragmenting. Now, I need to decide if I want to grow. But I do not want to grow. That's why we are becoming smaller again." ("Ich sehe einfach, dass wir uns verzetteln. Jetzt muss ich entscheiden, ob wir wachsen wollen. Das wollen wir nicht. Deshalb werden wir wieder kleiner.").

Took it over from former owner and expanded (office). Is renting the location.

"I do not want to grow. I became a carpenter, because I want to work as such. That's why we are not considering to look for a new location." ("Ich will nicht grösser werden. Ich bin Schreiner geworden, weil ich das machen will. Deshalb ziehen wir auch nicht in Erwägung uns neue Räumlichkeiten zu suchen.").

A coincidence. Has a network that does not depend on the location. The Location simply fitted for the purpose. Rents the location.

Took it over from former owner. Owns the location. Is happy with the location – close to city centre but can offer parking places and discretion because it is located in a mainly unused side street.

Q10  + Broad knowledge and creativity of owner-manager
  + Ability to improvise, to create solutions on the spot
  – Administration and Organisation

"Administration … breaks my creativity. Well, there is no creativity anymore anyway … everything has always to be right now. Our surviving tactics is a constant crisis management." ("… Administrationssachen … das bremst meine Kreativität. Gut, kreativ sind wir schon lange nicht mehr … alles muss immer gleich sofort sein. Unsere Überlebenstaktik ist ein konstanter Krisenmanagement.").

+ Completely self-financed
+ Invoices are sent very efficiently
+ Can recognise changes in money flow immediately and react
+ Our services are needed
+ We are cheaper than our competitors
+ Fast complaints processing
  – Cannot say No.

+ Individual consulting
+ High quality
+ Take the time that is needed to work on details
+ Flexibility
  – Limited machinery based on space available and cost

"… It is difficult to use the capacity of more machines in a microenterprise. We would need to grow but then you need also more orders." ("… es ist schwierig mehr Maschinenkapazität in einem Kleinbetrieb auszulasten… Wir müssten wachsen und dann hält auch mehr Arbeit haben.").

+ Niche product
+ Just in time production and delivery (huge warehouse with raw material)
  – Huge warehouse with raw material (goods value 700'000 Swiss francs)
  – No financial reserves
  – Bad payment behaviour

+ Service and flexibility
  – Too small to get attractive procurement conditions

Q11  – 1st relocation (from private apartment to a garage)
  – 2nd relocation (from garage to current location)

"Relocation always meant growth. That's why we are doing it." ("Umzug hiess immer Wachstum. Deshalb machen wir es ja.").

– Change of personnel, the choice of personnel
  – Continual reduction of fixed costs

"Today, the employees get our mission statement as part of the contract. This has brought us further." ("Bestandteil des Arbeitsvertrags ist heute eine Vision und ein Leitbild. Danach müssen sich die Mitarbeiter richten. Das hat uns weiter gebracht.").

– The start / the beginning in 2004
  – Since then constantly more assembly work, but this is not seen as a real milestone

Nothing special.

"It is important that I was always self employed. Could take decisions by myself. I am not the type to follow orders." ("Wichtig ist, dass ich immer selbständig war. Selber entscheiden konnte. Ich bin nicht der Typ, der Befehlen gehorchen kann.").

– Production and sale of an own speciality product which is a good seller ever since.
## Part 2) Objective setting – Companies A to E

<table>
<thead>
<tr>
<th>A</th>
<th>Company A</th>
<th>Company B</th>
<th>Company C</th>
<th>Company D</th>
<th>Company E</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Q1</strong></td>
<td>&quot;Honesty is an important value. But there is maybe the problem – I cannot become rich that way … perfect work … I do want to make the customer happy.&quot;</td>
<td>&quot;No product placement&quot;</td>
<td>&quot;Respect for the animal. Does not want to sell it, does want to have a good place for it.&quot;</td>
<td>&quot;Honesty&quot;</td>
<td>&quot;Honesty&quot;</td>
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<td></td>
<td>&quot;(&quot;Ehrlichkeit ist ein wichtiger Wert. Aber das ist vielleicht das Problem, so werde ich nicht reich … Per-fekte Arbeit leisten … Ich will, dass der Kunde glücklich ist.&quot;)&quot;</td>
<td>&quot;Having time for and care about customers&quot;</td>
<td>&quot;Straightforwardness&quot;</td>
<td>&quot;Appreciation for the customer&quot;</td>
<td>&quot;Responsibility&quot;</td>
</tr>
<tr>
<td></td>
<td>&quot;Sell what is best for the customer&quot;</td>
<td>&quot;Sell what is best for the customer&quot;</td>
<td>&quot;Establishing a good knowledge of human nature&quot;</td>
<td>&quot;Doing what you are telling and selling what you did.&quot;</td>
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<td></td>
<td>&quot;Taking responsibility for the products I sell&quot;</td>
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<tr>
<td><strong>Q2</strong></td>
<td>No difference between business and private life, follows the same values.</td>
<td>No difference between business and private life.</td>
<td>No difference between business and private life.</td>
<td>&quot;In private life and in business, I am what I am.&quot;</td>
<td>No difference between business and private life, follows the same values.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>&quot;Honesty and respect for human beings.&quot;</td>
<td>&quot;It is sometimes difficult to follow this value. It would be easier to sell as much as possible, without concern. But I cannot do this. I would not sleep well anymore.&quot;</td>
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<tr>
<td><strong>Q3</strong></td>
<td>Sometimes challenging &gt; contribution, price pressure. &quot;I sometimes hesitate &gt; but I do not want to sell my products under their value.&quot;</td>
<td>Generally easy to follow.</td>
<td>Sometimes challenging &gt; takes it very personally if customers do not agree or are not happy. Feels misunderstood which makes it difficult to follow the values.</td>
<td>&quot;You need to swallow extremely much. There are many challenges. And departments are not keeping their promises. We have to be flexible but unnecessary obstacles are placed in our way.&quot;</td>
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<td></td>
<td>&quot;(Ich schwanke manchmal … aber ich will meine Sachen nicht unter dem Wert verkaufen.)&quot;</td>
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<td></td>
<td>&quot;Du musst extrem viel schlucken. Es sind viele Herausforderungen. Und die Ämter halten dann Ihre Versprechen nicht. Wir müssen flexible sein und dann werden uns Steine in den Weg gelegt.&quot;)</td>
<td></td>
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<tr>
<td><strong>Q4</strong></td>
<td>Values changed</td>
<td>Generally still the same</td>
<td>Still the same values, but changed in behaviour</td>
<td>In the beginning, money was an important value, the aim was to gain every year more.</td>
<td>Same values but try more to rationalise and optimise. Says that the price is stagnating but costs are becoming higher.</td>
</tr>
<tr>
<td></td>
<td>- Kept social attitudes</td>
<td>- Became calmer, more relaxed</td>
<td>- Withdraws more and more</td>
<td>- By the time and when it was obvious that work is coming it was just important to reach break even.</td>
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<td>- Change in judgment of humans</td>
<td>- Became more impatient</td>
<td>- Is not anymore interested in everything</td>
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<tr>
<td></td>
<td>- Became calmer, more relaxed</td>
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<td></td>
<td>- Focuses more on personal health and recreation</td>
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<tr>
<td><strong>Q5</strong></td>
<td>Yes, values are influencing business performance, but price is becoming a more and more important argument.</td>
<td>Yes, values are influencing business performance. Otherwise there is no need for him. Anyone could do it</td>
<td>Yes, values are influencing business performance. Customers are coming because they appreciate the knowledge. But these are old customers and young ones are not interested in knowledge anymore. They know everything better.</td>
<td>Yes, values are influencing business performance. Not only positive. If values cannot be followed easily, he struggles to perform. To give still the same good performance for a customer he struggles to follow his values.</td>
<td>Yes, values are influencing business performance. Says that is why customers are coming again.</td>
</tr>
</tbody>
</table>
**Q6**

- Reliability
- Affection
- Responsibility

(Mentioned secondly)
- Ambition
- Social recognition
- Honesty
- Achievement

- Does not judge the work as to be creative
- Does not judge the work as hard
- Achievement Responsibility for sure
- Social protection – would be very important but he says he made it wrong.
- Does not mention anything that does not fit with his values.

**S1**

- Disappointment
- Anger
- Balancing (do I need that employee?)
- Probably giving a 2nd chance

- Would not recognise for a long time
- Disappointment
- Would try to understand the reason
- Dismissal of employee

- Talking to the employee
- Observing reaction of employee
- In any case dismissal of the employee if there is not a really serious problem and reason for it.

**S2**

Would not give a discount, convinced of the quality of his work.

Does it sometimes, but only if another competitor gives a discount and he is asked to do the same. But not based on claims that the quality is not good > Customer might not like the product, but there is never a quality issue.

Would not give a discount > discount does not make the customer happy. He still might not have the product he wishes. Would try to find the right product for the customer.

"I try to get around the conflict ... On one hand I think it is no use to give it to him so I can insist on my bill. But at the end I feel better if I can say, it is good, forget about it, you do not have to pay me anything..." 
("... Ich versuche dem Konflikt aus dem Weg zu gehen ... Auf die eine Seite sage ich, es bringt nichts, wenn ich es ihm schenke, also kann ich auf meiner Rechnung beharren. Aber im Endeffekt ist es mir wohler wenn ich ihm sagen kann, ist gut, vergiss es, du musst nicht bezahlen ....")

**S3**

- Takes first private consequences
- Tries to get some help of friends / personal network (does not believe anymore in social institutions)

- Takes first private consequences
- Tries to optimise everything.
- Tries to get better conditions in the procurement
- Reduces employment

> Currently goes through all that but business is still not really going better. Is looking for new ideas what else he could do.

- Is in that situation right now: Since 5 years it is going down, since 2 years seriously
- Re-dimensioning
- Sell the business if possible otherwise liquidation

Thinks about reducing employment but would first try to get external advice and to ask people what they think about him. Mentions the danger of becoming routine-blind after some time.

- Wants to know the problem
- Says he generally behaves obligingly if he gets complaints
- If the requested discount is unjustified, he would advise to go to another competitor
<table>
<thead>
<tr>
<th>Q1</th>
<th>Objectives</th>
<th>Details</th>
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</table>
| - Being debt-free | Does not have personal economic objectives. | - Being able to pay all bills
- Losing as less as possible
- Staying debt-free |
| - Being able to pay all bills | "I always was self-financed and debt-free. I can look in everyone’s eyes. This is important for me." ("Ich war immer eigenfinanziert und hatte nie Schulden. Ich kann jedem in die Augen schauen. Das ist mir wichtig.") |
| - Losing as less as possible | |
| - Staying debt-free | |
| Q2 | More recreation | Freedom. Freedom to go away two, three times a month. |
| - Recreation and freedom. | |
| Q3 | At least keeping the current turnover / break even | Not really setting business objectives. Wants to earn enough to break even. Tries to work on the competence. |
| - Used to do it before he decided to quit. Objectives were to keep the current turnover and to increase the amount of customers | Did it at the beginning to reduce the bank debts. Now he tries to keep the current turnover. |
| Q4 | (Mentioned first) | (Mentioned first) |
| - Maintain employment | (Mentioned first) |
| - Job satisfaction | (Mentioned first) |
| - Establish business | (Mentioned first) |
| (Mentioned secondly) Growth Control | (Mentioned first) |
| - Profit maximisation | (Mentioned first) |
| - Reasonable working hours | |
| - Job satisfaction | |
| - Survival / break even | |
| "If I grow, I could engage a second manager ... So this would mean more freedom for me again." ("… Wenn ich wachse, kann ich einen zweiten Geschäftsführer einsetzen ... Dann kann ich mir wieder mehr Freiheiten rausnehmen.") | |
| Q5 | "You can measure it, if one earns money ... But I would say, one is successful if he has a good product, has the same employees for many years, if he has a good team, if he can sell himself and if he is satisfied with his life." ("Messen kann man es, wenn einer Geld verdienen! ... Aber ich würde sagen, wenn einer ein gutes Produkt hat, langjährige Leute, ein gutes Team, sich gut verkauft und auch zufrieden im Leben ist.") | "If one is able to differentiate himself ... If one can surprise. If something interests me because it is simply made well." ("Wenn einer sich abheben kann ... Wenn jemand überraschen kann. Wenn es mich interessiert, weil es einfach gut gemacht ist.") |
| Owner-manager that are good organised and work by themselves. One that is human and does not see money as success. | One that follows the values he is following. One is successful if he feels comfortable in his enterprise. |
| "A successful entrepreneur in my opinion is one who is doing something he can earn a living of and does not harass anyone." ("Für mich ist der, der etwas macht, davon leben kann und niemanden plagt ein erfolgreicher Unternehmer.") | One that is innovative, one that has the fingers on the pulse and also diversifies. |
### Q6

**If one burns the candle on both ends ... If one loses his business for money reasons, this does not mean that he failed. Going bankrupt, this can simply be bad luck.**

("Wenn sich einer übernimmt ... Wenn eines das Geschäft verliert aus Geldgründen, das ist nicht unbedingt ein Scheitern. Ein Konkurs, das kann einfach Pech sein.")

<table>
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<td>© 2016 RiSKey</td>
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If the employees are not happy and complaining the whole day. If an entrepreneur is more appearance than substance. If an entrepreneur is representing something he is not truly living.

One who has a lot of employees and is not working by himself

One that has a lot of money and wants to be self-employed but just can't make it.

One with debts.

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### Q7

Says he is not successful in regard to getting rich.

Says he is successful because he has made a living from his business for 13 years, can pay all bills, has no debts.

Says he is not successful but did also not fail.

Says he is successful, especially if he compares himself with other competitors in his economic sector.

Says he is successful.

Says he feels successful.

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### Q8

Says he is satisfied with the performance of his business.

If he had more freedom he would be more or less satisfied.

Resigned in the meantime and accepts that he is not able anymore to read the market. He is not satisfied.

He is satisfied with the performance of his business.

He is satisfied with the performance of his business.

---

### S1

If he thinks that he can handle it and can satisfy the customer he is going to do the job, otherwise not.

Would try it because it is a challenge and a change to the common requests.

Would not do it if he is not sure he can handle it. Would pass the request to someone he knows can handle it.

Would only do it, if he already has an idea how to do it, when he is asked. Then he would see it as a challenge.

