

**BINDURA UNIVERSITY OF SCIENCE EDUCATION
FACULTY OF COMMERCE
GRADUATE SCHOOL OF BUSINESS**



**EXPLORING CHANGE MANAGEMENT AS A MEANS FOR SMES SURVIVAL IN
VUCA ENVIRONMENT AND COVID-19. A CASE OF FAST FOODS SMES IN
HARARE CBD.**

BY

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**A DISSERTATION SUBMITTED IN PARTIAL FULFILLMENT OF THE
REQUIREMENTS
OF MASTERS IN BUSINESS LEADERSHIP DEGREE.**

YEAR: 2021

APPROVAL FORM

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DECLARATION

I declare that the work in this dissertation titled “Exploring change management as a means for SMEs survival in VUCA environment and Covid-19. A case of fast foods SMEs in Harare CBD” has been carried out by me in the graduate school of business. All information which was derived from literature was duly acknowledged in the text and also under a list of references provided. No part of this dissertation was previously presented for another degree at Bindura University of Science Education or any other institution around the world.

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DEDICATION

I dedicate this piece of work to three special ladies in my life; my mother (Mrs. J. Botoman), my sister (Agness Botoman) and Mrs. M. Vambe whose multi-dimensional support was never wavering at a time when I needed assistance the most; especially at high school. I am grateful for all your efforts.

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ABSTRACT

This research sought to assess the impact of Zimbabwe's VUCA environment and Covid-19 related lockdown on fast foods SMEs business cycles and operations, to identify opportunities and threats presented to fast foods SMEs by the VUCA environment and Covid-19 and also to examine the strategies employed by fast foods SMEs in utilising new opportunities and overcoming threats arising from VUCA and COVID-19 so as to stay afloat. A case of fast food SMEs in Harare CBD was used. The researcher was propelled to carry out the study after a saddening observation of cessation of existence of multiple SMEs which occurred both before Covid-19 and even worsened after the pandemic struck. The existing VUCA (Volatile, Uncertain, Complex and Ambiguous) environment in Zimbabwe was worsened by a new version of VUCA in the form of Covid-19; and the researcher decided to carry out this research as an attempt to help SMEs to overcome premature death in business through change management. Questionnaires were used to collect data from respondents and ninety-two and half percent (92.5%) turnout was realised in this qualitative research. Major findings were that the fast food industry is dominated by women who are between the ages of 20 to 29 years. It was also found out that small fast food restaurant are facing VUCA and Covid-19-related challenges of low sales as a result of forced closures, limited working hours, low disposable income among clients and growing negative perception among customers. Other challenges include but not limited to high cost of sales due to inflation, high rentals and licensing fees, lack of funding (from both government and private financial institutions) and also loss of employees for few of the restaurants. The researcher recommended fast food SMEs to have optimum stocks of food stuffs, to save foreign currency, to diversify into the essential service sector and to comply with health regulations and all other governing authority regulations. The researcher also expressed concern over why some SMEs deliberately choose to remain small

despite of possible opportunities to grow and therefore encouraged other researchers to explore the area.

Contents

APPROVAL FORM	i
RELEASE FORM	ii
DECLARATION	iii
DEDICATION	iv
ACKNOWLEDGEMENTS	v
ABSTRACT	vi
LIST OF TABLES	xii
LIST OF FIGURES	xiii
LIST OF ABBREVIATIONS AND SYNONYMS	xiv
CHAPTER I	1
INTRODUCTION	1
1.0 Introduction	1
1.1 Background of the study	1
1.2 Statement of the research problem.....	3
1.3 Research objectives	4
1.4 Research Questions	5
1.5 Proposition	5
1.6 Research assumptions	5
1.7 Gap Analysis	5
1.8 Justification of the research	6
1.9 Purpose of the study	6
1.10 Significance/Importance of the study	6

1.11 Delimitations	7
1.12 Limitations	7
1.13 Chapter Summary	7
CHAPTER II	9
LITERATURE REVIEW	9
2.1 Introduction	9
2.2 THEORY AND CONCEPTUAL FRAMEWORK	9
2.2.1 The definition of change	9
2.2.2 Types of change	10
2.2.3 Reasons for change	12
2.2.4 Why change fail.....	14
2.2.5 Resistance to change	16
2.2.6 Definition of change management	21
2.2.7 Perceptions of change management	21
2.2.8 Change management process.....	22
2.2.9 Importance of change management.....	24
The following are underpinning reasons why change management is an important subject.	24
2.3.1 Kotter’s change theory.....	25
2.4 The meaning of VUCA environment	27
2.5 About Covid-19	28
2.5.1 Covid-19 as a Type of VUCA	29
2.6 Meaning of SMEs	30
2.6.1 Factors which make SMEs more vulnerable to VUCA and Covid-19	30
2.7 Methodology-Philosophy	31
2.8 Literature Review	32
2.8.1 Literature Review- SMEs	32
2.8.2 Literature Review- VUCA Environment.....	33
2.8.3 Literature Review- Covid-19	34
2.8.4 Conceptual Framework.....	36
2.9 Conclusion	38
CHAPTER III	39
RESEARCH METHODOLOGY	39

3.1 Introduction	39
3.2 Recap of research objectives, questions and proposition	39
3.3 Research Philosophy	40
3.4 Research Approach	40
3.5 Research Design	40
3.6 Research Strategies	41
3.7 Methodology and Data Collection Methods	41
3.7.1 Secondary Data Collection	41
3.7.2 Primary Data Collection	42
3.7.3 Questionnaire Development.....	42
3.8 Population and Sampling Technique	42
3.8.1 Population.....	42
3.8.2 Sample Size	43
3.8.3 Sampling Methods	43
3.9 Questionnaire Administration	43
3.10 Methods of Data Analysis	44
3.11 Validity and Reliability	44
3.12 Ethical Considerations	44
3.13 Summary	44
CHAPTER IV	45
PRESENTATION, ANALYSIS AND INTERPRETATION OF RESULTS	45
4.1 Introduction	45
4.2 The Response Rate of Questionnaires	45
4.3 Gender	45
4.4 Age	46
4.5 Designation/ position in company	46
4.6 Academic Qualifications	47
4.7 Experience	48
4.8 Objective 1: To assess the impact of Zimbabwe’s VUCA environment and Covi-19 related lockdown on fast foods SMEs business cycles and operations	48
4.8.1 Fluctuating exchange rates and inflation have negatively affected the food stuff purchase prices.....	49

4.8.2 Rewards.....	49
4.8.3 Fluctuating exchange rates and inflation have negatively affected rental fees	50
4.8.5 Utility Bills	52
4.8.6 In what way did lockdown affect your sales	52
4.8.7 Commitment to Work	53
4.8.8 Customer Loyalty	53
4.8.9 In what way did lockdown affect your working capital	54
4.8.10 Forcefully closing down restaurants through lockdown, made small restaurants to go out of business.....	55
4.8.11 Do you think the government should have helped your firm during harsh economic times and Covid-19 lockdown.....	55
4.9 Objective 2: To identify opportunities and threats presented to fast foods SMEs by the VUCA environment and Covid-19.....	56
4.9.1 Use of Multi-Currency	56
4.9.2 Hygiene	57
4.9.3 Wide Internet Use	58
4.9.4 Low Disposable Income	59
4.9.5 Do you think lack of funding from financial institutions was a threat from Zimbabwe’s poor economy and Covid-19?	60
4.9.6 Losing Employees.....	61
4.10.1 Do you view diversifying into new business as a strategy of utilising new opportunities and overcoming threats in VUCA and Covid-19 environment?.....	62
4.10.2 Do you view employing or being employees who embrace change as a strategy of utilising new opportunities and overcoming threats in VUCA and Covid-19 environment?	63
4.10.3 Internet Transactions.....	64
4.10.4 Compliance	65
4.10.5 Saving Foreign Currency.....	66
4.11 Chapter summary	66
CHAPTER V	67
CONCLUSIONS AND RECOMMENDATIONS.....	67
5.1 Introduction.....	67
5.2 Revisit of Research objectives.....	67
5.3 Summary of Findings	67

