

A Study of Entrepreneurial Adaptation Strategies of Small Scale Business Operators during Challenging Situations

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Small-scale business prosperity, especially in challenging situations, results from many factors. Among them, entrepreneurial strategies can be considered a primary factor. This research explores the entrepreneurial adaptation strategies of small-scale business operators during the COVID pandemic and the ongoing economic crisis. This study aims to investigate small business operators' adaptation strategies and how entrepreneurial such adaptation strategies are in the theoretical contexts of Effectuation, Causation, and bricolage entrepreneurial decision-making behaviors. A qualitative multiple-case study design was adopted to pursue research objectives. An individual business operator and his/her business were treated as a case and the unit of analysis. The study sample was selected from Kurunegala and Narammala areas using a snowballing sampling technique. In-depth interviews were conducted using a topic guide with 21 small-scale business operators who have successfully navigated challenging situations. Furthermore, within-case and cross-case analyses were employed to identify the patterns of entrepreneurial processes. The findings revealed that small business operators who have successfully navigated challenging situations have identified and capitalized on multiple opportunities without regard to resource ownership while running multiple businesses (i.e. being proactive). They have practiced all five principles of effectuation in their entrepreneurial decision-making process, as opposed to the causation logic. Most of the business operators have used the bird-in-hand principle in identifying opportunities while few have used the patchwork quilt principle. And also, they have used bricolage selectively, in the form of the internal, external network, and external asset bricolage in their decision-making process. Many have used external bricolage, and no one has used parallel bricolage in the decision-making process. Almost all the respondents have used more than one decision-making approach to thrive during crises. The findings reveal that entrepreneurial strategies were necessary for business operators to navigate challenging situations successfully.

Keywords: Bricolage, Challenging situations, Effectuation, Entrepreneurship, Pluriactivity

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