Would make a risk analysis regarding the needed personnel and finance. Would depend if the order would bring prestige or would be lucrative. But would generally tend to do it because it is a challenge, something special.
### Part 2) Objective setting – Companies F to J

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<tr>
<td><strong>Values</strong></td>
<td>Would never sell something he thinks is not good.</td>
<td>Live what you are preaching.</td>
<td>Would like to keep as much added value in the house as possible.</td>
<td>— Good quality — Good quality — Good quality</td>
<td>— Good quality — Good quality — Good quality</td>
</tr>
<tr>
<td></td>
<td>Attaches importance to regional foothold (supplier, customers, network with other competitors)</td>
<td></td>
<td></td>
<td>— Honesty — Keep his promises—— — Honest — Honesty — Honesty</td>
<td>— Honesty — No cheating — To stretch a point</td>
</tr>
<tr>
<td><strong>Q2</strong></td>
<td>Follows the same values. Says that he is coming out of worker dynasty and behaves as such. Says that he has no respect for people that are not performing and got everything without working for it.</td>
<td>Follows the same values, but says that in his private life he is a kinder person.</td>
<td>Follows the same values, says that in his private life as well as in the firm he is a family person. Says that social things are important for him.</td>
<td>Follows the same values.</td>
<td>Follows the same values.</td>
</tr>
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<td><strong>Q3</strong></td>
<td>Says that it is easy because he just has to be himself.</td>
<td>Thinks it is generally easy to follow, because it simply means that one has to be oneself.</td>
<td>Says he never thought about that, but he thinks it is easy because it just means to be himself.</td>
<td>Does not think about that. He says he is who he is and behaving like that.</td>
<td>Thinks it is generally easy to follow, because they are who they are and if one does not like that he should go to another competitor.</td>
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<td><strong>Q4</strong></td>
<td>Says that he still makes the same mistakes.</td>
<td>Still the same values, but a lot of other changes: New administration system, it is very hard these days for microenterprises, they have to meet the same standards and regulations as bigger ones. With much less resources.</td>
<td>Has to depart from regional foothold (especially supplies) more and more because of the price pressure.</td>
<td>Says he has become more distrustful and more risk averse. He says this is because he has more experiences and knows more.</td>
<td>Says they became more careful, especially with defaulting payers. Says they take a closer look much earlier these days.</td>
</tr>
<tr>
<td>Q5</td>
<td>Yes, values are influencing business performance; says that the business would not be there anymore without him.</td>
<td>Yes, values are influencing business performance. Thinks that especially the familiar atmosphere encourages the employees to give their best.</td>
<td>Yes, values are influencing business performance. The customers are coming again because they know that he keeps his promises.</td>
<td>Yes, values are influencing business performance. Believes that customers are coming because of their values.</td>
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</tr>
<tr>
<td>Q6</td>
<td>(Mentioned first) + Honesty + Ambition + Growth (Mentioned secondly) Ambition… through hard work Aggressiveness – admits to have temperament Creativity, reliability, competence, compassion and optimism – all needed. – Social protection – Achievement “... Yes, I would like to grow. This allows you to spread it on more shoulders and it does not always need you.” (“Ja ich möchte wachsen. Dann kannst du es auf mehr Schultern verteilen, du kannst auch einmal fehlen.”)</td>
<td>(Mentioned first) + Honesty + Achievement (Mentioned secondly) Competence, reliability is part of achievement – Aggressiveness “Regarding growth: I simply do not want that … it means more administration, more marketing, more responsibility to find more work.” (“Zum Wachstum: Ich will das einfach nicht … das ist mehr Administration, mehr Marketing, mehr Verantwortung das mehr Arbeit kommt.”).</td>
<td>(Mentioned first) + Honesty + Equality + Reliability (Mentioned secondly) Achievement… seeks long-term success Responsibility – Aggressiveness – Growth “If experienced that … he got a punishment but I kept him employed … I do not want to cause the misery for the whole family because one did a stupid thing. I would do the same again.” (“Das habe ich erlebt ... der bekam eine Strafe, ich habe ihn aber weiterbeschäftigt ... Ich will doch nicht die ganze Familie ins Elend stürzen weil einer eine Dummheit macht. Ich würde das heute wieder so machen.”.)</td>
<td>(Mentioned first) + Honesty + Equality + Hard work + Hard work (Mentioned secondly) Achievement Affection Social recognition – Social protection (says he was always acting in a risky manner) – Aggressiveness</td>
<td></td>
</tr>
<tr>
<td>S1</td>
<td>– Talks and tries to understand – Would probably give a 2nd chance if there was a good reason to cheat</td>
<td>Immediate dismissal of the employee.</td>
<td>Immediate dismissal of the employee.</td>
<td>Immediate dismissal of the employee.</td>
<td></td>
</tr>
<tr>
<td>S2</td>
<td>Would not give a discount, would try to convince the customer, that the price is worth it. If the customer does not agree would advise to go to another competitor. Would arrange an expertise made by another competitor. Would go to court, if he is sure that he is right. Would talk to the customer and probably give a small discount. Says that this generally is not happening, as everyone knows each other and usually other solutions are found if the customer is not satisfied.</td>
<td>Would arrange an expertise made by another competitor. Would go to court, if he is sure that he is right. Would talk to the customer and probably give a small discount. Says that this generally is not happening, as everyone knows each other and usually other solutions are found if the customer is not satisfied.</td>
<td>Would not give discount because the quality is always good. – If the customer does not agree with the price he has to go to another competitor.</td>
<td>Would not give discount because the quality is always good. – If the customer does not agree with the price he has to go to another competitor.</td>
<td></td>
</tr>
</tbody>
</table>
### S3 - Objectives

<table>
<thead>
<tr>
<th>Objective</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tries to save costs</td>
<td>&quot;Set the course immediately. You are not reaching this point if you know the figures. But if there is no work, then one has to leave.&quot; (&quot; Sofort Weichen stellen. Die Zahlen kennen, dann kommt es gar nicht soweit. Wenn keine Arbeit da ist, dann muss einer weg.&quot;)</td>
</tr>
<tr>
<td>Tries to rationalise and optimise</td>
<td>Would use his network to rent out his employees. Thinks that he can get over bad times with that.</td>
</tr>
<tr>
<td>Would reduce employment</td>
<td>Says he experienced that many times, often could not pay his bills. He says he was always honest, talked to the creditors and usually found a solution with them.</td>
</tr>
</tbody>
</table>

### B - Objectives

<table>
<thead>
<tr>
<th>Objective</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Does not have personal economic objectives. Wants to have enough to make a living and being able to buy something he needs without thinking.</td>
<td>Is satisfied with what he has and wants to keep that.</td>
</tr>
<tr>
<td>Having contact with good friends. Having a family, maybe once a house.</td>
<td>Recreation.</td>
</tr>
<tr>
<td>Would like to grow and would like to open another branch office.</td>
<td>&quot;I do want to make a profit... We compare with the last year and try to achieve the same again.&quot; (&quot;Ich will einfach einen Gewinn erwirtschaften... Wir vergleichen mit dem Vorjahr und schauen, dass wir etwas das Gleiches erreichen.&quot;)</td>
</tr>
<tr>
<td>Would like to keep the turnover and profit.</td>
<td>Tries to keep up the current turnover and profit.</td>
</tr>
<tr>
<td>Does not have business objectives. Formerly sometimes had the aim to win a specific customer.</td>
<td>Does not have personal economic objectives. Says he is happy to be middle class and being able to buy whatever he needs for living.</td>
</tr>
<tr>
<td>Say they have enough to make a living and they do not want more, only to build up more personal reserves.</td>
<td>Not any more, formerly spent a lot of money in luxuries (was collecting old-timers). Today he wants to keep the life standard he has these days.</td>
</tr>
<tr>
<td>Would like to keep the turnover and profit they have.</td>
<td>Later on they would like to travel again and having more recreation. They see the business activity as a phase of life not as the only thing to do in life.</td>
</tr>
</tbody>
</table>

### Q1 - Objectives

<table>
<thead>
<tr>
<th>Objective</th>
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</thead>
<tbody>
<tr>
<td>Satisfaction income</td>
<td>(Mentioned first)</td>
</tr>
<tr>
<td>Job satisfaction</td>
<td>(Mentioned first)</td>
</tr>
<tr>
<td>Establish business</td>
<td>(Mentioned first)</td>
</tr>
<tr>
<td>Growth</td>
<td>(Mentioned first)</td>
</tr>
</tbody>
</table>

### Q2 - Objectives

<table>
<thead>
<tr>
<th>Objective</th>
<th>Description</th>
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</thead>
<tbody>
<tr>
<td>Satisfaction income</td>
<td>(Mentioned secondly)</td>
</tr>
<tr>
<td>Job satisfaction</td>
<td>(Mentioned secondly)</td>
</tr>
<tr>
<td>Establishment</td>
<td>(Mentioned secondly)</td>
</tr>
<tr>
<td>Growth</td>
<td>(Mentioned secondly)</td>
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</table>

### Q3 - Objectives

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
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<td>Growth</td>
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### Q4 - Objectives

<table>
<thead>
<tr>
<th>Objective</th>
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<tbody>
<tr>
<td>Survival / Break even</td>
<td>(Mentioned first)</td>
</tr>
<tr>
<td>Job satisfaction</td>
<td>(Mentioned first)</td>
</tr>
<tr>
<td>Reasonable hours</td>
<td>(Mentioned first)</td>
</tr>
<tr>
<td>Satisfaction income</td>
<td>(Mentioned first)</td>
</tr>
<tr>
<td>Profit maximisation</td>
<td>(Mentioned first)</td>
</tr>
<tr>
<td>Money for luxury</td>
<td>(Mentioned first)</td>
</tr>
<tr>
<td>Maintain employment</td>
<td>(Mentioned secondly)</td>
</tr>
<tr>
<td>Satisfactory income</td>
<td>(Mentioned secondly)</td>
</tr>
<tr>
<td>Job satisfaction</td>
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</tr>
<tr>
<td>Hopes to remain flexible</td>
<td>(Mentioned secondly)</td>
</tr>
<tr>
<td>Growth</td>
<td>(Mentioned secondly)</td>
</tr>
<tr>
<td>Money for luxury</td>
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</tr>
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</table>
| Q5 | One who has orders of cool orders, cool jobs | *“Profit. There is no need to have a business, if you are just vegetating and nothing more.”*  
("Gewinn. Also wenn man ein Geschäft hat und nur so dahin vegetiert, dann muss man ja kein Geschäft haben.") | *“One is successful if he is satisfied, has a satisfied life and is able to keep his working hours under control … But it is difficult to define success, this is subjective.”*  
("Einer ist erfolgreich, wenn er zufrieden ist, ein zufriedenes Leben und die Arbeitszeiten im Griff hat … Aber es ist schwierig zu sagen, es ist sehr subjektiv was Erfolg ist.") | *One who has a good education and is a good seller*  
One who has a good team and has a decent interaction with his employees | *As a microenterprise you can only survive in a good way if you offer special service or a specialty. For me, one is successful if he survives. He is not going to get rich with that …“*  
("Als Kleinbetrieb kann man nur gut überleben mit speziellem Service oder einer Spezialität. Für mich hat einer Erfolg wenn er überlebt. Reich wird er nicht dabei …") |
| Q6 | As long he still can keep his employees, he did not fail  
One fails if he just gets orders through relations. One that chums up to get a work. | *No renewal, if one is treading water, if one runs like a hamster in its wheel  
One that has always something to do, but only a little bit  
*One who failed is simply one that would be better off being employed.*  
("Einer, der gescheitert ist, ist einfach Einer der besser dran wäre, wenn er sich anstellen lassen würde.") | *If one has no recreation, no quality of life anymore  
If one is not able to convey competence  
If one contributes nothing to the general public interest* | *One who does not have a good education and is not professional  
One that does not realise what it means to be self-employed regarding accounting, taxes, administration etc.* | *One who is not able to continue a running business (3rd generation owner-managers).  
One who is working hard but has to quit because he has defaulting payers, is not failed, he just had bad luck.* |
| Q7 | "Much more would be possible. But I do not want to sell my soul for success."  
("Es könnte viel mehr gehen. Aber ich will nicht meine Seele verkaufen für Erfolg.") | *Says he thinks he is successful.*  
Says that he thinks he is successful. | *"Well, what does it mean to be successful … This is difficult. I clearly have to say that one is successful as self-employed if he could wind his way through over the time."  
("Gut, was heisst erfolgreich … Das ist schwierig. Ich muss klar sagen, erfolgreich ist jeder, der sich über die Zeit als Selbständiger durchschlängeln kann.")* | *Says he thinks he is successful.*  
Says they are satisfied. | *"I would do the job, if I assume that something good can be expected at the end. I would find a solution."  
("Den Auftrag würde ich annehmen, wenn ich denke, dass etwas Gutes dabei raus schaut. Ich würde eine Lösung finden.")* |
| Q8 | Says he is satisfied with the performance of his business.  
Says he is satisfied. Mentions that one has to stay tuned to the business all the time.  
Says he is satisfied, says the inner values, solidarity, the familial orientation and the quality are right.  
Says he is satisfied, but admits that he did mistakes regarding his retirement provision. | *Says he is satisfied.*  
Says they are satisfied. | *Would do the job and get some help out of his network if he is not able to fulfil the requirements by himself.*  
Would do it. Made the experience that one time it was a successful another time it went wrong. But would try it again.  
*"I would do the job, if I assume that something good can be expected at the end. I would find a solution."  
("Den Auftrag würde ich annehmen, wenn ich denke, dass etwas Gutes dabei raus schaut. Ich würde eine Lösung finden.")* | *Would think about the offer,*  
Would think about it, but stresses that it is important to determine who would have the responsibility for this business.  
*"But actually you are not coming across this situation if you have a good business. Then they are coming to buy you."  
("Aber eigentlich kommt man nicht in diese Situation, wenn man ein guter Betrieb ist. Dann wollen die dich kaufen.")*  
Would think about the offer. | *Would think about the offer,*  
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### Part 3) Risk and organisational resilience – Companies A to E

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<td>&quot;The risk is there. You can do nothing against it and just hope that it is not going to come true.&quot; (&quot;Das Risiko ist einfach da. Da kann man nichts machen und hoffen, dass es nicht eintritt.&quot;)</td>
<td>Bad reputation affects him personally. Thinks about what would be if something happens (accident). Would not know how to deal with the moral responsibility. Feels fear about what he would have to go through.</td>
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**S3**
- Would invest in the business and buy new machines.
- Would first look if the firm needs some investments and renewals.
- Would pay a dividend to him.
- Would share a bonus with the employees as he sees them as his most important asset.
- Formerly he bought old-timers. Today he would build reserves for his retirement.
- Reducing the warehouse (to minimise taxes)
- Build up reserves

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**Part 3) Risk and organisational resilience – Companies A to E**

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</table>
**Q2** Does not have a plan what he is going to do.  

"I will have to see what I can do. I would try to adapt as long as it is still economical. And some day I would probably have to say it is not going anymore."  

Does not have a plan what he is going to do.  

"Does not have a plan what he is going to do."

Says it would be a nightmare but he trusts his network and his friends. Believes that they would support him because he is equally supporting them in difficult times.  

"... We are insured for such cases. The money would not be a problem. But I am concerned about the moral obligation.”  

(“... Finanziell wären wir versichert. Das Geld ist nicht das Problem. Aber die moralische Verpflichtung, das macht mir Mühe.”)

---

**Q3** Does not have a plan what he is going to do.  

Does not have a plan what he is going to do and says he is going to care about it when it happens.  

Does not have a plan what he is going to do.  

Is trusting his network.  

Says that a lot can be planned but not everything. If it would happen he would try to handle it.

---

**Q4** Says he does not feel comfortable about the risks and possible unplanned / unintentional changes. Says that one has to live with that and that it became easier for him to live with it.  

"That does not worry me. What is the point of being worried about things you don’t know if they are going to happen. I take the things as they come.”  

"I don’t like to think about that. I am anyway not doing it. I just hope it is not going to come true.”  

"Da denkt man nicht gerne dran. Das tue ich auch nicht. Ich hoffe einfach, dass es nicht eintritt.”

Says he does not feel comfortable about the risks and possible unplanned / unintentional changes but says that he is usually not thinking about that.  

"There is for sure a discomfort. But you have to live with that.”  

("Da ist sicher ein Unbehagen. Aber damit musst du halt leben.”)

---

**Q5** Yes, withdrawals of personnel.  

Yes, with the pricing review with foreign countries.  

Yes, the market which changed completely.  

Yes, an accident caused by an employee.  

Did not experience serious changes (such as accidents) which would be worth to mention.

---

**Q6** "I have experienced, that something unpleasant can sometimes have positive impacts ... I believe I am seeing more the positive things today.”  

("Ich habe die Erfahrung gemacht, dass etwas Unangenehmes manchmal auch positive Auswirkungen hat ... Ich glaube heute sehe ich schon eher das Positive...")  

Says it was a brutal change. He tried to optimise to get better conditions in procurement. He thinks it is going to become even worse. Thinks that there must be something else they can gain money from (service, advise, emergency service readiness) otherwise a lot of shops will have to close.  

"The consequence is that I am going to quit the business. I cannot and do not want to deal with these changes. It is only the price that counts these days.”  

("Die Konsequenz ist, dass ich aufhöre. Ich kann und will mit den Veränderungen nicht umgehen. Es geht nur noch um den Preis.”)

Says that he was functioning at that moment. Did the things that had to be done. Later on he thought about what happened.  

Says he has become calmer. Tries to listen first and trusts that he is going to handle the situation.  

Says that it is the owner-manager himself who has to do more work then. But he is much more disturbed by the fact that his knowledge of human nature failed.  

Says that this happens. There is nothing that can be done against it.