5.4 Objectives' Conclusions	69
5.4.1 To assess the impact of Zimbabwe's VUCA environment and Covi-19 related lockdown on fast foods SMEs business cycles and operations.	69
5.4.2 To identify opportunities and threats presented to fast foods SMEs by the VUCA environment and Covid-19.	69
5.4.3 To examine the strategies employed by fast foods SMEs in utilising new opportunities and overcoming threats arising from VUCA and COVID-19 so as to stay afloat.....	70
5.5 Proposition Recap	70
5.5.1 Proposition Conclusion	70
5.6 Recommendations.....	70
5.6 Areas for Future Research	71
References	72
APPENDICES	80
QUESTIONNAIRE	81

LIST OF TABLES

Table 1 Parallax Consulting and Cairn Consulting, 2020.....	10
Table 4.1 Gender.....	53
Table 4.2 Age.....	54
Table 4.3 Designation/ position in company.....	54
Table 4.4 1 Fluctuating exchange rates and inflation.....	57
Table 4.5 Fluctuating exchange rates and inflation have negatively affected rental fees.....	58
Table 4.6 In what way did lockdown affect your sales.....	61
Table 4.7 In what way did lockdown affect your working capital.....	63
Table 4.8 Forcefully closing down restaurants through lockdown, made small restaurants to go out of business.....	63
Table 4.9 Do you think the government should have helped your firm during harsh economic times and Covid-19 lockdown.....	63
Table 4.10 Do you think lack of funding from financial institutions was a threat from Zimbabwe’s poor economy and Covid-19.....	68
Table 4.11 Do you view diversifying into new business as a strategy of utilising new opportunities and overcoming threats in VUCA and Covid-19 environment.....	70
Table 4.12 Do you view employing or being employees who embrace change as a strategy of utilising new opportunities and overcoming threats in VUCA and Covid-19 environment...	70

LIST OF FIGURES

Figure 1 Change Management Process.....	31
Figure 2 Conceptual Framework.....	44
Figure 4.1 Academic Qualifications.....	55
Figure 4.2 Experience.....	56
Figure 4.3 Rewards.....	57
Figure 4.4 Licencing Fees.....	59
Figure 4.5 Utility Bills.....	60
Figure 4.6 Commitment to Work.....	61
Figure 4.7 Customer Loyalty.....	62
Figure 4.8 Use of Multi-Currency.....	64
FIGURE 4.9 Hygiene.....	64
Figure 4.10 Wide Internet Use.....	65
Figure 4.11 Low Disposable Income.....	66
Figure 4.12 Losing Employees.....	68
Figure 4.13 Internet Transactions.....	71
Figure 4.14 Compliance.....	72
Figure 4.15 Saving Foreign Currency.....	73

LIST OF ABBREVIATIONS AND SYNONYMS

Abbreviations

Covid-19- Corona Virus Disease 2019

SMEs- Small and Medium Enterprises

CBD- Central Business District

VUCA- Volatile, Uncertain, Complex and Ambiguous

GDP- Gross Domestic Product

ITC- International Trade Centre

USA- United States of America and the

EU- European Union

USD- United States Dollars

ZWL- Zimbabwe Dollar

WHO- World Health Organisation

MERS - Middle East Respiratory Syndrome

SARS – Severe Acute Respiratory Syndrome

ZIMRA- Zimbabwe Revenue Authority

UK- United Kingdom

Synonyms

Small Restaurants- Fast Food SMEs or SMEs or restaurants

Entrepreneurs- Fast food restaurants owners

Government- Government of Zimbabwe

Covid-19- New VUCA

Existing VUCA- VUCA or harsh economy

SME Survival- Going concern or continuity in business

CHAPTER I

INTRODUCTION

1.0 Introduction

This chapter presented the background of the VUCA environment and Covid-19 in relation to how these factors impact on fast food SMEs in Zimbabwe and how change management can bail out SMEs from imminent failure, peradventure change is not handled well. The chapter also presented the statement of the problem in a clear way. The significance of the study was also made appreciable herein. This introduction looked at the scope of the study and key terms were contextually defined so as to guide readers, and that wrought a remarkable part of the study.

1.1 Background of the study

The notion of VUCA, which represents a volatile, uncertain, complex and ambiguous environment was introduced by the United States Army to describe unfavourable conditions that resulted from the end of cold war (Bennis and Nanus, 1985). The VUCA model was successively adopted by business leaders across the globe to manage and handle different kinds of challenging situations posed by various external factors. VUCA has been an on-going phenomenon and predictions suggest that it is going to stay with us in the future- as can be gleaned from the COVID-19 pandemic. Given the rapid changes taking place on global, social, economic, political and technological fronts in the current environment, COVID-19 pandemic has emerged as a perfect example of a VUCA landscape. (Sahu and Panda, 2016) opined that VUCA is like an on-going test that any organization needs to pass in order to succeed, and the duet was unmistakable since SMEs in the fast foods industry are being tested by the environment and some do not pass the test as they cannot stand rapid change at their tender stage. The VUCA environment has on the other hand increasingly helped the world to realise the importance of change and change management for firms to have going concern regardless of such an environment.

Some authors brilliantly came up with the VUCA experience and linked each to what it reveals or amplify within a company, and also mitigation ways. According to (Weeks, Johnston, Mase and Roy, 2020) the first column lists the key elements which exist as a system whose dynamics produce

outcomes that impact our lives. The middle column describes our reactions to the experience of them: Volatility and Uncertainty produce emotional/psychological responses; Complexity and Ambiguity reveal how mental models and systemic effects arise. The third column provides ways to respond intentionally to the dynamics of the VUCA system.

Table 1

<i>VUCA Experience</i>	<i>Reveals and Amplifies our</i>	<i>Is Resolved, Mitigated and Dampened by</i>
Volatility	Vulnerability	Vigilance
Uncertainty	Unwillingness	Understanding
Complexity	Consequences	Containment
Ambiguity	Assumptions	Agility

Parallax Consulting and Cairn Consulting, 2020

Change is one of the few constants in the business world. While the environment in Zimbabwe was already unfavourable for business, Covid-19 brought a worse version of existing challenges. For the past two (2) decades, inflation has been high, political unrest was constantly experienced and funding for SMEs has been difficult; therefore doing business was already difficult under these circumstances. This led to the poor performance of several SMEs and in worst cases closure of the SMEs. Threats against SMEs worsened by the advent of Covid-19.

The first human cases of COVID-19, the disease caused by the novel coronavirus causing COVID-19, subsequently named SARS-CoV-2 were first reported by officials in Wuhan City, China, in December 2019. Retrospective investigations by Chinese authorities have identified human cases with onset of symptoms in early December 2019. While some of the earliest known cases had a link to a wholesale food market in Wuhan, some did not. Many of the initial patients were either stall owners, market employees, or regular visitors to this market. Environmental samples taken from this market in December 2019 tested positive for SARS-CoV-2, further suggesting that the market in Wuhan City was the source of this outbreak or played a role in the initial amplification of the outbreak. The market was closed on 1 January 2020.

The disease however continued spreading until it reached Zimbabwe, and the first case was reported on the 20th of March 2020. Intensive lockdown was then imposed on the 30th of March 2020, which was extended indefinitely with varying regulations on the 16th of May 2020. While

Covid-19 was life-threatening, the effects it brought to businesses also threatened their existence- especially fast foods restaurants. This is because firstly people were restricted to travel to their workplaces, and even when they were allowed, restaurants were often last to get greenlight, also with strict health regulations. Failure of SMEs to find a way to do business successfully under those conditions revealed the underlying lack of change management qualities among leaders.