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<table>
<thead>
<tr>
<th><strong>Q1 abc</strong></th>
<th><strong>C</strong></th>
</tr>
</thead>
</table>
| Can imagine that situation.  
A situation where he does not know where to go and would seek for financial, strategic or technical advice.  
Would ask friends or trustee.  
Did already go through such situations. | Following Mallak’s 3rd resilience principle (1998: 13): Ensuring adequate external resources |
| Can imagine that situation.  
A situation where he does not know where to go and would seek for financial, strategic or technical advice.  
Would ask the trustee or a group of competitors he is usually cooperating with.  
Did already go through such situations. |  
| Can imagine that situation.  
Situations where he does not know where to go and would seek for financial or strategic advice.  
Situations where he has a health problem.  
Would ask the trustee / the medic.  
Did already go through such situations. |  
| Can imagine that situation.  
Situations where the business is not running very well or a customer is not satisfied  
Would ask friends, other competitors.  
Did already go through such situations. |  
| Can imagine that situation.  
Situations where he is struggling with financial or technical questions.  
Would ask the trustee or the professional association.  
Did already go through such situations. |  
| Can imagine that situation.  
Situations where he is struggling with financial or technical questions.  
Would ask the trustee or the professional association.  
Did already go through such situations. |  
| Can imagine that situation.  
Situations where he is struggling with financial or technical questions.  
Would ask the trustee or the professional association.  
Did already go through such situations. | 

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<td></td>
<td>Does not have a network to get this information.</td>
<td>Has a very good network, says that was his strength</td>
<td>Does a network of people in important places but nevertheless says it is difficult to get the real important information.</td>
<td>Did already go through such situations.</td>
<td>Did not ask anyone for help.</td>
<td>Did once go through such a situation, when he wanted to buy something.</td>
<td>Did not yet encounter such a situation.</td>
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<td>Did already go through such situations.</td>
<td>Did already go through such situations.</td>
<td>Did already go through such situations.</td>
<td>Did already go through such situations.</td>
<td>Did not ask anyone for help.</td>
<td>Did once go through such a situation, when he wanted to buy something.</td>
<td>Did not yet encounter such a situation.</td>
<td>Did not yet encounter such a situation.</td>
<td>Did not yet encounter such a situation.</td>
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<tbody>
<tr>
<td>abc</td>
<td>Situations where he suffers liquidity squeeze.</td>
<td>Situations where he suffers liquidity squeeze or investment is needed</td>
<td>Situations where he suffers liquidity squeeze or investment is needed</td>
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<tr>
<td></td>
<td>House bank and trustee.</td>
<td>House bank</td>
<td>House bank</td>
<td>House bank</td>
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</thead>
<tbody>
<tr>
<td>abc</td>
<td>Situations where he does not have the necessary technical expertise to do a job.</td>
<td>Situations where he loses a close person.</td>
<td>Situations where he loses a close person.</td>
<td>Situations where he loses a close person.</td>
<td>Situations where he loses a close person.</td>
<td>Situations where he loses a close person.</td>
<td>Situations where he loses a close person.</td>
<td>Situations where he loses a close person.</td>
</tr>
<tr>
<td></td>
<td>Has a network of friends and competitors he is trusting.</td>
<td>Would talk to friends but at a certain point also seek for professional help</td>
<td>Would talk to friends but at a certain point also seek for professional help</td>
<td>Would talk to friends but at a certain point also seek for professional help</td>
<td>Would talk to friends but at a certain point also seek for professional help</td>
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<thead>
<tr>
<th>Q5</th>
<th>Is not sure if he can imagine such a situation.</th>
<th>Is not sure if he can imagine such a situation.</th>
<th>Is not sure if he can imagine such a situation.</th>
<th>Is not sure if he can imagine such a situation.</th>
<th>Is not sure if he can imagine such a situation.</th>
<th>Is not sure if he can imagine such a situation.</th>
<th>Is not sure if he can imagine such a situation.</th>
<th>Is not sure if he can imagine such a situation.</th>
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<tbody>
<tr>
<td>abc</td>
<td>Says he is usually going through deep hits by himself.</td>
<td>Says he is usually going through deep hits by himself.</td>
<td>Says he is usually going through deep hits by himself.</td>
<td>Says he is usually going through deep hits by himself.</td>
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<td>Says he is usually going through deep hits by himself.</td>
<td>Says he is usually going through deep hits by himself.</td>
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<tr>
<td></td>
<td>Such a situation could probably be if his wife left him</td>
<td>Such a situation could probably be if his wife left him</td>
<td>Such a situation could probably be if his wife left him</td>
<td>Such a situation could probably be if his wife left him</td>
<td>Such a situation could probably be if his wife left him</td>
<td>Such a situation could probably be if his wife left him</td>
<td>Such a situation could probably be if his wife left him</td>
<td>Such a situation could probably be if his wife left him</td>
</tr>
<tr>
<td></td>
<td>Would talk to people he knows who maybe experienced the same.</td>
<td>Would talk to people he knows who maybe experienced the same.</td>
<td>Would talk to people he knows who maybe experienced the same.</td>
<td>Would talk to people he knows who maybe experienced the same.</td>
<td>Would talk to people he knows who maybe experienced the same.</td>
<td>Would talk to people he knows who maybe experienced the same.</td>
<td>Would talk to people he knows who maybe experienced the same.</td>
<td>Would talk to people he knows who maybe experienced the same.</td>
</tr>
<tr>
<td></td>
<td>Did already go through such situations.</td>
<td>Did already go through such situations.</td>
<td>Did already go through such situations.</td>
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</table>

| D | Following Mallak’s 4th, 5th and 6th resilience principles (1998: 13): Expanding decision making boundaries / Practicing bricolage / Developing tolerance for uncertainty |

<table>
<thead>
<tr>
<th>Q1</th>
<th>He is deciding most of them, but discusses a lot with his wife.</th>
<th>He is taking strategic and financial decisions</th>
<th>He is asking my life partner. I like it if I am told what should be done, maybe I don’t see by myself. But the decisions I am taking by myself. *(&quot;Ich frage meine Partnerin. Ich habe gerne, wenn man mir sagt was man machen sollte, vielleicht sehe ich es ja nicht. Aber entscheiden tue ich.&quot;)</th>
<th>He is taking the more important decisions but says in the daily business his employees are taking a lot of decisions, also wind up affairs by themselves and have customers who exclusively are served by them.</th>
<th>He is deciding everything together with his life partner. Employees can make proposals but are deciding only a few things closely connected to the work they have to do.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Employees can make little decisions in the daily work.</td>
<td>Employees can engage in decisions regarding the facility or working shifts.</td>
<td>Employees can engage in decisions regarding the facility or working shifts.</td>
<td>Employees can engage in decisions regarding the facility or working shifts.</td>
<td>Employees can engage in decisions regarding the facility or working shifts.</td>
</tr>
<tr>
<td></td>
<td>&quot;I decided in the last 13 years everything by myself. This is sometimes also difficult as I do not know if I am making the right decision.&quot; (<em>Ich habe jetzt in den 13 Jahren alles seiber entschieden. Das ist manchmal auch schwierig, weil ich nicht weiss ob ich richtig entscheide.</em>)</td>
<td>&quot;I am asking my life partner. I like it if I am told what should be done, maybe I don’t see by myself. But the decisions I am taking by myself.&quot;</td>
<td>He is making life partner. Employees can make proposals but are deciding only a few things closely connected to the work they have to do.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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**Collective case study © 2016 RISKey**
| Q2 | – Has problems to decide if he is in distress and does not feel good.  
– Has difficulties to decide on bigger investments.  
– Says he became more decisive because he has not the time to linger with a decision. |
| Q3 | Says this happens every day on the construction sites.  
| Q4 | The solution is mostly found by him, sometimes by his employees.  
| Q5 | Thinks that solutions would be better if there was more time.  But if there is no time it is better to decide something than to decide nothing.  
| Q6 | Says that happens often.  
| Q7 | Says it’s up to him to decide, based on his gut feeling  
| Q8 | Made good experiences with that. |

<table>
<thead>
<tr>
<th>Answers</th>
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</table>
| Q2 | "Human resource decisions are difficult to take. Choosing new employees - this I find difficult."  
| Cannot say, if there are decisions that are more difficult to take than others.  
| Decisions in the daily business are easy to take. More difficult: Decisions about invoices where he thinks it is not appropriate to allocate the full costs. Decisions in cases of disagreement. |
| Q3 | Says this happens very rarely, just in case of an emergency.  
| Says he cannot imagine such a situation. Is not interested to offer solutions on the spot because he cares about what he is selling (animals) and it must be a good solution for the animal.  
| Says this happens every day in the garage. |
| Q4 | The solution is offered by himself.  
| The employees can offer such solutions. They have the knowledge, they are self-confident enough and he trusts them. |
| Q5 | Is convinced about the solution he is presenting but is worried about the reaction of the customer. If the customer is not going to follow his advice, then it might not turn out well.  
| "I do not support solutions on the spot. That is why my knowledge and advice is so important. I do not want to sell something just that I have sold. It must be consistent."  
| The solutions are generally good and the customer appreciates that a solution was found. |
| Q6 | Cannot imagine such a situation, maybe also in case of an emergency.  
| Can imagine and goes through such a situation. Would like to know where the market is going to take the right decisions.  
| Can imagine that situation. If customers cannot be reached and decisions have to be taken for them. |
| Q7 | Says the decision would have to be taken by him.  
| Says he took a lot of decisions without having all the information needed.  
| Can imagine that situation. If customers cannot be reached and decisions have to be taken for them. |
| Q8 | Made good experiences with that.  
| "If I considered something for too long it always went wrong. Decisions taken based on my gut feeling proved to be right." |
| Made good experiences with that.  
| Most of the times good, sometimes bad. |

E

Following Mallak’s 7th resilience principle (1998: 13): Building virtual role systems

| Q1 | "This would be a huge problem. If I would miss for longer time, nothing would function anymore."  
"Das wäre ein Riesen-problem. Wenn ich über längere Zeit ausfällt, da geht nichts mehr.

| Says there would not be a problem. Only administrative work would not be done.  
| That would be a problem. My life partner would have to stand in. But she does not know about the administrative work and the figures you have to observe.  
| Says he thinks it would be possible without him. Says that there would be a break but that the business could exist without him. |
| Says that there would be chaos for a short time but then it would go on normally. |
| Q2 | Has experienced such a situation when he was able to work only for 20%. | Has not yet encountered such a situation. | Has not yet encountered such a situation. | Has not yet encountered such a situation. | Has experienced such a situation when he had an accident and was not able to work for several weeks. |
| Q3 | Employees do not know what to do next | short time planning. | Does not know what would be the biggest challenge. | The missing competence and knowledge would be the biggest challenge. | The biggest challenge would be the customers that exclusively want to be served by the owner-manager. | The biggest challenge is that a lot of things would have to be reorganised. To get over the short-term chaos would be the challenge. |
| Q4 | Says he is not prepared for such a situation. | Says he is not prepared for such a situation. | Says he is not prepared for such a situation. | Says he is preparing for that case by placing more and more responsibility for customers and work on his employees. | Says he is prepared for that case as he is delegating responsibilities and training his employees in all work that was exclusively done by him. |
| Q5 | – Would reorganise the work | – Try to postpone deadlines | – Probably ask competitors for personnel (but says that this usually means more effort than benefit) | – Would try to replace the missing employee by himself | – Would try to replace the missing employee by himself. | Says that it is going to be tough if one is missing. For emergency cases he would ask competitors to help him out. |
| Q6 | Has already experienced such a situation. | Has already experienced such a situation. | Has already experienced such a situation. | Has not yet experienced such a situation. | Has not yet experienced such a situation. |
| Q7 | The biggest challenge is that he is losing orders (because he does not have enough resources to take them). | The biggest challenge is that he has enormous attendance times. | The biggest challenge is that he has even less recreation time and this is influencing his health. | The biggest challenge is that someone has to take over the responsibility and needs to have the knowledge about the customer, the ongoing orders etc. | The amount of work to be done within a certain time span. If one person is missing the others have to work more. But you cannot overburden the employees. |
| Q8 | Says he is not prepared for such a situation and would improvise on the spot. | Says he is always reckoning with such a situation, but does not prepare for it and finds a solution on the spot. | “I am not prepared for that. It would be how it is and I would have to look that I can handle it.” (Ich bin nicht darauf vorbereitet. Dann ist es halt so und man muss schauen, dass man damit zurecht kommt.) | Says he is not prepared for such a situation but thinks he can handle it. | Says he is prepared, as he trusts the network he has. |

<table>
<thead>
<tr>
<th>Scenarios</th>
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<tbody>
<tr>
<td>S1</td>
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| S1 | – Would feel personally attacked and react snappishly | – Would talk to the customer / partner later and try to find out what the problem is | – Would try to eliminate the problem | “Not an issue. He shall go to another one. This would not bother me. Of course I would talk to him to know the reason. But if he is not satisfied he should go.” (”Kein Problem. Dann eben nicht. Dann soll er zu einem Anderen. Das würde mich nicht gross beschäftigen. Sicher würde ich noch mit ihm reden und möchte wissen wieso. Aber wenn er nicht zufrieden ist soll er gehen.”) | – Would like to know the problem. | – Would like to fix it if possible. | – Would ask other competitors and friends if they think the person in question is right with his decision. If he was sure that he did nothing wrong and the quality is good then he would tell the customer / partner to go to a competitor. |
| | | | | | – Would like to know the problem. | – Would try to fix it if possible. | – Would ask other competitors and friends if they think the person in question is right with his decision. |

| | | | | | – Would like to know the problem. | – Would like to fix it if possible. | – Would ask other competitors and friends if they think the person in question is right with his decision. |

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| | | | | | – Would like to know the problem. | – Would like to fix it if possible. | – Would ask other competitors and friends if they think the person in question is right with his decision. |

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<p>| | | | | | – Would like to know the problem. | – Would like to fix it if possible. | – Would ask other competitors and friends if they think the person in question is right with his decision. |</p>
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<tbody>
<tr>
<td><strong>52</strong></td>
<td></td>
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<tr>
<td>Would be annoyed</td>
<td>Believes that he would see the signs in advance, offensively occupy the location and try to hinder him starting the business.</td>
</tr>
<tr>
<td>Would try to argue and explain his customers why he cannot make the same price as the competitor</td>
<td>Would try to argue and explain his customers why he cannot make the same price as the competitor.</td>
</tr>
<tr>
<td>Quality is pricy.</td>
<td>Would take it in a relaxed way relaxed and observe what is going to happen.</td>
</tr>
<tr>
<td></td>
<td>Thinks it would be good for him if customers get experience of another competitor.</td>
</tr>
<tr>
<td></td>
<td>Thinks that customers would see that the price is not all that counts.</td>
</tr>
<tr>
<td>&quot;If you are in business for a long time you see a lot of competitors come and a lot of competitors go.&quot;</td>
<td>&quot;Da würd ich nichts machen. Es ist der freie Markt und wir müssen mit unseren Leistungen überzeugen.&quot;</td>
</tr>
<tr>
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</tr>
<tr>
<td><strong>53</strong></td>
<td>Would seriously think about quitting the business.</td>
</tr>
<tr>
<td></td>
<td>Would be very concerned.</td>
</tr>
<tr>
<td></td>
<td>Would talk to cooperating competitors if they experience the same.</td>
</tr>
<tr>
<td></td>
<td>Would ask the trustee for advice.</td>
</tr>
<tr>
<td></td>
<td>Would not know what to decide.</td>
</tr>
<tr>
<td>&quot;If you cannot cover anymore the expenses you have to stop. I am at this point now. In my case it is the market that changed. I cannot keep up anymore. It is not my market anymore.&quot;</td>
<td>&quot;If you cannot cover anymore the expenses you have to stop. I am at this point now. In my case it is the market that changed. I cannot keep up anymore. It is not my market anymore.&quot;</td>
</tr>
<tr>
<td></td>
<td>Would seek for advice and check if he has become routine-blinded.</td>
</tr>
<tr>
<td></td>
<td>Does not know what else he would do.</td>
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<tr>
<td></td>
<td>Would try to find the reason (on initiating a survey).</td>
</tr>
<tr>
<td></td>
<td>If expenses cannot be covered anymore he would stop.</td>
</tr>
<tr>
<td></td>
<td>Insists that he would fight, work against that and seeking for help and advice (e.g. professional association).</td>
</tr>
<tr>
<td></td>
<td>Would not restructure, says he cannot become smaller.</td>
</tr>
<tr>
<td><strong>54</strong></td>
<td>If he could use the additional expenses for another job if the order is not coming, he would do it.</td>
</tr>
<tr>
<td></td>
<td>Would only do it if he had a binding commitment.</td>
</tr>
<tr>
<td></td>
<td>Says he made this mistake many times and lost a lot of money. Would not do it anymore.</td>
</tr>
<tr>
<td></td>
<td>Would not do it and does not want to take that risk. Says he is only doing what is financially viable.</td>
</tr>
<tr>
<td></td>
<td>Says that this is the normal mode they are working in. But in a special case he would balance the size and importance of the order to decide whether he is going to carry the risk.</td>
</tr>
<tr>
<td><strong>55</strong></td>
<td>Says it would probably work and the employee would find a solution. But states that he is always reachable during working hours.</td>
</tr>
<tr>
<td></td>
<td>Says this would not cause any troubles.</td>
</tr>
<tr>
<td></td>
<td>Says this would not cause any troubles as there is nothing that would have to be decided that fast.</td>
</tr>
<tr>
<td></td>
<td>Says this would not cause any troubles.</td>
</tr>
<tr>
<td></td>
<td>Says this would not cause any troubles.</td>
</tr>
<tr>
<td><strong>56</strong></td>
<td>Says his wife would try to jump in. As long as he could make phone calls it would work somehow.</td>
</tr>
<tr>
<td><em>But I am not sick, I cannot afford it. It is not happening.</em></td>
<td>&quot;But I am not sick, I cannot afford it. It is not happening.*</td>
</tr>
<tr>
<td></td>
<td>Says this would not cause any troubles. Beside the administrative work which would not be done for some time.</td>
</tr>
<tr>
<td></td>
<td>Says the life partner would have to stand in. This would work for short time, but over several weeks he would have to close the shop.</td>
</tr>
</tbody>
</table>
| "The business would not break down. But the most important thing would be missing. | "The business would not break down. But the most important thing would be missing."
| *"Der Laden würde vielleicht nicht gerade zu Grunde gehen, aber das Grundlegendste würde fehlen.* | *"Der Laden würde vielleicht nicht gerade zu Grunde gehen, aber das Grundlegendste würde fehlen.*" |
|   | Says this would not cause big problems, the business would continue. |
|   | Says this would not cause big problems, he tries to split and spread capabilities. |
### Part 3) Risk and organisational resilience – Companies F to J

<table>
<thead>
<tr>
<th>Q1</th>
<th>Company F</th>
<th>Company G</th>
<th>Company H</th>
<th>Company I</th>
<th>Company J</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finances</td>
<td>Cluster risk</td>
<td>Loss of / Missing personnel especially the owner-manager himself</td>
<td>The new building (was a risk)</td>
<td>Loss of a delivery truck</td>
<td></td>
</tr>
<tr>
<td>Thinks that the risk is relatively small. Says that he is completely self-financed. To reduce the risk more he is going to convert his firm into an Incorporated company. Is diversified and does not see a cluster risk at the moment.</td>
<td>Does not think about it all the time, says this is the risk that has to be taken.</td>
<td>Say he does not think about that. He suffered a serious accident and for half a year now he has only been able to do office work. But he focuses now on getting well again and does not consider what happens if this is not the case.</td>
<td>&quot;I never thought about that. You need to take risks otherwise you cannot move forward.&quot;</td>
<td>Says that this is the risk he has. Says he is more or less prepared for it. The risk does not concern him.</td>
<td></td>
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<tr>
<td>Q3</td>
<td>Says the positive experiences generally prevail and that he tends to forget bad experiences.</td>
<td>Says the positive experiences generally prevail.</td>
<td>Says the positive experiences generally prevail otherwise he would have to quit the business.</td>
<td>Says the positive experiences generally prevail.</td>
<td></td>
</tr>
<tr>
<td>Q4</td>
<td>Says that the experiences do not influence him and he is doing the same mistakes over and over again.</td>
<td>Says he became stricter, follows his line and does not accept if one (employee) is not doing that. Says he was not that strict in the beginning.</td>
<td>Says that this is difficult to say. Technically for sure. Says he also learns from mistakes. But generally he thinks he did not change.</td>
<td>Says that there is an influence. Especially regarding payment terms he has become much stricter based on his experiences.</td>
<td></td>
</tr>
<tr>
<td>Q5</td>
<td>Customers are coming and going. If it was a big one, it would hurt. But usually a new one is coming for everyone going. Drastic changes are longtime employees leaving.</td>
<td>Did not experience serious changes (only employees that left, but says this can be handled)</td>
<td>Yes, financial deep hits.</td>
<td>Yes, the immediate dismissal of personnel.</td>
<td></td>
</tr>
<tr>
<td>Q6</td>
<td>Says that there is not much that can be done. And generally it is soon forgotten because the daily business is stressful and there is no time to think about that.</td>
<td>Says that the more such experiences you have, the less serious they are. He learnt a lot, has a good network and trusts that he can find a solution if one has to be found.</td>
<td>“It always went on. Maybe not as planned but not necessarily worse. Just differently.” (‘Es ging immer weiter. Vielleicht anders als man geplant hat, aber nicht unbedingt schlechter. Anders halt.’)</td>
<td>He just went through. In the aftermath he sometimes thinks that it was very risky what he did or on the contrary that everything wasn’t that bad. He says he learnt that there is always a way.</td>
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</tr>
<tr>
<td>Q1</td>
<td>Cannot imagine such situations.</td>
<td>Can imagine that situation. A situation where he has financial or technical concerns</td>
<td>Can imagine that situation. If the takeover or succession of a business is planned.</td>
<td>Can imagine that situation. Situations where financial advice is needed.</td>
<td></td>
</tr>
<tr>
<td>abc</td>
<td>If there is something he wishes to discuss with someone he is talking to his father.</td>
<td>Would ask the trustee or other competitors</td>
<td>Would ask an external, neutral expert</td>
<td>Would ask the trustee. Did already go through such situations.</td>
<td></td>
</tr>
<tr>
<td>Q2</td>
<td>Can imagine that situation. Situations where more information would help to award a contract.</td>
<td>Can imagine that situation. It is good to know what is going on, this helps to be at the right time at the right place.</td>
<td>Can imagine that situation. Situations where more information would help to award a contract.</td>
<td>Can imagine that situation. If more information is needed to award a contract.</td>
<td></td>
</tr>
<tr>
<td>abc</td>
<td>Does not have a network to get this information and says he does not need it. He wants to win contracts and a customer wants to work with him not because he has insider knowledge and could offer a better price.</td>
<td>Does have a good network</td>
<td>Does not have such a network and says he does not seek it because he is not the type to beg for information</td>
<td>Does not have such a network and says he does not seek it because he is not the type to beg for information.</td>
<td></td>
</tr>
<tr>
<td>Q3</td>
<td>Can imagine that situation. Situations where he suffers a liquidity squeeze or if he wants to grow.</td>
<td>Cannot imagine (anymore) such situations.</td>
<td>Can imagine that situation. Situations where an investment is needed.</td>
<td>Can imagine that situation. Always financed everything by himself.</td>
<td></td>
</tr>
<tr>
<td>abc</td>
<td>House bank or a potential partner</td>
<td>Is just doing investments he can finance by himself.</td>
<td>House bank</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q4</td>
<td>Can imagine that situation. Situations where he does not have the necessary technical expertise or resources to do a job.</td>
<td>Can imagine that situation. Situations where he does not have enough work or too much work.</td>
<td>Can imagine that situation. If he needs to do something he does not have the expertise.</td>
<td>Can imagine that situation. Situations where he does not have the necessary resources.</td>
<td></td>
</tr>
<tr>
<td>abc</td>
<td>Has a network of other small companies / trusts for temporary helps on his personal network.</td>
<td>Has a well-working network. Only works with people he knows and trusts.</td>
<td>Has a network of other microenterprises he is working with.</td>
<td>Has a private network or asks competitors.</td>
<td></td>
</tr>
<tr>
<td>Q5</td>
<td>Cannot imagine such a situation.</td>
<td>Can imagine that situation.</td>
<td>Cannot imagine such situations.</td>
<td>Cannot imagine such a situation.</td>
<td></td>
</tr>
<tr>
<td>abc</td>
<td>If the father died this would very tough.</td>
<td>If the wife died</td>
<td>If his wife left him</td>
<td>Says he went through that much, he would never seek for external help. He is going through everything by himself.</td>
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<td>Would go through by himself, says work is the best therapy.</td>
<td>Would not seek for help but quit everything. Probably talk to friends.</td>
<td>Would most likely ask for professional help, a neutral expert.</td>
<td>Did already go through such situations.</td>
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<td></td>
<td>Did already go through such situations.</td>
<td>Did not yet encounter such a situation.</td>
<td>Did not yet encounter such a situation.</td>
<td>Did already go through such situations.</td>
<td></td>
</tr>
<tr>
<td>Q1</td>
<td>He is deciding everything</td>
<td>Takes decisions alone or together with his wife regarding finance, personnel and investment.</td>
<td>&quot;95% of the decisions are taken by me. Few things I decide together with my wife. The business is my baby, so I am deciding.&quot; (&quot;95% der Entscheidungen fällt ich. Einige wenige Dinge mit meiner Frau zusammen. Das Geschäft ist mein Baby, dann entscheide ich.&quot;)</td>
<td>Discusses a lot with the employee, but decides mostly what he wants.</td>
<td>He is deciding everything together with his life partner. Employees can make proposals but are deciding only a few things closely connected to the work they have to do.</td>
</tr>
<tr>
<td>Q2</td>
<td>Dismissals of employees are difficult decisions.</td>
<td>Dismissal and employment of employees are difficult decisions</td>
<td>Does not easily take decisions regarding marketing and sponsoring.</td>
<td>Dismissals of employees are difficult decisions.</td>
<td>&quot;Most difficult for me is to decide about money. I am not stingy. … But I know what it takes to earn the money.&quot; (&quot;Am schwersten tue ich mich wenn es um Geld geht. Ich bin nicht geizig … Aber ich weiss, wie viel es braucht einen Franken zu verdienen.&quot;)</td>
</tr>
<tr>
<td>Q3</td>
<td>Says he constantly has to find solutions on the spot.</td>
<td>Says this happens every day and is part of his business.</td>
<td>Says this happens every day.</td>
<td>&quot;Yes this happens from time to time. That’s when my professional pride is activated. I am going to find a solution.&quot; (&quot;Ja, das kommt schon vor. Bei mir kommt dann der Berufsstolz ins Spiel. Das schaffe ich.&quot;)</td>
<td>This happens sometimes.</td>
</tr>
<tr>
<td>Q4</td>
<td>It is up to him to come up with this solution.</td>
<td>At the moment it is most likely him to come up with the solution, but he tries to train his employees.</td>
<td>The solutions are provided by himself or by his employees, they have the competence to decide such things.</td>
<td>Discusses with the employee what he thinks about the solution, but he is proposing the solution.</td>
<td>This needs the owner-manager.</td>
</tr>
<tr>
<td>Q5</td>
<td>The solutions are good. He says that this is his strength, to always come up with good solutions in no time.</td>
<td>&quot;It is our job to improvise and provide solutions on the spot. Therefore customers are expecting it. If we cannot do that we do not meet the expectations.&quot; (&quot;Unsere Arbeit ist zu improvisieren und aus dem Stand Lösungen zu bringen. Deshalb erwarten das die Kunden natürlich auch. Wenn wir das nicht können, erfüllen wir die Erwartungen nicht.&quot;)</td>
<td>Mostly the solutions are satisfying. Sometimes it is obvious afterwards would could have been done better.</td>
<td>&quot;Sometimes it is going wrong. But then you have learnt something and are going to do it better next time.&quot; (&quot;Manchmal kommt es nicht gut. Aber dann hat man etwas gelernt und macht es nächstes Mal besser.&quot;)</td>
<td>It is part of the service and of the job. The customer expects it.</td>
</tr>
<tr>
<td>Q6</td>
<td>Says that happens often.</td>
<td>Says that happens when he has to take decisions about employment – he never knows exactly what he gets.</td>
<td>Can imagine and went through such situations.</td>
<td>Can imagine and went through such situations.</td>
<td>Can imagine such a situation. Investments for example where it is not clear if it will give some profit.</td>
</tr>
<tr>
<td>Q7</td>
<td>Says it’s him who takes these decisions – with common sense and the experience he has.</td>
<td>Takes the decisions together with his wife. Says this is a bit like a reinsurance.</td>
<td>It is up to the owner-manager to decide on that.</td>
<td>Says it’s him to decide.</td>
<td>He decides it together with his life partner based on his gut feeling.</td>
</tr>
<tr>
<td>Q8</td>
<td>Sometimes it goes wrong and sometimes it is good. But he is forgetting wrong decisions and just goes ahead with the next decision.</td>
<td>Sometimes good, sometimes not. But there is no way to avoid that. If there is not enough information one has to decide based on what one has.</td>
<td>&quot;Sometimes you are right, sometimes you are wrong. That’s how it is. But the experience helps a lot. Some day you know what it is about.&quot; (&quot;Manchmal liegt man richtig, manchmal liegt man falsch. So ist das halt. Aber die Erfahrung macht da viel aus. Man weiß dann irgendwann etwa um was es geht.&quot;)</td>
<td>Sometimes it is good, sometimes not. But if he promised something he is going to do everything possible to keep it.</td>
<td>Most of the times good, sometimes bad.</td>
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<tr>
<td>E</td>
<td>Following Mallak’s 7th resilience principle (1998: 13): Building virtual role systems</td>
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</table>
| Q1 | Says it would be hard because the employees count on him.  
Says it would work somehow. The brother could probably help out. Temporary help would have to be found.  
Has seen that it works but says that it was the best moment for an accident. Most of the work was planned and prepared, other work already finished. It did not take a lot of organisational efforts, the employees knew what they had to do.  
Everything is planned in case he is going to die. If he missed for several weeks it would be difficult. As long as he could make phone calls it would work somehow. The administration would not be done.  
The life partner has to run around. If the life partner is going to miss by the end of the month, this would be a serious problem. She is doing all the salaries, the accounting. |
| Q2 | Has not yet encountered such a situation.  
Has not yet encountered such a situation.  
Has experienced such a situation.  
Has not yet encountered such a situation.  
Has not yet encountered such a situation.  |
| Q3 | The biggest challenge would be the customers that exclusively want to be served by the owner-manager. And that the engine behind all that would be missing.  
The organisation, scheduling and preparation of all work. That is the part done by the owner-manager.  
The biggest challenge would be the billing and accounting.  
It would mean to have more stress, but it would work, as long as not both are missing. |
| Q4 | Says he is not prepared for such a situation, but would like to be.  
"That’s why I would like to have a partner who helps me to carry all that … But one has to deserve that. I do not like to be the absolute ruler of the chaos."  
("Deshalb hätte ich so gerne einen Partner, der das mittragen hilft … Aber das muss sich einer verdienen. Ich will nicht Alleinherrscher des Chaos sein.")  
Says he is not prepared for such a situation. Trusts that he could find a solution.  
"You cannot be prepared for that. As an owner-manager of a microenterprise you are the most serious risk. I think you have to deal with that and must be flexible."  
("Auf so etwas bin ich nicht vorbereitet. Als Kleinunternehmer ist man halt selber das grösste Risiko. Ich glaube damit muss man umgehen können und flexibel sein.").  
Thinks he is more or less prepared. Would ask the trustee to help.  
Says he is not directly prepared for it. They back up each other. They have a network and one specific person, who often helps out. |
| Q5 | It is hard but everyone is replaceable. It is going to work  
Everyone can be replaced. Would look with friendly competitors or with an employment agency he knows well.  
Says it would be difficult, would trust his network, in emergency cases ask an employment agency.  
Says that it would be possible, he would have to do all the work.  
Would be stressful, but not a real problem. |
| Q6 | Has already experienced such a situation.  
Has already experienced such a situation and did all the additional work by himself.  
Has not yet experienced such a situation.  
Has already encountered such a situation.  
Has already experienced such a situation. |
| Q7 | In the case of longterm employees leaving it is like a friend would leave. Someone I fully trusted and someone I could be honest with.  
The biggest challenge is that a fast solution must be found and the amount of additional work for the owner-manager.  
The amount of work to be done within a certain time span.  
The deadlines would be the main challenge. He would have to postpone a lot.  
The biggest challenge is to meet the deadlines. That would be a real run. |
| Q8 | Says he is not prepared for such a situation but would go through if it happens (as he did many times before).  
Says he is prepared, as he trusts the network he has.  
Says he is prepared, as he trusts the network he has.  
Says he is prepared for that as he experienced it several times.  
Not really. But experienced it so often that he can handle it without preparation. |
<table>
<thead>
<tr>
<th>S</th>
<th>Scenarios</th>
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</table>
| S1 | – This is not going to happen.  
– Wants to know the real reason or the customer has to bring evidence that the quality is not good.  
– Would tell the customer to go to a competitor.  
– Would try to evaluate the reason  
– Try to become a second chance  
– Would be difficult  
– Says that this happened many times in the past and there always came a new one replacing the one that has gone  
– It is not that worse if one is diversified.  
– Would like to know the reason  
– Would not be kind if he notices that the reason is something else than the quality  
– Would tell the customer to go to a competitor.  
– “Thanks for the cooperation and good bye. In the beginning we were more concerned. But then we realised: One is going, another one is coming … and 80, 90% remain the same.”  
("Danke für die Zusammenarbeit und auf Wiedersehen. Am Anfang haben wir uns mehr Gedanken gemacht. Aber dann merkst du: Einer geht, ein Neuer kommt … und 80, 90% bleiben dieselben.") |
| S2 | – Not much can be done  
– Would try to become stronger in the areas he sees potential for improvement (administrative processes)  
– Would wait and is convinced that at least some customers would come back  
– Would fight against him.  
– Is not afraid because he thinks it takes quite some efforts for his clients to go to a competitor.  
– Would wait and says that the other one will have to raise the prices after a certain time.  
– Would not be concerned  
– Believes in loyal customers and diversification  
– Would not go down with the prices  
– Would take it in a relaxed way and observe what is going to happen  
– The market is too small and it takes a lot that someone can produce just in time  
– Does not think that anyone could challenge his business so fast  
– Already experienced such a situation.  
– Talked to him and said that he is not going to accept that.  
– Would do the same again. |
| S3 | Would use the time to finally design and upload a website. Would not be worried.  
Says that this is not going to happen as he is immediately recognising if the turnover is going down. Would dismiss employees. Does not think that this is going to happen to him. Says he has everything under control.  
“We had to consider that many times during the last years … And suddenly good years are coming again. You become hard-nosed. In the beginning I was more afraid.”  
– Would take it in a relaxed way and wait  
– Would quit the business if expenses cannot be covered anymore.  
“Can observe it for one year but then one has to go. I need to cover the expenses I have.”  
(“Ich kann ein Jahr zuschauen, aber dann muss ich Einen entlassen. Ich muss einfach die Kosten decken können.”) |
| S4 | Would only do it if he had binding commitment.  
Would only do it if he had binding commitment.  
Would do it if it needs just time but not if he had to buy material.  
Would only do it, if at least a part of the expenses can be covered.  
Would only do it if he had binding commitment. |
| S5 | Says he believes that they would find a solution but maybe not the best one.  
Says this would not cause any troubles, the employee would do the right thing.  
Says this would not cause any troubles, the employee would do the right thing.  
Says this would not cause any troubles, the employee would find a solution or could ask someone in the network.  
Says this is not going to happen, they are reachable all the time. |
| S6 | Says this would be a disaster. As long as he could make phone calls he thinks it would work somehow.  
Says this would be very difficult. As long as he could make phone calls it would work somehow. He would need to get help from his network or his brother.  
As he has seen it is working. Better than he thought.  
Would be hard but as long as he can phone it would not be a disaster.  
Says it would be possible. His life partner would have to fill the gap. |
## Part 4) Narrative interview and observation – Companies A to E