This study presented insights into how change management can be a key for Zimbabwe's fast foods SMEs to survive within the Covid-19 pandemic-worsened VUCA environment. The outbreak of COVID pandemic in the year 2020 led to the rest of the organisations crippling and Zimbabwe's SMEs are no exception. Therefore, this paper generated a report on how change management has been employed and can be used to counter various VUCA influences faced by SMEs across different sectors and industries.

1.2 Statement of the research problem

Covid-19 pandemic came to worsen the existing Zimbabwe's VUCA environment which has contributed immensely to business problems like stunted growth, low turnover, low profits or losses and in worst cases, collapse of the same. Thus the main business problem in this research is the shutting down of SMEs which leads to many other effects on like high unemployment, low Gross Domestic Product (GDP) and reduction in revenue collected by the government among many other effects. Businesses at all levels of growth have been affected, but SMEs are more prone. Failure of those SMEs indeed revealed the underlying challenge of rigid entrepreneurs who 'broke' instead of 'twisting and turning' to the demands of the rapidly changing environment. SMEs contribute to Zimbabwe's economy and their growth would consequently lead to the country's growth as well. Since they take up a significant part of the nation's economic players, they are therefore an important group to look at. According to (Weeks, Johnston, Mase and Roy, 2020) some consequences that have been observed related to the COVID-19 pandemic include businesses closure, sometimes permanently, putting people out of work which amplifies the financial disruption and impacts longer term recovery

According to Magaisa and Matipira (2017) SME's in Zimbabwe account for between 80 to 90% of the countries working force whilst contributing at least 60% to Zimbabwe's GDP. Despite this contribution, Zimbabwe has one of the largest informal economies in the world, second to Bolivia

(Medina and Shneider, 2018). Most of the entities in the informal sector are micro, small and medium scale enterprises. While some SMEs have opportunities to grow, reluctance and unwillingness to expand has been witnessed among them. This can be a stand-alone area of study- why some entrepreneurs choose to remain small.

The International Trade Centre (ITC) notes in its special report on COVID 19 and SME impacts, that one in five SMEs face the possibility of going bankrupt and shutting down completely after three months due to lockdowns and supply chain disruptions. That report additionally notes that smaller firms have lower operational cash flows, lower capacity utilization, and are more sensitive to a disruption in supply chains. The report highlights the impact on small African firms, 75% of whom have experienced reduced sales and 54% have experienced reduced access to inputs. Losses were additionally recorded in exports, this is evident in the more than USD2,4 billion loss experienced by African exporters which were relying on key markets in China, The United States of America (USA) and the European Union (EU) (ITC, 2020) in the early part of 2020. These results speak high impact on Covid-19 on SMEs therefore further research ought to be done.

1.3 Research objectives

This research sets out;

To assess the impact of Zimbabwe's VUCA environment and Covi-19 related lockdown on fast foods SMEs business cycles and operations.

To identify opportunities and threats presented to fast foods SMEs by the VUCA environment and Covid-19.

To examine the strategies employed by fast foods SMEs in utilising new opportunities and overcoming threats arising from VUCA and COVID-19 so as to stay afloat.

1.4 Research Questions

To what extent, has the Zimbabwe's VUCA environment and Covid-19 related lockdown impacted on fast foods SMEs business cycles and operations?

What are opportunities and threats that rose from Zimbabwe's VUCA environment and Covid-19?

How did fast foods SMEs strategize to utilise new opportunities and overcome threats arising from VUCA and COVID-19?

1.5 Proposition

Fast foods SMEs survival in Zimbabwe's VUCA and COVID-19 environment is highly dependent upon leaders' ability to embrace change management and so make their firms rightly respond to dictates of the environment.

1.6 Research assumptions

The researcher had the following assumptions in this research;

Zimbabwe's VUCA environment persisted until the end of the research.

SMEs are more affected by VUCA and COVID-19 than large corporates.

Covid-19 in itself has brought a type or form of VUCA environment to worsen the existing one in Zimbabwe.

The SMEs in Harare fairly represent Zimbabwe's SMEs.

1.7 Gap Analysis

While many researches on VUCA environment and Covi-19 have been carried out, hardly were any linked to change management in SMEs. The main research gap is that the paper will assess SMEs leaders' appreciation of change management in order to survive in VUCA environment and Covid-19. This is important because the rapidly changing environment will obviously require leaders to be visionary, understanding, clear and agile (VUCA) in their approach to the environment. While researches on VUCA alone have been done, the new version of VUCA (Covid-19) remains an incomparable one which has to be studied further as its impact is

unprecedented. Furthermore, researches which link SMEs, VUCA, Covid-19 and change management seem to be scarce thereby necessitating this research.

1.8 Justification of the research

The researcher focussed on SMEs because they contribute to more than sixty percent (60%) of the country's economy's growth and as such, their failure is likely to impact on the overall economic meltdown. It is also noteworthy that leaders of SMEs are rarely equipped with important information or knowledge on change management in comparison with other leaders of large corporates who are usually characterised with high profile academic qualifications as a result SMEs are usually at bigger disadvantage in VUCA environments.

More so, other researches seem to generalize the effect of VUCA and Covid-19 on all companies whereas this research gave special attention to SMEs. While the effects of VUCA and Covid-19 are non-selective of firm's sizes, their effect on SMEs is clearly heavier than on large corporates. For example, upon relaxation of lockdown regulations, large fast-food firms like Chicken Inn, Nando's, Chicken Slice and so on were opened first while the rest (SMEs) were still shut. It may be true that they remained shut because they could not meet the preset minimum health standards, but that in itself made the impact more on them since more productive time was lost.

1.9 Purpose of the study

This paper established how change management can be used by fast food SMEs in Zimbabwe to survive and flourish in the prevailing VUCA environment and Covid-19. The study made clear how important SMEs are to Zimbabwe's economic growth and why their survival is so crucial.

1.10 Significance/Importance of the study

The study was primarily important to SMEs' entrepreneurs across Zimbabwe and beyond as they learnt how to adopt change management as a tool to survive in VUCA environment.

Large corporates also benefitted from findings since there are VUCA issues which universally apply to all organisations pertaining to the way they should be handled.

Government will benefit in the long run through the growth and continuity of SMEs as they contribute to the national fiscus which will improve national GDP.

Scholars will also learn from the paper as it will be available to all, and more research gaps will be noted which will give insight to them.

1.11 Delimitations

The researcher chose to deal with Harare fast food SMEs as a sample which represented SMEs across Zimbabwe as a whole. Furthermore, the researcher targeted respondents who can read and write since questionnaires shall be administered to them online due to Covid-19 restrictions. This excluded illiterate and technologically bankrupt entrepreneurs from participating in the study, yet they were equally affected by the VUCA environment and Covid-19.

1.12 Limitations

The study only focused on SMEs. Even though SMEs are important and play a pivotal role in Zimbabwe's economy, they do not contribute alone. Large corporates also play an important role and parastatals' efforts cannot be downplayed. The results which were attained from the study may be used by parastatals and large corporates to some extent but they will not fully address the effect of VUCA environment and Covid-19 on such organisations since the effect varies from one entity to the other. For example, KFC has branches in many countries among which some did not have lockdown like Sweden and Tajikistan, therefore the effect of Covid-19 on such a large corporate cannot be compared to a local SME which was totally shut down during lockdown. Therefore, using SMEs as a representative of all businesses including large corporates will be misleading because large businesses have capacity to engage experts in change management who can contribute to the company's going concern during VUCA times and this may not be possible in SMEs due to financial constraints.

More so, the research findings were limited to SMEs which are in business for profit therefore they will not reveal how not for profit organisations and government departments are being affected by VUCA environment and Covid-19. Differences in purpose of existence among firms make them do business in different ways and also adopt different aims and objectives. To a much lesser extent, the findings of this study can be used by NGOs.