<table>
<thead>
<tr>
<th>Company A</th>
<th>Company B</th>
<th>Company C</th>
<th>Company D</th>
<th>Company E</th>
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</thead>
<tbody>
<tr>
<td>&quot;I would like to add that it is important to support microenterprises. We are an important economic sector but nothing is done for us. I requested once short-time work but did not get the permission to do so. At the same time, a big company around here got it … I am standing in the social welfare office if my business fails. This is no justice. I have once and nothing is done for us. I do not know how long I am going to do that anymore. Sometimes it is terribly monotonous. And sometimes we do not really have something to do but you have to be here. These are huge attendance times. The earlier I can quit the better. Or at least being able to reduce, that would be nice.&quot;</td>
<td>&quot;I do not know how long I am going to do that anymore. Sometimes it it is terribly monotonous. And sometimes we do not really have something to do but you have to be here. These are huge attendance times. The earlier I can quit the better. Or at least being able to reduce, that would be nice.&quot;</td>
<td>&quot;I just would like to add that I would not like to start with a microenterprise these days. Today it is very hard.&quot;</td>
<td>&quot;I currently think a lot about retirement. And I ask myself if I want to do that anymore … But I do not have any idea what else I could do …&quot;</td>
<td>&quot;I often think about what else I could do … I do have ideas … But for sure not an 8 to 5 job. I could not do this. But there are alternatives for sure.&quot;</td>
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</table>

#### Observation of facilities and website (evaluation through researcher)

- Facilities are more or less tidy. No clear concept in the interior design can be found.
- All facilities are clean, outdoor area could be upgraded by engaging a gardener.
- Ambivalent impression. Products are modern and state of the art but the presentation and lack of concept in interior design devalues the products.
- The atmosphere is very friendly, welcoming, warm and cozy in the inside. The outside design and condition of the facility does not invite to go in.
- Actuality can be seen in the product selection presented. Christmas gifts for customers are ready to be delivered.
- The website looks old-fashioned, usability could be improved. Service is offered, no obvious reference to actuality.

- Facilities are very tidy and clearly arranged. - All facilities are absolutely clean.
- Interior design is a high quality combination of modern and classic design.
- The atmosphere is very friendly, bright, warm, spacious. Everything looks a bit expensive.
- Actuality is given – Christmas gifts are offered, shop windows are designed in winter themes.
- The website design is of high quality and minimalist. Usability and service is given, current Christmas offer is promoted.

- Facilities are generally very tidy and clearly arranged (outdoor area could be improved)
- All facilities are absolutely clean.
- Interior design is not modern but functional and appropriate for the product that is sold.
- The atmosphere is a bit cramped but is intriguing on the other hand.
- Actuality is given, the warehouse gives the impression of new products coming in every day, the shop window is designed in the Christmas / winter themes.
- The website looks old-fashioned, usability could be improved. Service is offered, actuality is given with Christmas wishes and opening hours over Christmas days.

- Facilities are generally very tidy and clearly arranged.
- The atmosphere is busy, cozy, a bit crowded (flower shop).
- Usability can be found all around the facility where the Christmas theme is omnipresent and promotional offers are placed.
- The website design is of high quality and minimalist. Usability should be improved, service and actuality are given.
Part 4) Narrative interview and observation – Companies F to J

<table>
<thead>
<tr>
<th>Company F</th>
<th>Company G</th>
<th>Company H</th>
<th>Company I</th>
<th>Company J</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>&quot;I cannot imagine to do something different. I can imagine being an employee, but I need a bit of freedom. But you do not have freedom as self-employed anyway. You are the employee of the customer.&quot;</td>
<td>&quot;I would like to continue like that. We do not want to grow. This always also means more administration. And to engage a manager is too expensive.&quot;</td>
<td>Participant has nothing to add.</td>
<td>&quot;I am doing this to polish up my pension. It simply has to cover the expenses. What else should I do? Sitting at home? I am doing it also because of my employee, where else should he go.&quot;</td>
</tr>
<tr>
<td>B</td>
<td>Facilities are spacious but look partly chaotic.</td>
<td>Facilities are crowded and chaotic (work shop), but the office is very tidy.</td>
<td>Facilities are very tidy and spacious.</td>
<td>Facilities are very tidy and spacious.</td>
</tr>
<tr>
<td></td>
<td>All facilities are absolutely clean.</td>
<td>The office is very clean, but workshop looks a bit grubby.</td>
<td>Not modern but functional and up to date.</td>
<td>Facilities tidy, spacious and efficiently organised.</td>
</tr>
<tr>
<td></td>
<td>Very modern and appealing interior design, especially in the reception area.</td>
<td>Modern but not very attractively set up (show room).</td>
<td>The atmosphere is bright, clean and spacious.</td>
<td>Office looks grubby, the other facilities are clean.</td>
</tr>
<tr>
<td></td>
<td>The atmosphere is bright, partly cramped, busy.</td>
<td>The atmosphere is bright, clean and spacious.</td>
<td>Not modern but functional and up to date.</td>
<td>Everything looks a bit old-fashioned, warehouse is functional and up to date.</td>
</tr>
<tr>
<td></td>
<td>Recently finished customer work is presented and the anniversary is pointed out.</td>
<td>No references to actuality could be found.</td>
<td>The atmosphere is bright, busy and friendly.</td>
<td>The atmosphere is busy, a bit gloomy, not very friendly.</td>
</tr>
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<td></td>
<td>The website is a static display. Stylish design. Usability, service and actuality not given. Says that the static display is deliberately chosen to make a mark against the overload of information.</td>
<td>The website is straightforward, factual and represents well the product that is sold. Usability and service given, no references to actuality could be found.</td>
<td>No references to actuality could be found.</td>
<td>Actually can be found in the daily orders placed in the warehouse and Christmas decoration can be found in the office.</td>
</tr>
<tr>
<td></td>
<td>Observation of facilities and website (evaluation through researcher)</td>
<td>The website is straightforward, but uses too much colour, it looks a bit old-fashioned. Usability and service is given. No reference to actuality could be found.</td>
<td>The participant does not have a website</td>
<td>The website is straightforward, clean, fresh fits very well the product that is sold. Usability and service is given. No reference to actuality could be found.</td>
</tr>
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</table>
### Appendix G: Summary of participant's answers analysis

#### Company A / Company B

<table>
<thead>
<tr>
<th>Context of comments</th>
<th>Company A</th>
<th>Company B</th>
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<tbody>
<tr>
<td>Are the comments given related to the questions posed or do they relate to something else?</td>
<td>Answers given are generally clearly related to the question posed. Nevertheless concerns about costs / money, strong personal feelings and pride / awareness of social responsibility are mentioned several times without having a direct link to the question asked. Examples:</td>
<td>Answers given are clearly related to the question posed. Additional comments not directly related to questions posed are most often related to pride / confidence, weariness and a desire for freedom. Examples:</td>
</tr>
<tr>
<td><strong>Concerns about costs</strong></td>
<td>- Question: How many employee work for you part-time and fulltime?</td>
<td>Pride / Confidence</td>
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<tr>
<td></td>
<td>- Answer: “…I have fixed costs, the rents and everything must be paid…”</td>
<td>- Question: What do you think: Do or don’t your values influence the performance of your business?</td>
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<tr>
<td></td>
<td>(&quot;…Ich habe Fixkosten, die Miete und das alles muss ja bezahlt sein …&quot;)</td>
<td>- Answer: “…Sure they do. Otherwise I would not be needed here and anyone could do this…”</td>
</tr>
<tr>
<td><strong>Strong personal feelings</strong></td>
<td>- Question: How do you cope with these risks?</td>
<td>Desire for freedom</td>
</tr>
<tr>
<td></td>
<td>- Answer: “…It is difficult to cope with the market situation. I take certain things personally … It stresses me if I counsel a customer for two hours and then he is going to a competitor. This totally stresses me…”</td>
<td>- Question: How do you see your business in regard to success and failure?</td>
</tr>
<tr>
<td></td>
<td>(&quot;…Es ist schwierig mit der Marktsituation umzugehen. Ich nehme gewisse Dinge sehr persönlich … Es stresst mich, wenn ich einen Kunden zwei Stunden berate und dann geht er zu einem Konkurrenten. Das stresst mich total …&quot;)</td>
<td>- Answer: “…I am more or less happy … if there wasn’t always all the planning if I want to have a day off. That’s why I want to grow, to be successful so I am going to do better…”</td>
</tr>
<tr>
<td><strong>Pride about social responsibility</strong></td>
<td>- Question: From the presented list: Which three objectives can you most and which three least identify with?</td>
<td>Weariness</td>
</tr>
<tr>
<td></td>
<td>- Answer: “…Profit maximisation – no. I do not want to rush my employees, I want to have satisfied employees…”</td>
<td>- Question: If you have personal values: Do you find it easy or challenging to follow these values?</td>
</tr>
<tr>
<td></td>
<td>(&quot;…Profitmaximierung – nein. Ich will meine Mitarbeiter nicht jagen, ich will zufriedene Mitarbeiter haben …&quot;)</td>
<td>- Answer: “No, it is actually not difficult to follow … But being friendly all the time, this is not easy. Certain people are sometimes just a pain in the neck…”</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Frequency of comments</th>
<th>Company A</th>
<th>Company B</th>
</tr>
</thead>
<tbody>
<tr>
<td>What are the comments made most frequently?</td>
<td>- Concerns about costs / money (19x)</td>
<td>Pride / Confidence (10x)</td>
</tr>
<tr>
<td></td>
<td>- Expression of strong personal feelings (17x)</td>
<td>Desire for freedom (7x)</td>
</tr>
<tr>
<td></td>
<td>- Pride / Awareness about social responsibility (11x)</td>
<td>Weariness (6x)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Intensity of comments</th>
<th>Company A</th>
<th>Company B</th>
</tr>
</thead>
<tbody>
<tr>
<td>What are the predominant feelings expressed?</td>
<td>1st set of feelings expressed: Stress, disappointment, frustration, irritation (context: interactions with clients, employees and government institutions), anxiety and discomfort (context: financial commitments, the market situation and ageing of employees).</td>
<td>1st set of feelings expressed: Weariness, disappointment (context: interaction with clients and employees), boredom (context: work), discomfort (context: decreasing turnover / profit), refusal (context: increase of working hours and responsibility).</td>
</tr>
<tr>
<td>What comments cause the expressed feelings?</td>
<td>2nd set of feelings expressed: Pride and satisfaction (context: social responsibility, economic significance and independence.</td>
<td>2nd set of feelings expressed: Enthusiasm (context: prospect of challenges or more freedom), openness (context: feedback).</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Internal consistency of comments</th>
<th>Company A</th>
<th>Company B</th>
</tr>
</thead>
<tbody>
<tr>
<td>How consistent are comments given on values, objectives? How consistent are the comments given with the answers to scenarios?</td>
<td>Values: Honesty, customer satisfaction, social responsibility, health, freedom, reliability, affection, responsibility.</td>
<td>Values: Independence, competence, honesty, respect, responsibility, reliability.</td>
</tr>
<tr>
<td></td>
<td>Values and objectives do not contradict each other.</td>
<td>Values and objectives do not contradict each other.</td>
</tr>
<tr>
<td></td>
<td>Scenarios: Confirm the comments of the participant throughout the interview.</td>
<td>Scenarios: Generally confirm the comments of the participant throughout the interview. One exception is that the participant would aggressively react to a competitor directly challenging him. (Part 3, final scenario 2)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Specificity of comments</th>
<th>Company A</th>
<th>Company B</th>
</tr>
</thead>
<tbody>
<tr>
<td>What comments were made based on personal experiences and what comments were made based on hypothetical situations?</td>
<td>Comments based on personal experiences: Anxiety in conjunction with financial commitments, frustration in conjunction with clients, pride in conjunction with social responsibility.</td>
<td>Comments based on personal experiences: Disappointment in conjunction with employees, weariness in conjunction with clients, pride / confidence in conjunction with discount and product placement, discomfort in conjunction with turnover / break even, enthusiasm in conjunction with challenge, change and freedom.</td>
</tr>
<tr>
<td></td>
<td>Comments based on hypothetical situations: Disappointment in conjunction with employees and clients, satisfaction in conjunction with profit, irritation in conjunction with competitors.</td>
<td>Comments based on hypothetical situations: Aggressiveness in conjunction with competitors, enthusiasm in conjunction with feedback.</td>
</tr>
</tbody>
</table>
### Answers assessed through different theoretical lenses

**What do the comments and observations imply in regard to success and failure?**

**What do the comments and observations imply in regard to entrapment in business?**

**Organisational resilience (Mallak’s principles 1 to 7, 1998: 13)**

- **Perceiving experiences constructively:** Participant does not perceive experiences constructively and is struggling. He acknowledges positive experiences, but cannot easily get over painful experiences.
- **Performing positive adaptive behaviour:** Participant is taking action to reduce the risk of unintended events. Does not know what he is going to do if the risk comes true. Does not like to think about unintended incidents, but accepts them. Admits that past unintentional events had also a positive side.
- **Ensuring adequate external resources:** Participant relies on his trustee, bank and partner network. Would in no case seek for completely external advice. In case of emotional support and information he has no access to, the participant does not use any other resources.
- **Expanding decision-making boundaries / practicing bricolage / developing tolerance for uncertainty:** Power of decision is concentrated on the owner-manager. He (but not his employees) has the ability to develop solutions on the spot and making decisions with less information than desired. He trusts his gut feeling but made not only good experiences.
- **Building virtual role systems:** The participant has not built up a team that can easily switch roles and maintain functioning in case of a loss.

### Success and failure

- Participants comment on others: Success means having money, a good product, a longterm team. Failure means not to be able to perform but being a loudmouth. Bankruptcy does not necessarily mean failure.
- Participants comment on himself: Not successful (not rich) / successful (economically independent).
- Beside the claim that having money (being rich) means success, the comments given are congruent with comments given regarding values and objectives.

### Entrapment in business

- The participant admits that he struggles with the recurring problems and always has ups and downs. He nevertheless says that the positive side is prevailing.
- He is actively seeking a change in its future and thinks about expanding to another branch to overcome problems such as the ageing of his team and the difficult market situation.
- He can imagine alternatives for himself and brings a rich expertise of different branches into his business.
- The facilities are clean and moderately tidy. Modernity is partially apparent. The atmosphere is cosy and warm yet recalling more a home than a business. Up-to-dateness is not apparent at first sight. Exhibition looks a bit like an unstructured mingle-mangle collected over time.
- The website provides basic services but does not provide much usability. The design is solid but not perfect. Some details (like the colour of fonts) are partly inappropriate and disturb.

### Success and failure

- Participant comments on others: Success means being special, having the ability to surprise. Cannot define failure but says that one still existing is not failed. That he probably would fail if he quits because he then would be lonely and unhappy.
- Participants comment on himself: Not successful, but not failed.
- The participant’s comments are congruent with comments given regarding values and objectives.

### Organisational resilience (Mallak’s principles 1 to 7, 1998: 13)

- **Perceiving experiences constructively:** Participant is generally not worried and takes painful experiences calmly or sees a positive side in them. Sees past experiences mainly positively.
- **Performing positive adaptive behaviour:** Participant is taking action to reduce the risk of unintended events. Beside that he is not planning but confident to master whatever situation is coming. Would quit if more work for less benefit (freedom and money) would be requested. Clearly sees every kind of change (positive and negative) as chance.
- **Ensuring adequate external resources:** Participant relies on his trustee, the team, the bank and the partner network. Would not hesitate to seek external expert advice in case of deep emotional distress. In case of information he has no access to the participant does not use any sources.
- **Expanding decision-making boundaries / practicing bricolage / developing tolerance for uncertainty:** Power of decision is shared by the owner-manager and the team based on the level of authority (in this economic branch regulated by the government) and competence needed. There is no need to develop solutions on the spot and making decisions with less information than desired. Cannot judge if his decisions were always right.
- **Building virtual role systems:** A shared role system is lived and any loss does not lead to big problems.

### Entrapment in business

- The participant says that the positive side is clearly prevailing. Although he has concerns he puts them into a relation. Beside the missing freedom and challenge he does not struggle with anything.
- He is hoping for a change in the future to have more freedom but he is not actively seeking it.
- He cannot imagine alternatives for him.
- The facilities are absolutely clean and very tidy. Interior design is stylish, modern and classical and the same time. The atmosphere is refreshing, warm, welcoming. Up-to-dateness is clearly apparent in interior design and products.
- The website provides basic services, appropriate usability and mirrors the classical and modern design of the shop.
<table>
<thead>
<tr>
<th>Company C / Company D</th>
<th>Context of comments</th>
<th>Company C</th>
<th>Company D</th>
</tr>
</thead>
<tbody>
<tr>
<td>Are the comments given related to the questions posed or do they relate to something else?</td>
<td>Answers given are generally related to the question posed. But almost every answer mirrors straightness up to stubbornness, resignation and concern about the changed market. Examples:</td>
<td></td>
<td>Answers given are clearly related to the question posed. Most answers are related or include additional comments to harmony / social support / justice or personality / confidence. Examples:</td>
</tr>
<tr>
<td><strong>Straightness up to stubbornness</strong></td>
<td>Question: Can you imagine a situation where you would as for external practical help?</td>
<td></td>
<td>Question: How do you cope with these risks?</td>
</tr>
<tr>
<td></td>
<td>Answer: &quot;No. It just doesn't cut the mustard. They don't do it how I want it to have it done ...&quot; (&quot;Nein. Das bringt nichts. Die machen es nicht in meinem Sinn ...&quot;)</td>
<td></td>
<td>Answer: &quot;... An employee had an accident .... I am always the one to be guilty even though I told him to be careful ... The moral part of it puzzles me. If everyone comes and says I did not supervise them properly ...&quot; (&quot;... Ein Mitarbeiter hat einen Unfall gemacht ... Da bin ich immer schuld, auch wenn ich ihm gesagt habe er muss aufpassen ... Das Moralische beschäftigt mich. Wenn dann alle kommen und sagen, du hast nicht gut geschaut.&quot;)</td>
</tr>
<tr>
<td><strong>Resignation</strong></td>
<td>Question: What do you think: Do or don't your values influence the performance of your business?</td>
<td></td>
<td>Question: You get a very attractive offer to take over another business or to expand your business. What are you going to do?</td>
</tr>
<tr>
<td></td>
<td>Answer: &quot;... Sure they do. The customers are coming because they appreciate me ... But I should maybe adapt to the market ... But I am not in the mood anymore ...&quot; (&quot;... Ja sicher. Die Kunden kommen weil sie mich schätzen ... Aber ich sollte mich vielleicht dem Markt anpassen ... Aber ich habe keine Lust mehr.&quot;)</td>
<td></td>
<td>Answer: &quot;... No, I would not do this. I take responsibility and I stand with my name for my business. Who is going to do that in the other firm? ...&quot; (&quot;... Nein, das würde ich nicht tun. Ich übernehme Verantwortung und stehe ein mit meinem Namen und wer macht das dann im anderen Geschäft? ...&quot;)</td>
</tr>
<tr>
<td><strong>Concern about the changed market</strong></td>
<td>Question: Would you say that you are satisfied or not satisfied with the performance of your business?</td>
<td></td>
<td>Question: Do or don't your values influence the performance of your business?</td>
</tr>
<tr>
<td></td>
<td>Answer: &quot;... I am not able anymore to read the market right. The market is not playing along anymore. There are different rules. I cannot play along with the market anymore ...&quot; (&quot;... Ich kann einfach den Markt nicht mehr richtig einschätzen. Der Markt spielt nicht mehr mit, es gibt andere Regeln. Ich kann mit diesem Markt nicht mehr spielen ...&quot;)</td>
<td></td>
<td>Answer: &quot;... I cannot play along with the market anymore. There are different rules. I cannot play along with the market anymore ...&quot; (&quot;... Ich kann einfach den Markt nicht mehr richtig einschätzen. Der Markt spielt nicht mehr mit, es gibt andere Regeln. Ich kann mit diesem Markt nicht mehr spielen ...&quot;)</td>
</tr>
<tr>
<td><strong>Frequency of comments</strong></td>
<td>Straightness up to stubbornness (14x)</td>
<td></td>
<td>Harmony / social support / justice (12x)</td>
</tr>
<tr>
<td></td>
<td>Resignation (14x)</td>
<td></td>
<td>Personality / confidence (12x)</td>
</tr>
<tr>
<td></td>
<td>Concern about the changed market (8x)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Intensity of comments</strong></td>
<td>1 set of feelings expressed: Resignation (context: situation of the business), sadness (context: change of values) and incomprehension (context: market situation).</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>2 set of feelings expressed: Relief (context: decision to quit / upcoming time), pride (context: values and achievement).</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Internal consistency of comments</strong></td>
<td>Values: Appreciation, straightness, connectivity with nature, ambition, honesty, hard work.</td>
<td></td>
<td>Values: Honesty, straightness, appreciation, humanity, responsibility, reliability.</td>
</tr>
<tr>
<td></td>
<td>Objectives: Coverage of expenses, minimum of losses, being debt-free, being self-financed, reduction or liquidation, recreation.</td>
<td></td>
<td>Objectives: Satisfactory income, job satisfaction and responsibility.</td>
</tr>
<tr>
<td></td>
<td>Values and objectives are partly contradictory (ambition and minimum of losses / liquidation)</td>
<td></td>
<td>Values and objectives do not contradict each other although the importance of maintaining the employment is not mirrored in any statement.</td>
</tr>
<tr>
<td></td>
<td>Scenarios: Confirm the comments of the participant throughout the interview.</td>
<td></td>
<td>Scenarios: Confirm the comments of the participant throughout the interview.</td>
</tr>
<tr>
<td><strong>Specificity of comments</strong></td>
<td>Comments based on personal experiences: Resignation in conjunction with the market, the business situation and the change of values; straightness in conjunction with values, pricing, financing, feelings, ambition in conjunction with competitors, sympathy in conjunction with failure.</td>
<td></td>
<td>Comments based on personal experiences: Discomfort and fear in conjunction with accidents, insult and misunderstanding in conjunction with customer complaints, serenity in conjunction with turnover / profit and competition.</td>
</tr>
<tr>
<td></td>
<td>Comments based on hypothetical situations: Consternation in conjunction with bad reputation or unfair reputations, serenity in conjunction with unintentional profit, serenity in conjunction with lacking coverage of cost expenses.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Answers given are clearly related to the question posed. Most answers are related or include additional comments to harmony / social support / justice or personality / confidence. Examples:

- Question: How do you cope with these risks?
  - Answer: "... I am always the one to be guilty even though I told him to be careful ... The moral part of it puzzles me. If everyone comes and says I did not supervise them properly ..."

Examples:

- Concern about the changed market
- Resignation
- Values and objectives

Examples of feelings expressed:

- Resignation
- Straightness
- Sadness
### Success and failure
- Participants comment on others: Successful are owner-managers that are still working by themselves, can live from what they earn and do not bother anyone. Success means not money, success is long-lasting, does not mean growth. One has failed if he does not work anymore by himself, one that has debts.
- Participant comments on himself: Not successful anymore. Says he failed because his aim of life is broken.
- The participant’s comments are congruent with comments given regarding values and objectives.

### Organisational resilience (Mallak’s principles 1 to 7, 1998: 13)
- **Perceiving experiences constructively:** Participant did not perceive experiences constructively for quite some time. On the other hand, the painful experience of his business dying led to the decision to quit. Participant discloses that this finally is a relief and he looks forward to his life after that.
- **Performing positive adaptive behaviour:** Participant does not perform positive adaptive behaviour and clearly says that he does not want to cope anymore with the harsh conditions and the requirements. Participant insists in ‘programmed’ responses.
- **Ensuring adequate external resources:** Participant relies on his trustee, his medic and his life partner. He would not seek external financial, practical or emotional support at all. In case of information he has no access to the participant does not have the network (anymore) to support him.
- **Expanding decision-making boundaries / practicing bricolage / developing tolerance for uncertainty:** Decisions can be discussed with trustee or life partner but are taken by the owner-manager exclusively. There is no need to develop solutions on the spot. The owner-manager is used to uncertainty and states that he always had good experiences with decisions made based on his gut feeling.
- **Building virtual role systems:** The participant concentrates the knowledge, has his way to do business and is not interested to share it. The business can therefore not function anymore if it suffers a loss.

### Entrapment in business
- The participant emphasises that everything was better in former days and that he used to be in control. He now experiences a loss of control and is confronted by a world changing around him. He nevertheless realises this gap and is frustrated about it.
- The participant reacts to this gap by quitting his business as soon as possible with the aim to avoid any losses or to reduce losses to a minimum.
- The facilities are very clean and tidy. Modernity is not apparent but the facilities are appropriate for the products presented. The atmosphere is exciting and invites to take a closer look. Nevertheless a mass of products is presented and it is difficult to have the overview. Up-to-dateness is apparent in new products arriving, seasonal decorations and offers.
- The website provides basic services and lots of information for special interest customers. Usability is limited based on the amount of information presented. The design is old-fashioned and overloaded.
Company E / Company F

<table>
<thead>
<tr>
<th>Context of comments</th>
<th>Company E</th>
<th>Company F</th>
</tr>
</thead>
<tbody>
<tr>
<td>Are the comments given related to the question posed or do they relate to something else?</td>
<td>Answers given are exceptionally factual and clearly related to the question posed. Major themes are not obtruding. Still the importance of family and team as well as the location development / cooperation with departments seem to be of special interest. Examples:</td>
<td>Answers given are generally related to the question posed but are excessive and uncover the issue of professional pride / quality as well as advocacy for the proletariat as of main interest for the owner manager. Examples:</td>
</tr>
<tr>
<td>Family and team</td>
<td>– Question: Considering all the experiences you had as an owner-manager: What can you say about the amount of positive and negative behaviour? – Answer: &quot;... But to really bring me to the point where I would decide to stop, it would need something happening in the family. Something that would prevent us from fully engaging in the business furthermore ...&quot; (&quot;... Aber um mich wirklich zum Aufhören zu bringen, bräuchte es etwas in der Familie. Etwas, das verhindern würde, das wir uns weiterhin voll in das Geschäft einbringen könnten ...&quot;)</td>
<td>– Question: Can you imagine a situation in which you would need information you cannot access by yourself? – Answer: &quot;... Yes, you always encounter that ... But I can live with that. I would anyway not do something I cannot stand behind. Either he is doing the job with me, accepts my conditions and how I want to do it or he goes to someone else.&quot; (&quot;... Ja, das hast du immer ... Aber damit kann ich leben. Ich würde mich sowieso nicht verbiegen. Entweder er macht den Job mit mir zu meinen Konditionen und wie ich es machen will oder er geht zu einem anderen.&quot;)</td>
</tr>
<tr>
<td>Location development / cooperation with departments</td>
<td>– Question: If you have personal values: Do you find it easy or challenging to follow these values? – Answer: &quot;... You need to swallow extremely much. There are many challenges. And the departments are not keeping their promises ...&quot; (&quot;... Man muss extrem viel schlucken. Es sind viele Herausforderungen. Und die Ämter halten dann ihre Versprechen nicht ...&quot;)</td>
<td>– Question: Are you following any values in your private life? If yes: Which ones? – Answer: &quot;... I am a worker ... I do not have any respect for people who are not doing anything and get everything stuck up in their ass. I hold the opinion that something is only of value if one has worked it out by oneself.&quot; (&quot;... Ich bin einfach ein Arbeiter ... Ich habe null Respekt vor Leuten, die einfach nichts leisten und alles in den Arsch geschoben bekommen. Ich bin der Meinung, dass nur das einen Wert hat, was man sich selber erarbeitet hat.&quot;)</td>
</tr>
<tr>
<td>Frequency of comments</td>
<td>Family and team (9x)</td>
<td>Professional pride / quality (11x)</td>
</tr>
<tr>
<td>What are the comments made most frequently?</td>
<td>Location development / cooperation with departments (6x)</td>
<td>Advocacy for the proletariat (7x)</td>
</tr>
<tr>
<td>Intensity of comments</td>
<td>1st set of feelings expressed: Annoyance and incomprehension (context: cooperation with departments), consternation and discomfort (context: deadly accidents of well-known people in the community).</td>
<td>1st set of feelings expressed: Incomprehension and aversion (context: bureaucracy), contempt (context: officialdom, work-shyness and wealth that is not coming from work), aggressiveness (context: unjustified complaints), insult and ignorance (context: dismissal of employees), anxiety and distress (context: loss of father).</td>
</tr>
<tr>
<td>What are the predominant feelings expressed?</td>
<td>2nd set of feelings expressed: Delight (context: alternatives for the future).</td>
<td>2nd set of feelings expressed: Enthusiasm (context: challenging work, technology, stylish and cool things).</td>
</tr>
<tr>
<td>Internal consistency of comments</td>
<td>Objectives: Building up retirement provision, health, domestic happiness, maintain employment, job satisfaction and satisfactory income.</td>
<td>Objectives: Having a family and good friends, a house, reaching a turnover of one million Swiss francs. Satisfactory income, growth, establishing the business, building up reserves, maintaining self-financing.</td>
</tr>
<tr>
<td>How consistent are comments given to values, objectives?</td>
<td>Values and objectives do not contradict each other.</td>
<td>Values and objectives do not contradict each other and are very clearly confirmed with the expressed feelings.</td>
</tr>
<tr>
<td>How consistent are the comments given with the answers to scenarios?</td>
<td>Scenarios: Clearly confirm the comments of the participant throughout the interview.</td>
<td>Scenarios: Confirm the comments of the participant throughout the interview.</td>
</tr>
<tr>
<td>Specificity of comments</td>
<td>Comments based on personal experiences: Consternation, discomfort and anxiety in conjunction with accidents, annoyance and incomprehension in conjunction with department’s stubbornness and serenity in conjunction with competitors.</td>
<td>Comments based on personal experiences: incomprehension and aversion in conjunction with administrative work, contempt in conjunction with wealthy people that did not work for the money, insult in conjunction with the dismissal of employees, aggressiveness in conjunction with unjustified complaints, enthusiasm in conjunction with technology and challenging work.</td>
</tr>
<tr>
<td>What comments were made based on personal experiences and what comments were made based on hypothetical situations?</td>
<td>Comments based on hypothetical situations: Objectivity in conjunction with complaints, decreasing turnover and complexity.</td>
<td>Comments based on hypothetical situations: Aversion in conjunction with officialdom, anxiety and distress in conjunction with the loss of his father, discomfort in conjunction with owner-manager getting sick.</td>
</tr>
</tbody>
</table>
## Success and failure

- Participants comment on others: Success means innovation and diversification. Failure stands for a lack of renewal and resistance to change.
- Participant’s comment on himself: Successful.
- The participant’s comments do not reflect answers given regarding values and objectives and show another dimension that is relevant in the participant’s behaviour (but nevertheless does not seem to be worth mentioning for him): innovation and change.