1.13 Chapter Summary

This chapter served to introduce the background of the problem which SMEs face in VUCA and Covid-19 environment. It also outlined research objectives, assumptions, delimitations of the

study, significance of the study and limitations of the study. Definitions of fundamental terms were also given in relation to this study in order to guide users of this research and enlighten them on the terms' study-related meanings. Coming up next is chapter two, which is pregnant with other literature comparisons, critiques, contrasts and connection with this study. The chapter was a close examination of what other authorities from across the globe have contributed to SMEs ability to handle VUCA and Covid-19 environment through sustainable change.

CHAPTER II

LITERATURE REVIEW

2.1 Introduction

It is said history repeats itself, but sometimes circumstances and environments differ, therefore different results may materialise from similar or closely related situations in business and life in general. For that reason, literature was reviewed in this chapter. Literature review helped the researcher to get a wider insight from various authors some of whom agree and others disagree in opinions of how change management can be employed to ensure continuity of SMEs under Zimbabwe's VUCA environment and Covid-19. This chapter was so instrumental in bringing together related studies of great minds from different nations of the world and examine their work in relation to Zimbabwe's fast food SMEs with the intention to help SMEs to continue in business. The chapter also covered theoretical and conceptual framework of the study.

2.2 THEORY AND CONCEPTUAL FRAMEWORK

2.2.1 The definition of change

It shall remain true that change is the only constant factor in business and life in general- therefore change is inevitable. When all businesses were ordered to shut down in March 2020 and people were ordered work remotely in their homes; most SMEs had not planned for that unforeseen predicament which required instant change. Change may simply be defined as a shift from the norm to a new system or way of doing business. According to (Passenheim, 2010), change is an alteration of a company's strategy, organization or culture as a result of changes in its environment, structure, technology or people. From this definition, one can notice that change may come from within by way of people or structure or it can also emanate from the outside environment or technology. The author also stated that a manager's job would be very straightforward and simple (not to say boring) if changes were not occurring in these areas. Change may be planned or unplanned.

2.2.2 Types of change

2.2.2.1 Planned Change

Planned change refers to change from within an organisation. It is intentional and usually proactive in nature although it may also be reactive sometimes. Planned change is often characterised with risk-taking leaders with an appetite to move the business forward. One of the common drivers of this type of change is the desire for growth and improvement. It is usually a smoother process than unplanned change since there is time to plan how the new norm will be like. An example of planned change is that before lockdown, Chicken Inn and Chicken Slice already had the dial and deliver service, however the advent of lockdown just made the service more popular but it was too late for some SMEs in the same industry to follow suite. Like any other type of change, planned change also requires financial resources to acquire new equipment and machinery which enable it. This cost factor makes planned change to be rare as most firms (especially SMEs which lack funding) avoid it. Organization development is directed at bringing about planned change to increase an organization's effectiveness and capability to change itself (Worley, 2009). Planned change is generally initiated and implemented by managers, often with the help of an organisation development practitioner from either inside or outside of the organization. Organizations can use planned change to solve problems, to learn from experience, to reframe shared perceptions, to adapt to external environmental changes, to improve performance, and to influence future changes.

2.2.2.2 Unplanned Change

Unplanned change is more common in the business world because it is ordinarily by circumstances beyond a firm's resistance to change. More often, unplanned change is effected as a reactive measure to counter an imminent challenge in business. This is typical of several SMEs response to VUCA environment and Covid-19 in Zimbabwe. Unplanned change is usually associated with hurried guesswork and desperate measures which may be infested with flaws as they lack in-depth review before implementation (Audretsch, and Belitski, 2020). It is generally acceptable to note that unplanned change is likely to fail than planned change as it is said; failure happens naturally when there is no plan to succeed.

2.2.2.4 Incremental Change

This type of change is associated with change taking place over a very long period of time. Usually, the objectives of change will be small and deliberate in this type of change. (Paton and McCalman, 2000) argued that incremental change is underpinned on a general focus on performance improvement. Incremental change is less applicable to this study as it looked into VUCA environment and Covid-19 which are really characterised with short-notice events.

2.2.2.5 Radical/ Transformational Change

Immediate and dramatic change over a short period of time is what characterises radical change. It is interesting that such change is usually driven by either a serious crisis or a significant opportunity which require dramatic performance improvements in business processes, structure or systems (Hiatt and Creasy, 2012). In the case of SMEs in Zimbabwe, serious crises are driving them to change radically in order to survive in business.

2.2.2.6 Organisational change

Organisational change speaks of planned or unplanned transformations in the structure, technology and or people of an organisation (Herscovitch L, Meyer JP, 2002). Planned organisational change is often smoother and gives better results than unplanned one. The aim of an organisational change is an adaptation to the environment and or an improvement in performance (Pardo del val and Fuentes, 2003). In essence, organisational change helps firms to remain relevant in their business industry.

2.2.2.7 Subsystem change

Subsystem change is when only a part of a larger firm is changed for its improvement or so as to overcome challenges being faced. This may be necessary in cases where the smaller unit or division of the whole organisation is facing challenges which are peculiar to it and different from what the whole organisation may be experiencing. Subsystem change may also be done as a form of pilot survey to investigate if change will be favourable for the whole organisation (Saleh and Watson, 2017).

2.2.2.8 Remedial change

This type of change is reactionary in nature. Although proactive change is encouraged, reactionary change is sometimes inevitable. Remedial change is when a challenge is identified and efforts to overcome the challenges are being made. According to (Mwila and Turay, 2018), the efforts of remedial change are meant to save the firm from a foreseeable predicament however, an improved organizational performance may also be realised as an unintentional benefit of remedial change.

2.2.2.9 Developmental change

Developmental change refers to change made to improve the current business procedures. As the name implies, this type of change is a step for a company to become a better version of itself. Developmental change is usually taken by proactive leaders who do not settle for the quo status (Kayes, 2018). Developmental change is proactive in nature.

2.2.3 Reasons for change

Reactive businesses change in order to manage challenges whereas proactive entities change to take advantage of foreseen opportunities. These are pushing and pulling factors of change. Pushing factors are challenges which force businesses to change while pulling factors are opportunities which may be associated with a particular type of change. One can say, pushing factors are challenges which make firms to react so as to overcome the challenge. On the other hand, pulling factors are speculative and future oriented benefits that may be enjoyed by adopting change at the present time. The following reasons may be categorised into these broad reasons;

2.2.3.1 Questioning the status quo

This is when leaders of an organisation think deeply about the current corporate state of and do self-introspection so as to establish whether that is the best place that the organisation can be. Questioning the status quo does not necessarily mean that there will be challenges within the organisation, but it is usually an effort to avoid being too comfortable until the organisation is overtaken by events. When the quo status is questioned, change may follow if the leaders are not satisfied (Ishak and Williams, 2018). Quo status check may also be done at departmental level and also a comparison between two (2) or more successive years may be done.

2.2.3.2 Assumption of new leadership posts/ promotion

It is interesting to note that some leaders effect change into the system once they have access to posts so as to prove their worth for the position. (Deaton, 2018) noted that this may however be risky if it is done without a prior assessment and comparison between the current state and that which may be realised from the change. New leaders within entities assume responsibilities with enthusiasm hence experimental change will be common, but it has to be controlled.

2.2.3.3 Failure to meet performance goals

Failure to meet organisational targets and goals is often an indication of the need for change. This means that there has to be set targets first so that leaders can know when to change. For fast foods SMEs, a performance goal may be to serve clients quality and tasty food; failure to attain that may require a change of recipes and in some cases cooks. (Choain and Malzy, 2017) encouraged SMEs to operate with performance goals clearly known among employees so that underperformance can be easily tracked and corrected.