## Organisational resilience (Mallak’s principles 1 to 7, 1998: 13)

- **Perceiving experiences constructively:** Participant does make provisions regarding risks and is concerned about them coming true. He admits that past painful experiences do affect him and he cannot get over them easily. Nevertheless he insists that past painful experiences lead to more determination in his life.
- **Performing positive adaptive behaviour:** The participant is aware of possible unintentional changes, does prepare for them but says that he would have to live with the situation, if they nevertheless occur. He does feel discomfort about that.
- **Ensuring adequate external resources:** Participant relies on his trustee or professional association for strategic and financial decisions, on his community network to get information desired, on the wider family for practical help and on banks to the financial support. He says he would not seek for any help in case of failure.
- **Expanding decision-making boundaries / practicing bricolage / developing tolerance for uncertainty:** Decision-making competences are clearly shared between the owner-manager and his wife, employees have minor competencies. There is no need to develop solutions on the spot. The business is mainly based on uncertainty (whole production is done without knowing the final sale). The owner-manager is used to that and does not struggle with that fact.
- **Building virtual role systems:** A shared role system is lived and any loss would not lead to a short-term chaos but no long-term problem.

## Entrapment in business

- The participant clearly overrates positive experiences and says that he forgets negative experiences immediately and moves forward. He says he has not the time to grieve.
- **Performing positive adaptive behaviour:** The participant does not plan and prepare for anything. Believing in and having trust in his ability to handle whatever is coming up is the life style of the participant. Beside getting sick he is not afraid of any unintentional changes.
- **Ensuring adequate external resources:** Participant relies on his father for advice, struggles to consider getting financial help of a bank and relies on his private network of friends for practical help. He does not seek for information desired and would not accept external help if he is in emotional distress.
- **Expanding decision-making boundaries / practicing bricolage / developing tolerance for uncertainty:** Participant takes all the decisions by himself, employees are allowed to make proposals but cannot decide. The ability to provide solutions on the spot is the strength and way of life of the owner-manager. Making decisions with less than the desired amount of information is a concern for the owner-manager as he is anyway following his way.
- **Building virtual role systems:** The employees can well replace each other but if the owner-manager was missing, there would be a major problem and business could not continue. He says he is the creative head, the ‘engine’ behind everything.
Company G / Company H

Company G

Context of comments
Are the comments given related to the questions posed or do they relate to something else?

Answers given are not always clearly related to the questions posed and the issue of profit maximisation / personal wealth and the quality and discipline of employees are mentioned frequently. Examples:

- **Profit maximisation / personal wealth**
  - Question: How do you see the future?
  - Answer: "... We do not want to grow. This is an intentional decision. Otherwise we would need a manager and this is too expensive. Meanwhile we more than doubled our turnover ..." ("... Wir wollen nicht wachsen. Das ist eine bewusste Entscheidung. Sonst brauchte ich einen Geschäftsführer und das läuft kostenmäßig aus dem Ruder. Aber wir haben mit dem gleichen Bestand den Umsatz mittlerweile mehr als verdoppelt ...")

- **Quality and discipline of employees**
  - Question: Considering all the experiences you made as an owner-manager: What can you say about the amount of positive and negative experiences?
  - Answer: "... The most dangerous are the employees. The biggest risk. If you have arranged everything well you need to treat them well and also reward them." ("... Das Gefährlichste sind einfach die Mitarbeiter. Das größte Risiko. Wenn man es einmal gut aufgebaut hat, muss man die Leute gut behandeln und sie auch belohnen.")

Frequency of comments
What are the comments made most frequently?

- **Profit maximisation / personal wealth (13x)**
- **Quality and discipline of employees (8x)**

Intensity of comments
What are the predominant feelings expressed? What comments cause the expressed feelings?

- 1st set of feelings expressed: Aggressiveness (context: unjustified complaints), distress and fatalism (context: loss of wife), discomfort (context: dismissal of employees).
- 2nd set of feelings expressed: Enthusiasm (context: challenging work), satisfaction (context: luxury goods).
- 1st set of feelings expressed: Discomfort (context: dismissal of employees) and consternation (context: dissonance in the family).
- 2nd set of feelings expressed: Admiration (context: expectations using marketing instruments), satisfaction (context: satisfied employees), openness (context: alternatives) and serenity (context: risks and unintentional changes).

Internal consistency of comments
How consistent are comments given to values, objectives? How consistent are the comments given with the answers to scenarios?

- Values: Live the values you are preaching, honesty, ambition, achievement.
  - Objectives: Recreation, profit, job satisfaction, profit maximisation is a precondition, money for luxury is a consequence, reasonable hours.
  - Values and objectives do not contradict each other.
  - Scenarios: Confirm the comments of the participants but are also affirming growth.

- Values: Practicing the craft, local interconnections, familiarity, honesty, equality, reliability and competence.
  - Objectives: Being middle class, life quality, job satisfaction, reasonable working hours and satisfactory income.
  - Values and objectives do not contradict each other and are clearly confirmed with the expressed feelings. Additionally the expressed values and objectives uncover the importance of social embeddedness (family, team) for the owner-manager.
  - Scenarios: Confirm the comments of the participant throughout the interview.

Specificity of comments
What comments were made based on personal experiences and what comments were made based on hypothetical situations?

- Comments based on personal experiences: Incomprehension in conjunction with complaints, enthusiasm in conjunction with new challenges.
- Comments based on hypothetical situations: Distress and fatalism in conjunction with personal losses, aggressiveness in conjunction with competitors.

Company H

Context of comments
Are the comments given related to the questions posed or do they relate to something else?

Answers given are generally related to the question posed. No major themes are obvious. Nevertheless the comments indicate the importance of local anchoring and openness towards alternatives. Examples:

- **Local anchoring**
  - Question: A customer is unhappy about the product you delivered. He demands a substantial discount. You know that the product you delivered was of reasonable quality. What are you going to do?
  - Answer: "... It is rare that one is coming to discuss the price if one is coming, then often because of minor things. You discuss it with him. This is the advantage of being locally active. You know each other and you are not doing things like that ..." ("... Es kommt eigentlich selten vor, dass einer einfach wegen dem Preis kommt...Wenn einer kommt, dann ist es etwas Kleines. Dann schaut man. Das ist der Vorteil vom Lokalen. Du kennst einander und machst so Sachen nicht ...")

Frequency of comments
What are the comments made most frequently?

- **Local anchoring (10x)**
- **Openness towards alternatives (5x)**

Intensity of comments
What are the predominant feelings expressed? What comments cause the expressed feelings?

- 1st set of feelings expressed: Discomfort (context: dismissal of employees) and consternation (context: dissonance in the family).
- 2nd set of feelings expressed: Admiration (context: competitors using marketing instruments), satisfaction (context: satisfied employees), openness (context: alternatives) and serenity (context: risks and unintentional changes).

Internal consistency of comments
How consistent are comments given to values, objectives? How consistent are the comments given with the answers to scenarios?

- Values: Live the values you are preaching, honesty, ambition, achievement.
  - Objectives: Recreation, profit, job satisfaction, profit maximisation is a precondition, money for luxury is a consequence, reasonable hours.
  - Values and objectives do not contradict each other.
  - Scenarios: Confirm the comments of the participants but are also affirming growth.

- Values: Practicing the craft, local interconnections, familiarity, honesty, equality, reliability and competence.
  - Objectives: Being middle class, life quality, job satisfaction, reasonable working hours and satisfactory income.
  - Values and objectives do not contradict each other and are clearly confirmed with the expressed feelings. Additionally the expressed values and objectives uncover the importance of social embeddedness (family, team) for the owner-manager.
  - Scenarios: Confirm the comments of the participant throughout the interview.

Specificity of comments
What comments were made based on personal experiences and what comments were made based on hypothetical situations?

- Comments based on personal experiences: Consternation in conjunction with dissonance in the family, serenity in conjunction with accident / health of owner-manager, other unintentional changes and desired but missing information, openness in conjunction with professional changes.
- Comments based on hypothetical situations: Discomfort in conjunction with dismissal of employees, serenity in conjunction with complaints.
### Success and failure

- Participants comment on others: Success means profit, failure means having a business but merely treading water.
- Participant’s comment on himself: Successful.
- The participant’s comments do reflect his values and objectives.

#### Organisational resilience (Mallak’s principles 1 to 7, 1998: 13)

- **Perceiving experiences constructively**: The participant clearly overrates positive experiences and cannot mention particular painful experiences. He accepts risk and uncertainty and says that one has to cope with that if it is coming true.
- **Performing positive adaptive behaviour**: The participant is aware of possible unintentional changes but says he has enough control to realise it early enough (in case of financial problems). He accepts health as a risk but does not have any plans to cope with it. He does not see unintentional changes as chance but is also not afraid of it.
- **Ensuring adequate external resources**: Participant relies on his network of friendly competitors, professional colleagues and trustee in regard to strategic or technical advice and for practical help. He claims to have a specific network to get information desired. He would not seek any external financial or emotional help.
- **Expanding decision-making boundaries / practicing bricolage / developing tolerance for uncertainty**: Decision-making is reserved to the owner-manager and his wife. Solutions on the spot have to be found daily and the owner-manager works on the competence of his employees in this regard. The owner-manager is used to uncertainty and accepts that this causes not always good decisions. He says that one has to cope with that and adapt accordingly.
- **Building virtual role systems**: The owner-manager and his wife back up each other. The main problem would be if his wife is missing as she has competences (administration, finance) that are not covered by anyone else.

### Entrapment in business

- The participant stresses that he want to continue with his business. He does not really see an alternative and also has no reason for a change. Nevertheless he claims to quit immediately if his wife can or does not want to participate anymore.
- The facilities are very clean and very tidy. Modernity is brought in well and appropriate for the business but the show room has seen better days. The atmosphere is cozy, warm and bright. Up-to-dateness is not particularly obvious.
- The website provides basic services, usability is appropriate. Design is sober and simple but fits the product and services of the business.

### Success and failure

- Participant’s comment on others: One is successful if he is satisfied and working reasonable hours. If one is using marketing to support his business. One has failed if he has no recreation time, no life quality, is doing nothing for the general welfare or has no expertise.
- Participants comment on himself: Successful.
- The participant’s comments are congruent with comments given regarding values and objectives. Nevertheless it has to be remarked specifically that he links failure with a lack of contribution to general welfare.

#### Organisational resilience (Mallak’s principles 1 to 7, 1998: 13)

- **Perceiving experiences constructively**: The participant clearly overrates positive experiences but points out that the situation as owner-manager is never really convenient and concerns are a part of the job, which have to be accepted and one has to cope with. He clearly sees the positive side of painful experiences and finds the motivation to move forward.
- **Performing positive adaptive behaviour**: The participant does not plan and prepare for anything but trusts in his capable team and his abilities to cope with changes. He says that he sees every change as an option he is welcoming.
- **Ensuring adequate external resources**: Participant would rely on external resources for legal and financial concerns (lawyer, bank). To get practical help he has a network with other competitors. He has no network to get desired information but does not seek it. He would get professional help for emotional distress
- **Expanding decision-making boundaries / practicing bricolage / developing tolerance for uncertainty**: Participant takes most of the decisions by himself but employees have the ability to decide as well if he is not available. Solutions on the spot can be found by him as well as by his employees and decisions without all the needed information often have to be taken. Both have sometimes good and sometimes bad impact but the owner-manager has no concerns about that and says it is part of the business.
- **Building virtual role systems**: The employees showed that they can replace the owner-manager (to his own surprise). They can work independently. Nevertheless the owner-manager is doing the acquisition, planning and customer service which would become an issue if he is not able to do that over a longer time period.

### Entrapment in business

- The participant is not worried at all and gives a very relaxed impression. He suffered a serious accident and has not been able to work for the last half year and his business is still running without big financial losses.
- The participant therefore looks calmly to the future and stresses that he likes to continue but he absolutely doesn’t have to. He would as well like to do something different and would consider alternatives and upcoming options.
- The facilities are partly neat, partly very crowded (workshop), the same has to be said for cleanliness. Modernity is similarly given in the office but the workshop is set up in a quite old-fashioned way. The atmosphere is warm and welcoming but cramped in the workshop area. Up-to-dateness can be seen in new material that is coming in to be worked with and current orders they are working on.
- The design of the website is old-fashioned. Usability and service is given and displayed reference pictures are up to date.
<table>
<thead>
<tr>
<th>Context of comments</th>
<th>Company I</th>
</tr>
</thead>
<tbody>
<tr>
<td>Are the comments given related to the questions posed or do they relate to something else?</td>
<td>Answers given are not always clearly related to the questions posed, his answers are impulsive and the impression emerges that the participant is overwhelmed of his rich experience but does need really have found a way to classify it. Risk appetite and pride and the importance of authenticity pop up frequently in his comments. Examples:</td>
</tr>
<tr>
<td>Risk appetite and pride</td>
<td>Question: Are you following any values as an owner-manager?</td>
</tr>
<tr>
<td>If yes: Which ones?</td>
<td></td>
</tr>
<tr>
<td>Answer: “... I am not cheating … I keep my promises. Even though I know it is a mess for me. But I go through that. Even though I lose money, I stand by my word.”</td>
<td></td>
</tr>
<tr>
<td>Authenticity</td>
<td>Question: Can you imagine a situation in which you would need information you cannot access by yourself?</td>
</tr>
<tr>
<td>Answer: “... That’s not my thing. I am not kissing anyone’s ass. I go there, ring, say what I am doing and if I get the contract, fine, if not then not.”</td>
<td></td>
</tr>
<tr>
<td>(“... Das ist nicht mein Ding. Ich mag nicht Arsch lecken. Ich gehe hin, klingel, sage was ich mache und wenn ich den Auftrag kriege ist gut, wenn nicht dann eben nicht.”)</td>
<td></td>
</tr>
<tr>
<td>Frequency of comments</td>
<td>Risk appetite and pride (13x)</td>
</tr>
<tr>
<td>What are the comments made most frequently?</td>
<td>Authenticity (8x)</td>
</tr>
<tr>
<td>Intensity of comments</td>
<td>1st set of feelings expressed: Self-criticism (context: past risk taking), pride (context: holding promises, being authentic) and dislike (context: getting emotional support), contempt (context: being submissive)</td>
</tr>
<tr>
<td>What are the predominant feelings expressed?</td>
<td>2nd set of feelings expressed: Serenity (context: financial losses), compassion (context: fellows suffering heavy blows or having taken a wrong turn).</td>
</tr>
<tr>
<td>What comments cause the expressed feelings?</td>
<td>1st set of feelings expressed: unpleasantness (context: dismissal of employees) and annoyance (context: being mistaken with employees).</td>
</tr>
<tr>
<td>Internal consistency of comments</td>
<td>Values: Honesty, keeping promises, hard work, creativity, compassion.</td>
</tr>
<tr>
<td>How consistent are comments given to values, objectives?</td>
<td>Objectives: Health, keeping status quo, job satisfaction, survival / break even</td>
</tr>
<tr>
<td>How consistent are the comments given with the answers to scenarios?</td>
<td>Values and objectives do not contradict each other.</td>
</tr>
<tr>
<td>Scenarios: Confirm the comments of the participants but are generally showing a higher willingness to take risks than expressed with values and objectives.</td>
<td></td>
</tr>
<tr>
<td>Specificity of comments</td>
<td>Comments based on personal experiences: Serenity in conjunction with financial losses, compassion in conjunction with colleagues, pride in conjunction with customers and taking help.</td>
</tr>
<tr>
<td>What comments were made based on personal experiences and what comments were made based on hypothetical situations?</td>
<td>Comments based on hypothetical situations: Risk taking in conjunction with opportunities, contempt in conjunction with being dismissive, dislike in conjunction with getting emotional support.</td>
</tr>
<tr>
<td>Company J</td>
<td>Answers given are clearly related to the questions posed and very straightforward. There are no major issues emerging but the comments given represent pragmatism, consistency and clarity throughout the interview. Examples:</td>
</tr>
<tr>
<td>Pragmatism, consistency and clarity</td>
<td>Question: A customer is unhappy about the product you delivered. He demands a substantial discount. You know that the product you delivered was of reasonable quality. What are you going to do?</td>
</tr>
<tr>
<td>Answer: “... Well, it is not possible that the product is bad. Maybe he does not like it, but I cannot do anything if he orders products he does not like. It does not happen that our service is not appropriate. If he is not satisfied he should go to someone else ...”</td>
<td></td>
</tr>
<tr>
<td>(“... Also das Produkt kann ja nicht schlecht sein. Vielleicht ist es nicht das was er mag, aber da kann ich auch nichts machen, wenn er etwas bestellt, das er nicht mag. Es kommt nicht vor, dass bei uns der Service nicht stimmt. Wenn er nicht zufrieden ist, soll er zu einem anderen ...”)</td>
<td></td>
</tr>
<tr>
<td>Question: Do you have personal non-economic objectives?</td>
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</tr>
<tr>
<td>Answer: “Seeing the polar lights. But we have done a lot and these times are coming again. The business is a period of life. We do not have to do this until our end ... We are here 365 days a year. But if it is not running anymore, we quit.”</td>
<td></td>
</tr>
<tr>
<td>(&quot;Die Polarlichter sehen. Aber wir haben viel gemacht und die Zeiten kommen wieder. Das Geschäft ist ein Lebensabschnitt. Das muss nicht bis hinten raus sein ... Wir sind 365 Tage da. Dafür sagen wir, wenn’s nicht geht hören wir auf!&quot;)</td>
<td></td>
</tr>
</tbody>
</table>