2.2.3.4 Identification of new opportunities

Identification of new opportunities often call for change also. For instance, some fast foods SMEs in Harare identified the opportunity to supply their food to industry workers during lunch hours, but upon engagement of companies which employed those workers, they realised that they needed high hygienic services and more cooking utensils so as to meet their clientele needs. Thus a new opportunity required them to change and be able to meet the newly desired standards.

2.2.3.5 Economic downturn

Economic downturn often leads to change in businesses. This is because economic downturn comes along with several other problems which will force SME leaders to make some changes in the business in order to continue operating. According to (Salicru, 2018) the problems of economic downturn may include but not limited to financial inaccessibility, unstable exchange rates, inflation, high taxes and import complications among other challenges. All the problems stated can be witnessed in Zimbabwe, hence SMEs are posed to change.

2.2.3.6 Technology

Technological advancements often force firms to change so as to meet the new and modern customer needs. For example in the fast foods industry, it is now necessary to have microwaves not just cookers and ovens. Technological inventions often come with unprecedented efficiency which customers demand for a better service (Coccia, 2015).

2.2.3.7 Competitive forces

Sometimes, competitor activity makes firms responding by changing how they conduct business. The response is usually meant to match or surpass what the competitor is offering. Competitor actions include quality of products, pricing, post-sale customer service, promotions and any other actions meant to gain popularity. Businesses can either respond directly or indirectly to competitor activity. Direct response would be a reduction in price to match competitor's reduced price, while an indirect response may be to offer post-sale customer service following a price reduction by a competitor. Observation of competitors' activity may be a driving force behind an entity's change (Pearse, 2017).

2.2.4 Why change fail

According to (Kotter, 2016), the following are reasons why change fail;

2.2.4.1: Allowing too much complacency

This refers to when leaders of a firm are reluctant and inactive while change is being effected. It is the mistake of assuming that change will be smooth and easily accepted.

2.2.4.2 Failing to garner leadership support

Leadership support is very necessary for change to succeed. Every group of employees has a leader, formal or informal, elected or naturally but there is always a leader. Failure to have those leaders in support of change will result in unsuccessful change as they will influence their followers negatively.

2.2.4.3 Underestimating the power of vision

History has showed that leaders who try to effect change without a vision only do so in vain. When a vision is not there, it will be difficult to motivate employees to embrace change. Fear of the unknown future will grip them and choose to stay in the present thereby resisting change.

2.2.4.4 Under-communicating the vision

Sometimes the vision will be there, but when it is not communicated in full and with clarity, the employees may also find it difficult to follow. The effect is almost the same as not having a vision at all. Leaders should therefore be clear when conveying the new vision as the need for change

2.2.4.5 Permitting obstacles to block the new vision

The other reason why change fails is that obstacles may block the new vision. Obstacles refer to internal and external challenges which an entity faces before change is fully functional and the goal has not yet been attained. They may be defined as events or situations which threaten the feasibility of achieving the desired vision. These obstacles may be VUCA elements and organisational weaknesses. It is important for leaders to ascertain their employees that the vision is still attainable regardless of challenges being faced. The leaders are expected to have a clear plan on how to overcome every obstacle so as to let the vision remain workable to the whole team.

2.2.4.6 Failing to create short-term wins

The vision should be made up of several short-term goals which will be achieved in parts until the whole vision is achieved. Those short term wins act as an indicator or signal of the progress made towards the overall vision at every point in time. Failure to create short term wins makes employees to lose patience and consequently the motivation to continue working towards the vision.

2.2.4.7 Declaring victory too soon

Declaring victory too soon happens when leaders are deceived by immediate success stories and so assume that the vision has been attained. Sometimes, the vision may actually be achieved, but reluctance, prolonged celebrations and giving a blind eye to competitors will give the rivalries a

chance to pursue and overtake. Declaring victory too soon should be avoided by constantly reviewing the vision to a better version once the entity is closely approaching it.

2.2.4.8 Neglecting to anchor changes firmly in the culture

Culture is deeply rooted in employees. Change which is effected outside this culture may not last as it will be resisted easily. For change to be accepted and become the new norm, it should be introduced in the context of existing organisational culture. Culture refers to beliefs, values, principles and generally accepted way of behaviour in a particular organisation.

2.2.5 Resistance to change

People react differently to change, but the most common way is resistance. Some employees may actually deny change before understanding its implications. This is so because human beings are pessimistic by nature (Sobieralski, 2020). More so, a forced top-down approach will result in change that is surface level and momentary. Below the social surface of the everyday mundane tasks of the company, the organization's social tapestry begins to unravel, and people resist the change and then sabotage it. The unresolved conflict will have consequences in the future, as hostilities and confusion are buried, only to resurface later in acts of sabotage, theft, interpersonal aggression, employee turnover, and job dissatisfaction (Kramer, 2010). Leaders have a responsibility to communicate to others the intent and spirit of the proposed change.

Employees are likely to be willing to embrace change when the focus is on the survival of the organization. Conflict arises when organizations are in flux and the people within them respond in dysfunctional manners to those changes. In this case, the focus is on the process, rather than the change/ desired outcome, hence employees' concern becomes survival and relevance in the context of the new system. The challenge for the leader is to provide a positive role model, empower others, prove relevancy, and create the buy-in that fosters constructive change, resolves conflict effectively, and reduces destructive resistance in the workplace (Spurk and Straub, 2020).

2.2.5.1 Beckhard and Harris change formula

The change formula is a mathematical representation of the change process. The basic concept is that, for change to occur, the cost of change must be outweighed by dissatisfaction with the status quo, the desirability of the proposed change, and the practicality of the change. There will be resistance to change if people are not dissatisfied with the current state of the organization, or if the changes are not seen as an improvement, if the change cannot be done in a feasible way, or the cost is far too high.

According to (Passenheim, 2010), this formula can also be conceptualized as $(D \times V \times F) > R$ where;

D = Dissatisfaction

V = Vision (responsibility for the future)

F = First Steps

R = Resistance to Change

The multiplicative nature of this formula indicates that if any variable is zero or near zero, resistance to change will not be overcome. In other words, the variables of D, V, and F do not compensate for one another, and when one is very low, the cost of change is likely to be too high.

2.2.5.2 Handling Resistance to Change

Handling resistance to change entails addressing fears that cause people to resist change. These fears include but not limited to fear of job-loss, fear of the unknown, fear of demotion, fear of organisational failure, fear of failure to perform new tasks and also destruction of the present work teams and relationships. The extent of resistance is also linked to levels of staff education, age-range of employees, how long the quo status has lasted and experiences from previous changes. The following points attempt to answer how leaders can manage resistance to change in organisations.

2.2.5.2.1 Early employee engagement

Employee involvement must be at inception of the change initiative. This means that employees must be engaged at the beginning when change is still an idea that hasn't yet been implemented. This is a key step in ensuring that there is employee buy-in. (Fusch, et al, 2020) argued that when employees are engaged at inception, their resistance is likely to be less as they will feel important

before implementation of change. Engagement during implementation of change will make employees to feel like an after-thought and therefore threatened by then change.

2.2.5.2.2 Excellent Communication

Developing excellent communication channels is also another way of handling resistance to change. Communication is the centre of every relationship. Conflicts arise from lack of communication, miscommunication and misinterpretation of the message (Audretsch and Belitski, 2020). Sometimes change is resisted because of failure to present the cause well. Two way communication should be allowed in order for change to be successful- thus there should be feedback which will help management to make adjustments for better change and respond to questions. Excellent communication also entails timely communication. In the case of handling change, the communication should always be done at an early stage before the execution of change. Sometimes, organisations may have to hire communication experts, however SMEs face the financial constraints to do so thereby requiring leaders to be multi-skilled.

2.2.5.2.3 Rewarding and Celebrating Successful Change

Another way of handling resistance to change is by rewarding and celebrating successful change. Since change is likely to recur several times in an organisation in response to the VUCA environment, it is important for organisations to have a culture of celebrating and rewarding successful change (Audretsch, and Belitski, 2019). This includes awarding of certificates, promotional prospects, financial and non-financial rewards among other ways of celebrating. This will make employees to work harder whenever change is announced as they will be expecting a reward in the near future.

2.2.5.2.4 Learning from Failed Change

While rewarding successful change is important, learning from failed change is also very important for firms to boost employees' confidence and believe in positive change again. (Belitski and Liversage, 2019) explained that failure naturally discouraging, but learning from it makes employees to have confidence trying again. These lessons may be done through conducting post-change workshops to discuss what went wrong and how it happened. Consensus in the diagnosis of those mistakes will build employees for future change. Measures will be put in place to avoid

repetition of actions that lead to failed change and that will increase chances of success thereby reducing possible employee resistance to change.

2.2.5.2.5 Changing in Phases

Resistance to change may also be counteracted by changing in phases. These phases may be departments or branches. This method is usually common in large organisations which have several departments or branches within itself (Kobarg, Stumpf-Wollersheim and Welpel, 2019). Effecting change in phases has the ‘pilot-project’ effect which if the branch or department is successful, it will be used as an example to the whole organisation as to how to effect successful change. On the other hand, failure will also help the whole organisation to draw conclusions with regards to failure and corrections will be made in order for the whole organisation to experience smooth and successful change. An assessment of the branch or department which is concentrated with young and adventurous people may have to be done first so as to reduce resistance to change in the pilot department or branch.

2.2.5.2.6 Building Trust by Fulfilling Promises

Trust takes years to build, but only a moment to destroy it. Building trust by fulfilment of promises is also a proven way of managing resistance to change. (Oliva and Kotabe, 2019) stated that leaders of organisations must avoid empty promises as these will harden their followers’ hearts and resistance to all future change proposals. This is a matter of integrity. When leaders are known to deliver according to their words of promise, it will be easy for change to be initiated because there will be trust within the organisation. Change will be easily accepted because the new vision in sync with the change will be viewed as the ‘promised land’ by employees and they will base on historical promise fulfilment to predict the likelihood of that future promise.

2.2.5.2.7 Employee Training and Development

To fight resistance to change, employee development prior to change is also crucial. For instance, if the change will mean that one will be required to use a computer, then the employee must be trained how to use the computer. Training and development will act as a way to prepare employees for the change ahead (Soto-Acosta, Popa and Martinez-Conesa, 2018). It will also be an assurance of job-security and motivation hence change will not be resisted as they wish to use newly acquired skills.

Generally, employee development should be encouraged in organisations as it will equip employees with skills that will enable them to embrace change. While this is a critical step towards fighting resistance to change, SMEs are mostly associated with financial challenges hence they are not in a position to train their staff members.

2.2.5.2.8 Employing Educated Staff

Employing less educated staff members may be appealing to SMEs because their wage bills are relatively low as compared to educated ones however when change matters, educated staff members are likely to be less resistant due to better knowledge and understanding. Employing educated staff has almost the same effect as that of training and developing staff. This is because educated employees will be joining the organisation with their special abilities while training and development helps them to develop those skills while on the job. (Spurk and Straub, 2020) expounded that educated people are likely to embrace change better than uneducated ones. More so, educated employees are likely to contribute meaningfully to the desired change.

2.2.5.2.9 Employing Young People

When an organisation has many young people, change is often accepted easily as compared to when the majority are old people. (Audretsch and Belitski, 2019) opined that young people may lack the experience, but they are adventurous, energetic and flexible to learn new ways of doing business. It is therefore important for SMEs to strike a balance between young and old people so as to grow organisations. The old people will be crucial for their experience, but the young ones will also help in neutralising resistance to change.

2.2.5.2.10 Practising Job Rotation

Job rotation is a process whereby employees switch and interchange roles and responsibilities in different departments within the organisation so as to have an appreciation of every task within the entity and broaden their skills. Job rotation is a way to ensure that employees get used to change at an individual level (Oliva, Couto, Santos and Bresciani, 2018). While job rotation is a form of change, it is easily accepted because employees can easily learn from each other within the organisation. Specialisation is good in that employees get to be experienced in their areas of

expertise, but it also has a drawback of producing narrow-minded people who are only familiar with their work and nothing else.

2.2.6 Definition of change management

Change management is what enables firms to move from one way of doing business to another way so as to bypass or break through a stumbling block and achieve the company's goal. (Hayes, 2002) defined change management as the bridge between solutions and results, and is fundamentally about people and our collective role of transforming change into successful outcomes of the organisation. When change is not managed, the results are usually negative and detrimental to firms; worse for SMEs which are by nature still small and weak in many aspects. Change management is a structured approach to transitioning individuals, teams, and organizations from a current state to a desired future state, to fulfill or implement a vision and strategy (Kotter, 1996). The author viewed it as an organizational process aimed at empowering employees to accept and embrace changes in their current environment.

Drivers of this change are change managers. (Worren, Ruddle and Moore, 1999) defined change managers as organisation leaders, executives, managers, frontline supervisors and employees; all of whom enable individuals within an organisation to transition from their own current state to a future state. This means that change managers are not necessarily individuals with management posts within entities but those with the ability to accept change first at an individual level and further help others to come to terms with the change. Since SMEs usually have few people, it makes sense to expect the entrepreneur to become the main change manager of the firm.

2.2.7 Perceptions of change management

There are several different lines of thought that have shaped the practice of change management. According to (Ryerson University, 2011) it can be viewed as a systematic process or as a means of transitioning people or as a competitive tactic. These perceptions are discussed below;

2.2.7.1 Change Management as a Systematic Process

(Society for Human Resources Management, 2007) defined change management as the formal process for organizational change, including a systematic approach and application of knowledge. The authors went on to explain change management as defining and adopting corporate strategies, structures, procedures, and technologies to deal with change stemming from internal and external conditions. This view of change management perfectly fits on what SMEs should do and should have done to survive in Zimbabwe- to adopt necessary technologies.

2.2.7.2 Change Management as a Means of Transitioning People

Change management is a critical part of any project that leads, manages, and enables people to accept new processes, technologies, systems, structures, and values. (Lambeth Change Management, 2008) called it a set of activities that helps people transition from their present way of working to the desired way of working. This view mainly considers people as an integral part of change management. The perspective is of the view that once the people accept, understand and adopt change, then objectives will be attainable.

2.2.7.3 Change Management as a Competitive Tactic

Under competitive tactic view, change management is the continuous process of aligning an organisation with its marketplace- and doing so more responsively and effectively than competitors (Kudray and Kleiner, 1997). For example, during the lockdown, dial and delivery meals by food outlets like Chicken Inn and Chicken Slice gained momentum as people didn't want to leave their homes, but most SMEs remained legging behind in this strategy. While failure to align the organisation with market demands may be attributable to financial constraints, it is still important to note that alignment was not done.

2.2.8 Change management process

Change management process can be defined as a set of progressive stages which change drivers can adopt and make use of, for a business to attain its objectives. According to (Passenheim, 2010), the change management process is the sequence of steps or activities that a change management

team or project leader would follow to apply change management to a project or change. By it being a process, it means that change has to be orderly and not haphazard so as for organisations to experience minimum resistance. Most SMEs are not orderly in the way they handle change hence the process often yields negative results.