| Frequency of comments | Risk appetite and pride (13x) |
| What are the comments made most frequently? | Authenticity (8x) |
| Intensity of comments | 1st set of feelings expressed: unpleasantness (context: dismissal of employees) and annoyance (context: being mistaken with employees). |
| What are the predominant feelings expressed? | 2nd set of feelings expressed: Compassion (context: elderly customers), satisfaction (context: what they have reached so far), serenity (context: risks, course of business and relations with customers), confidence (context: abilities and offers). |
| What comments cause the expressed feelings? | Values: Honesty, achievement, compassion. |
| Internal consistency of comments | Objectives: Satisfactory income, financial reserves, travelling, keeping current turnover and maintaining the employment. |
| How consistent are comments given to values, objectives? | Values and objectives do not contradict each other. |
| How consistent are the comments given with the answers to scenarios? | Scenarios: Confirm the comments of the participant throughout the interview but show additionally that the owner-manager would consider taking over other businesses, an option that was not mentioned on listing objective (growth). |
| Specificity of comments | Comments based on personal experiences: Annoyance in conjunction with employees, serenity in conjunction with customers, straightness in conjunction with external resources. |
| What comments were made based on personal experiences and what comments were made based on hypothetical situations? | Comments based on hypothetical situations: Serenity in conjunction with risk, unpleasantness in conjunction with dismissal of employees, |
Success and failure

- Participants comment on others: Successful is one with good education and one that is a good seller. One treating employees decently, having a good team. Failing is one that is overestimating himself.
- Participant’s comment on himself: Successful – because he managed to survive over time.
- The participant’s comments do not particularly reflect his values and objectives. E.g. honesty and keeping promises is not mentioned as a success factor.

Organisational resilience (Mallak’s principles 1 to 7, 1998: 13)

- Perceiving experiences constructively: The participant clearly overrates positive experiences and says he learnt from negative experiences. He claims that risks have to be taken to go forward even though painful experiences can be the result. Painful experiences are part of life.
- Performing positive adaptive behaviour: The participant is aware of possible unintentional changes but, experienced a lot of them and does not prepare for it. He states that the time made him calm and knowing that he can get over everything.
- Ensuring adequate external resources: Participant relies on his trustee for accounting questions. He stresses that he never sought and never would seek practical, financial or emotional support as well as he never sought access to information he does not have but desires to have.
- Expanding decision-making boundaries / practicing bricolage / developing tolerance for uncertainty: Decision-making is the reserved to the owner-manager only. Employee is allowed to make proposals but is most likely not considered. Solutions on the spot have to be found daily and the owner-manager says to be satisfied to always find one. The owner-manager is used to uncertainty and accepts that this causes not always good decisions. He says he is always keeping his promises and sticks to what he decided.
- Building virtual role systems: The participant says that the employee has become that independent that he could do the work without him and as long as the regular customers are returning the business could continue.

Entrapment in business

- The participant stresses that he is just continuing for the fun of it and to give the employee further employment. He does not see any sense and satisfaction in retirement. Nevertheless he says that would quit if expenses cannot be covered anymore.
- The facilities are very clean and very tidy. Modernity is not particularly obvious, but the location is appropriate for the work to be done and machines look decent. The atmosphere is busy, warm and spacious. Up-to-dateness cannot particularly be observed.
- The participant does not have a website and says he never saw the need of it. People should come and talk to him, if they want something from him.

Success and failure

- Participant’s comment on others: Successful means surviving, having a good living without depending on every possible cent to be earned. Failure means that one gets everything without working for it and runs it down.
- Participant’s comment on himself: Successful
- The participant’s comments are congruent with comments given regarding values and objectives.

Organisational resilience (Mallak’s principles 1 to 7, 1998: 13)

- Perceiving experiences constructively: The participant clearly overrates positive experiences. He manages painful experiences with change and tries to keep them from happening again. Nevertheless he confirms that he does not forget easily about bad experiences.
- Performing positive adaptive behaviour: The participant has plans in case of risks coming true. He has ideas how to react if his plans fail but says that this is not going to happen and if yes he is going to find a way.
- Ensuring adequate external resources: Participant would probably rely on external help in case of practical help needed, but only if he really cannot manage by himself. He has a network to get information he desires but has no direct access to. He would not seek any financial, emotional or other external support.
- Expanding decision-making boundaries / practicing bricolage / developing tolerance for uncertainty: The owner-manager and his wife are taking all decisions, employees can make proposals but are most likely not considered. Providing solutions on the spot is part of the job but has to be done by the owner-manager himself. The owner-manager does not struggle with uncertainty and decides based on his gut feeling and experience.
- Building virtual role systems: The owner-manager and his wife back up each other. He admits that there would be a problem if his wife was missing (she is doing the salaries, invoicing and accounting).

Entrapment in business

- The participant is not worried at all, is straightforward and does not struggle to take any decision needed to improve an unsatisfying situation. He does not persist in the business and has built up enough financial reserves and alternatives to quit whenever he wants.
- The facilities are tidy and clean but look a bit ran down. Modernity is given in regard of the efficiency of work processes but not in regard of the facility. The atmosphere is gloomy, not friendly, rough, not welcoming. Up-to-dateness can be found in current orders they are working on.
- The design of the website is up to date and refreshing. Service and usability are given, contents are not yet complete. The website gives a much friendlier impression than the facility and the behaviour / occurrence of the owner-manager.
Appendix H: Distribution and number of mentions in total: Values, objectives, success and failure factors in conjunction with economical, personal, social and product attributes.

### Values and objectives

<table>
<thead>
<tr>
<th>Economical attributes</th>
<th>Personal attributes</th>
<th>Social attributes</th>
<th>Product attributes</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Ambition (3x)</td>
<td>- Honesty (10x)</td>
<td>- Responsibility (4x)</td>
<td>- Quality (1x)</td>
</tr>
<tr>
<td>- Performance / Achievement (3x)</td>
<td>- Reliability (5x)</td>
<td>- Appreciation / respect (3x)</td>
<td>- Practicing the craft (1x)</td>
</tr>
<tr>
<td>- Growth (1x)</td>
<td>- Straightness / keeping promises / doing what has been preached (4x)</td>
<td>- Compassion / humanity (3x)</td>
<td>- Creativity (1x)</td>
</tr>
<tr>
<td></td>
<td>- Competence (3x)</td>
<td>- Customer satisfaction (1x)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Hard work (3x)</td>
<td>- Affection (1x)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Health (1x)</td>
<td>- Connectivity with nature (1x)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Freedom (1x)</td>
<td>- Local interconnections (1x)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Independence (1x)</td>
<td>- Familiarity (1x)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Faith (1x)</td>
<td>- Equality (1x)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Aggressiveness (1x)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Recreation / reasonable working hours (6x)</td>
<td>- Maintaining employment (4x)</td>
<td>- Job satisfaction (6x)</td>
</tr>
<tr>
<td></td>
<td>- Health (2x)</td>
<td>- Domestic happiness, family and friends (2x)</td>
<td>- Establishing the business (1x)</td>
</tr>
<tr>
<td></td>
<td>- Freedom (1x)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Life quality (1x)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Success and failure factors**

<table>
<thead>
<tr>
<th>Success factors</th>
<th>Personal attributes</th>
<th>Social attributes</th>
<th>Product attributes</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Earn a living</td>
<td>- Being satisfied</td>
<td>- Not bothering anyone</td>
<td>- Having a good product</td>
</tr>
<tr>
<td>- Having money</td>
<td>- Having reasonable working hours</td>
<td>- Giving the customer a good feeling</td>
<td>- Having exciting jobs</td>
</tr>
<tr>
<td>- Making profit</td>
<td>- Being a good seller / using marketing</td>
<td>- Having a good team</td>
<td>- Being diversified and innovative</td>
</tr>
<tr>
<td>- Surviving economically (6x in total)</td>
<td>- Having a good education</td>
<td>- Treating employees decently (5x in total)</td>
<td>- Being special and surprising (4x in total)</td>
</tr>
<tr>
<td>- Working hard (6x in total)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Failure factors</th>
<th>Personal attributes</th>
<th>Social attributes</th>
<th>Product attributes</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Not performing</td>
<td>- Not working hard</td>
<td>- Having unsatisfied employees</td>
<td>- Lack of renewal / resistance to change (2x)</td>
</tr>
<tr>
<td>- Having debts</td>
<td>- Being a loudmouth / all surface /</td>
<td>- Not engaging in general welfare (2x in total)</td>
<td></td>
</tr>
<tr>
<td>- Not able to maintain employment</td>
<td>- Not being straight (not doing what is preached)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Treading water (4x in total)</td>
<td>- Getting jobs based on connections</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Not having recreation / life quality</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>- Not having or over-estimating competence and expertise (9x in total)</td>
<td></td>
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</tr>
</tbody>
</table>
Appendix I:
Distribution and number of mentions per company: Values, objectives, success and failure factors in conjunction with economical, personal, social and product attributes.

Company A

The main issues of company A are equally concerned with economic, personal and social attributes. Values are equally representing personal and social attributes. Objectives on the other hand mainly represent economical attributes. Failure factors are allocated to economic, and personal, success factors additionally to product attributes. Overall, personal attributes are mentioned most frequently.

Company B

The main issue of company B is exclusively concerned with personal attributes. Values are almost equally assigned to personal and social attributes, objectives equally to economic and personal attributes. A success factor represents product attributes, failure factors were not specified by the owner-manager. Overall, personal attributes are mentioned most frequently.
Two-thirds of company C’s main issues belong to personal attributes, one-third to product attributes. Values are mainly assigned to personal, but also to social and economic attributes. Objectives are almost exclusively seen as economic attributes. Success factors are equally concerned with personal, economic and social, failure factors only with personal attributes. Overall, economic attributes are mentioned most frequently.

The main issues of company D are equally concerned with personal and social attributes. Values are representing personal and social attributes as well. Objectives are equally assigned to economic, social and product attributes, social attributes are seen as a success and failure factor. Overall, personal attributes are mentioned most frequently.
The main issue of company E is exclusively concerned with social attributes. Values are equally allocated to personal and economic attributes, objectives to all attributes almost equally. A success and failure factor is assigned to product attributes. Over all, personal attributes are mentioned most frequently.

Company F’s main issues are equally concerned with social and product attributes. Values are mainly representing personal, but to a smaller number also economic and product attributes. Objectives concentrate on economic attributes but one is also allocated to social and product attributes. Success factors are assigned to economic and product attributes, failure factors exclusively to personal attributes. Over all, economic and personal attributes are mentioned with equal frequency.
The main issues of company G are concerned with economic and social attributes. Values as well as objectives are equally allocated to economic and personal attributes. A success and failure factor is assigned to economical attributes, a failure factor to personal attributes. Overall both, economic as well as personal attributes are mentioned most frequently.

The main issues of company H are equally concerned with personal and social attributes. Values are equally allocated to the same attributes, but to a smaller number also to product attributes. Objectives are equally assigned to personal, economic, to a smaller extent also to product attributes. Success factors are exclusively allocated to personal attributes, failure additionally and to a smaller number also to social attributes. Over all, personal attributes are mentioned most frequently.
The main issue of company I is exclusively concerned with personal attributes. Values are assigned to personal and to a smaller number to social and product attributes, objectives to economical and to a smaller number equally to personal and product attributes. Success factors are equally assigned to economic and social, a failure factor to personal attributes. Over all, personal attributes are mentioned most frequently.

The main issue of company J is as well exclusively concerned with personal attributes, values equally to personal, economic and social attributes. Objectives are equally assigned to personal and social but to a bigger number to economic attributes. Success factors are specified as economic attributes, a failure factor as personal attribute. Over all, economic attributes are mentioned most frequently.
### Appendix J: Summary of organisational resilience and entrapment potential

<table>
<thead>
<tr>
<th>Principle / Company</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
<th>F</th>
<th>G</th>
<th>H</th>
<th>I</th>
<th>J</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1</strong> Perceive experience constructively</td>
<td>No</td>
<td>Yes</td>
<td>Partly</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Partly</td>
</tr>
<tr>
<td><strong>2</strong> Perform positive adaptive behaviours</td>
<td>Partly</td>
<td>Yes</td>
<td>No</td>
<td>Partly</td>
<td>No</td>
<td>Yes</td>
<td>Partly</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>3</strong> Ensure adequate external resources</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>Partly</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td><strong>4</strong> Expand decision-making boundaries</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>Partly</td>
<td>Yes</td>
<td>No</td>
<td>Partly</td>
</tr>
<tr>
<td><strong>5</strong> Practice bricolage</td>
<td>Partly</td>
<td>—</td>
<td>—</td>
<td>Yes</td>
<td>—</td>
<td>Partly</td>
<td>Yes</td>
<td>Yes</td>
<td>Partly</td>
<td>Partly</td>
</tr>
<tr>
<td><strong>6</strong> Develop tolerance for uncertainty</td>
<td>Yes</td>
<td>—</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>7</strong> Build virtual role systems</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>Partly</td>
<td>Yes</td>
<td>Partly</td>
<td>Partly</td>
<td>Partly</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Resilience potential</th>
<th>Low</th>
<th>Medium to high</th>
<th>Low</th>
<th>Medium to high</th>
<th>Medium</th>
<th>Medium</th>
<th>Medium to high</th>
<th>Very high</th>
<th>Medium</th>
<th>Medium</th>
</tr>
</thead>
</table>

0x yes = No resilience potential
1x yes = No to low resilience potential
2x yes = Low resilience potential
3x yes = Low to medium resilience potential
4x yes = Medium resilience potential
5x yes = Medium to high resilience potential
6x yes = High resilience potential
7x yes = Very high resilience potential

Every ‘partly’ counts half a yes.
Denial does not count.

<table>
<thead>
<tr>
<th>Criteria / Company</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
<th>F</th>
<th>G</th>
<th>H</th>
<th>I</th>
<th>J</th>
</tr>
</thead>
<tbody>
<tr>
<td>Signs of entrapment</td>
<td>No</td>
<td>Partially</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>N° of facilities considered</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Order</td>
<td>0</td>
<td>0</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>0</td>
<td>+</td>
<td>+</td>
<td>+</td>
</tr>
<tr>
<td>Cleanliness</td>
<td>+</td>
<td>+</td>
<td>0</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>+</td>
</tr>
<tr>
<td>Modesty</td>
<td>0</td>
<td>0</td>
<td>–</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>0</td>
<td>0</td>
<td>+</td>
<td>0</td>
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<tr>
<td>Atmosphere</td>
<td>+</td>
<td>+</td>
<td>0</td>
<td>+</td>
<td>+</td>
<td>–</td>
<td>0</td>
<td>0</td>
<td>+</td>
<td>+</td>
</tr>
<tr>
<td>Up-to-dateness</td>
<td>0</td>
<td>0</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>0</td>
<td>+</td>
<td>+</td>
<td>0</td>
</tr>
<tr>
<td>Website</td>
<td>0</td>
<td>0</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>+</td>
<td>0</td>
<td>+</td>
<td>+</td>
<td>+</td>
</tr>
</tbody>
</table>

No / + = No entrapment potential
No / 0 = Very low entrapment potential
No / – = Low entrapment potential
Partially / + = Low entrapment potential
Partially / 0 = Low to medium entrapment potential
Partially / – = Medium entrapment potential
Yes / + = Medium entrapment potential
Yes / 0 = Medium to high entrapment potential
Yes / – = High entrapment potential