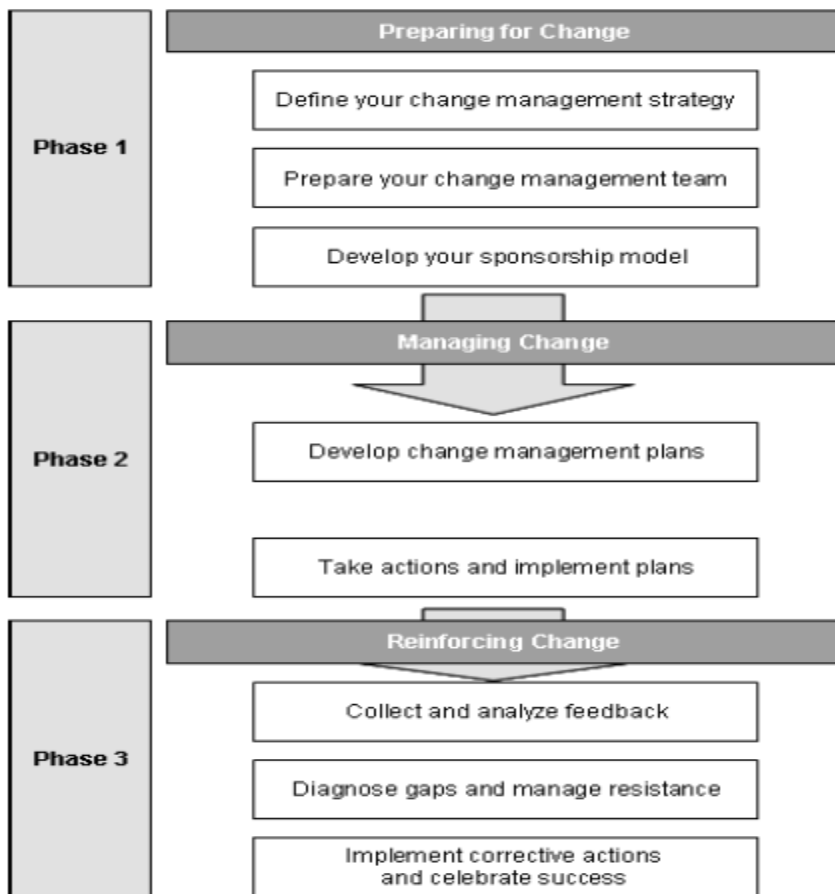
The following chart shows the change management process diagram simply presented in three (3) phases. (Passenheim, 2010) explained the stages as follows;

Phase 1 – Preparing for change (Preparation, assessment and strategy development)

Phase 2 – Managing change (Detailed planning and change management implementation)

Phase 3 – Reinforcing change (Data gathering, corrective action and recognition)

Figure 1 Change Management Process



Change management process adopted from (Passenheim, 2010)

2.2.9 Importance of change management

The following are underpinning reasons why change management is an important subject.

2.2.9.1 Making ideas succeed

Many organisations use change management methodologies to enable ideas to succeed. Working alongside project managers who deliver new capabilities into an organisation, change managers and change agents help ensure staff are able to fully utilise the new capabilities. (Nastase, Giuclea and Bold, 2012) argued that it would be very difficult to achieve the new visions without change management.

2.2.9.2 Engaging people with the change process

A key part of managing change in an organisation is to engage those people affected by a change initiative. Staff will be involved in the change process eventually, therefore communicating and engaging with staff about a change plan early helps lay the groundwork for its later success.

2.2.9.3 Adjusting to suit external factors

External factors play a big role in organisational change. Globalisation and the rapid developments in new digital solutions are forcing organisations to respond. (Naor, Linderman and Schroeder, 2010) warned that ignoring such external factors is likely to endanger any organisation's success.

2.2.9.4 Enabling cross-functional changes

Almost every functional unit within a modern organisation relies on change management to enable it to align the change plan to the business's overall strategy, improve internal and external services, track and resolve issues. This is very much applicable to large entities which have several functions which need coordination.

2.2.9.5 To enable smooth organisational transition

Change management is often intended to make organisational change go smoothly. Change management models are used to make changes such as restructuring job roles, restructuring business processes and implementing new technologies.

2.2.9.6 Minimising resistance to a change initiative

Resistance is inevitable in any change initiative because people often find it unsettling being asked to work in new and different ways. So, change managers can often expect a denial reaction from staff. It takes time to overcome those reactions. When change managers are transparent from the start of the process, the less resistance they are likely to face (Oliva, Couto, Santos and Bresciani, 2018).

2.2.9.7 Improving performance and productivity

Change management helps organisations to adapt improved ways of working which will in turn increase productivity and at the same time, it encourages innovation. As a result, it guarantees improved performance and places an organisation in a healthier environment better able to succeed.

2.2.9.8 Reducing costs

When positive change is applied correctly, it helps to reduce waste and therefore reduce costs. Effective change management helps an organisation make smart choices. It increases productivity, decreases risks, and helps to improve the profitability of an organisation.

2.3 Theoretical Framework

This researcher acknowledges the existence of individual perspective, group dynamics and open view systems in change management. For the purposes of this research, Kotter's eight steps in leading change were reviewed in this paper.

2.3.1 Kotter's change theory

2.3.1.1 Create a sense of urgency about the need for change

Successful engagement of management to support the change being essential, he recommends promoting a sense of urgency for change to occur through the use of strategic planning tools and testing the results with authoritative sources and stakeholders.

2.3.1.2 Form a guiding coalition

Kotter emphasises strong and visible leadership creating the momentum for change rather than reliance on management alone. The leadership generates an energy and sense of emotion of being part of the change.

2.3.1.3 Develop a vision and strategy

The end change has to be presented in short powerful statements in such a way that those impacted can see the future vision clearly and easily and leaders are fluent in these statements and the developments to achieve the described end-state.

2.3.1.4 Communicate the vision

Kotter urges for leaders to use all media and opportunities to communicate the new vision and key strategies to support the change but especially frequent and informal contact in person. Email is viewed as having a limited contribution other than where prior contact has occurred. Leader availability and accessibility is stressed, particularly to communicate and address the emotional dimension of fears and concerns.

2.3.1.5 Enable action and removal of obstacles

Leaders in this stage support moves to act on the change, averting blockages to the change and assisting those apparently resistive to undertake the needed adaptation.

2.3.1.6 Generate short-term wins

Early evidence of the end stage change counteracts negative or resistant influences. Leaders need to include opportunities for short wins in plans and recognise those providing the early change.

2.3.1.7 Hold the gains and build on change

Consolidate early change signs by increasing activity and continuously reviewing the changes: removing potentially non-productive elements and bringing in new resources where appropriate to continue to build and refine the change process.

2.3.1.8 Anchor changes in the culture

Kotter observes change must become embedded in accepted local culture and practice to be sustained. He recommends leaders providing progress reports and linking these to successes as frequently and visibly as possible.

2.4 The meaning of VUCA environment

VUCA is an acronym for volatile, uncertain, complex and ambiguous. Zimbabwe has been characterised by the VUCA environment for a period stretching to over 20 years (since early 2000). Volatility is described as how fast does an industry or market change, demand fluctuations and turbulence. (Kraaijenbrink, 2018) also conveyed that the fast change in the industry is one of the signs of volatility. These changes can be gleaned in Zimbabwe's environment for example the United States Dollar (USD) was once pegged at par with Zimbabwean Dollar, but that position did not last long. (Bennett and Lemoine, 2014) stated that one of the sign of volatility is how unexpected and unstable a challenge is, but not necessarily hard to understand. The duet's view can be observed from how the government of Zimbabwe tried to curb the loss of value of the local currency (ZWL) to USD by fixing the rate, then shortly liberalising it to market forces and at last introducing the auction system. The issue of currency stability matters since some SMEs do imports their goods and doing so requires foreign currency.

Uncertainty is defined as the degree of how we can confidently predict the future, whether it's the demand of the market, or technological innovation. One of the indicator of uncertainty is the people's inability to understand what is happening around them. (Bennett and Lemoine, 2014) suggest to handle uncertainty by investing in information which means that companies should start to collect, interpret, and share the information. In other words, uncertainty can be overcome by research and development yet it is the same area where SMEs either don't have funds to carry out or are incapacitated in the other way. Studying business history can also help SMEs to predict the future by following the trends of history.

Complexity is the how much of things or factors that must be taken into account, their variety and relationship or correlation between them. (Kraaijenbrink, 2018) define that the more these factors interconnected, the more complex an environment is, and as the environment or industry gets more

complex, the harder it is to be analysed. In Zimbabwe, there are many factors like political conflicts, corruption, mismanagement, sanctions, policy inconsistency and so on which are all said to be contributing to economic problems hence it is difficult for a business to have a solution in place. According to (Bennett and Lemoine, 2014), this situation can be challenging and overwhelming to process, but solutions such as restructuring the company and recruiting external specialists or developing internal ones could help solve this issue. While this is true, it may also be challenging to SMEs to recruit such specialists due to financial constraints.

Ambiguity refers to how hard it is to interpret a situation, and as the world gets more ambiguous, the harder it is to be interpreted. This can be coped with creating hypotheses' to understand why or how things happen and test them by doing experiments (trial-and-error), then create a solution that can be practically executable. It is so interesting to note that in Zimbabwe some political parties accuse the other of mismanagement, while others point at sanctions. However these assumptions should be tested in order for them to hold.

2.5 About Covid-19

According to (WHO, 2021) coronaviruses are a group of viruses belonging to the family of Coronaviridae, which infect both animals and humans. Human coronaviruses can cause mild disease similar to a common cold, while others cause more severe disease (such as MERS - Middle East Respiratory Syndrome and SARS – Severe Acute Respiratory Syndrome). A new coronavirus that previously has not been identified in humans emerged in Wuhan, China in December 2019 and it was commonly referred to as Covid-19.

Signs and symptoms include respiratory symptoms and include fever, cough and shortness of breath. In more severe cases, infection can cause pneumonia, severe acute respiratory syndrome and sometimes death. The report from Zimbabwe's Ministry of Health showed that a total number of one thousand seven hundred and twenty-one (1721) had died, forty-five thousand two hundred and seventeen (45217) infected and thirty-seven thousand six hundred and four (37604) recovered from the disease on the 25th of June 2021. Standard recommendations to prevent the spread of COVID-19 include frequent cleaning of hands using alcohol-based hand rub or soap and water;

covering the nose and mouth with a flexed elbow or disposable tissue when coughing and sneezing; and avoiding close contact with anyone that has a fever and cough.

The World Health Organisation (WHO) is working closely with global experts, governments and partners to rapidly expand scientific knowledge on this new virus and to provide timely advice on measures to protect people's health and prevent the spread of this outbreak. In the meantime, vaccines have also been developed and by the 25th of June 2021, four hundred and eighty-four thousand four hundred and thirty-four (484434) were vaccinated with the second dose.

2.5.1 Covid-19 as a Type of VUCA

2.5.1.1 Covid-19 and Volatility

As a result of Covid-19, everything is unstable and unpredictable; exchange rates, infections and death rates. Meanwhile, businesses and people running out of funds. Some restaurants may stock today and suddenly ordered to close tomorrow thereby posing the threat of tying up the cash in stocks for an unknown period of time or in worst case have the stocks expired or rotten.

2.5.1.2 Covid-19 and Uncertainty

There are unprecedented levels of uncertainty as there are so many questions without answers such as whether we will be able to curb the spread of the virus, whether a treatment will be found or vaccine will be effective and how long it will take to turn the situation around. Logic even question whether the lockdown is having the desired effect, and we are all faced with uncertainty regarding returning to work after the lockdown, in addition to the risk of major job losses in most industries and sectors especially labour intensive SMEs.

2.5.1.3 Covid-19 and Complexity

The world has become very complex, even more so with the spread of the virus. So many different government departments, hospitals and businesses are dealing with very complex issues on a daily basis. It is now intricate to identify reasons for SMEs failure since Covid-19 has brought a chain of possible causes like loss of skilled labour, high hygienic demands by customers, low disposable

income, restrictions travel, and workplace closures or restricted working times among many other joint causes. The multiplicity of problems is making it very difficult for SMEs to tackle them.

2.5.1.4 Covid-19 and Ambiguity

There are so many different interpretations of the way forward. It seems as if government leaders, business people, scientists and medical practitioners, the media, economists, and other specialists have different interpretations and perspectives of what to do during the crisis and sometimes they contradict one another. Hence, the rules of the game are changing continuously. For instance, economic growth is needed but lives also matter yet the seemingly only way to save lives is to clamp the spread by lockdown which by nature is detrimental to the economy. This is a form of goal conflict.

2.6 Meaning of SMEs

SMEs may be registered or unregistered. In Zimbabwe, ZIMRA classifies SMEs as businesses that employ between 5-40 people with annual turnover and assets from as low as \$50,000 to \$2 million. There is no generally accepted definition of SMEs, but the World Bank defines SMEs as businesses that employ less than 300 people and have an annual turnover that does not exceed \$15 million United States dollars. In the UK, SMEs employ less than 250 people and in China or US, the number is up to 3,000 depending on the sector.

2.6.1 Factors which make SMEs more vulnerable to VUCA and Covid-19

2.6.1.1 Being Labour Intensive

There are key factors which make SMEs highly vulnerable to the impact of COVID-19. Firstly, they are more labour-intensive than other companies and therefore more exposed to disruption, especially when workforces are in quarantine, as is happening in several countries. Unlike large firms which can afford the use of machinery and minimize labour, SMEs have to make use of human labour (Roper, Love and Bonner, 2017). The Covid-19-related deaths therefore affected SMEs more than large companies by way of losing skilled labour.

2.6.1.2 Limited Financial Resources

Secondly, they have thinner liquidity reserves, meaning, they have limited financial alternatives, and mostly rely on support from local banks. Unfortunately, these banks also have cumbersome conditions which some SMEs cannot cope-up with. For example, banks may need certificate of incorporation, tax clearance certificate yet the SME may not even be registered with the registrar of companies. SMEs face difficulty to secure financial assistance and in most case have to settle for little savings by their owners (Millar, Groth and Mahon, 2018). Large organisations have reserves or savings which can push them for a time without necessarily generating income whereas this may not be practical for SMEs.

2.6.1.3 Lack of Collateral Security

In the majority of cases, SMEs lack assets that can be disposed of, or that can be used as collateral for new credit lines. These factors make them more vulnerable and exposed to liquidity squeeze, and this results from the fact that SMEs cannot produce and thus cannot sell their own products as desired to their end-markets due to the pandemic. However, they still have to pay all their fixed costs, such as the rent, the salaries, taxes, and their suppliers as well. In a normal economy, the government will be expected to intervene and help SMEs, however Zimbabwe's economy is in shambles. (Orejarena, Zambrano and Carvajal, 2019) discoursed that it would be appreciated if some financial institutions come to accept convincing SMEs business plans as collateral since most of them do not actually own valuable assets.

2.6.1.4 Inability to Attract Change Management Specialists

Change management specialists may be internal or external people who have extensive knowledge and experience on change management. These specialists are usually expensive to hire as a result only large corporates can afford and attract their services (Parween, 2019). Although they are equally needed by SMEs, they cannot render their services because they will be occupied with financially strong entities.

2.7 Methodology-Philosophy

The study was constructivist-interpretative and it made use of fast food SMEs in Harare. The constructivist-interpretative paradigm is based on learners constructing new understandings and knowledge, integrating with what is already known. In this study, the VUCA environment in Zimbabwe is what was already known, however the Covid-19 introduced a new and worse version

of VUCA among Zimbabwe's SMEs. This research used a qualitative design to collect, analyse, interpret and present data.

2.8 Literature Review

2.8.1 Literature Review- SMEs

Tinashe Ndoro (2019). Shaping the organizational architecture for SME survival: A case of nascent small restaurants in Durban.

According to (Ndoro, 2019), the high organizational mortality of small and medium enterprises (SMEs) is worrisome to emerging entrepreneurs in South Africa. The author asserts that over 70 percent of the SMEs fail within the first five years of operation. This invokes the question of what pattern of management and organisational architecture are decipherable in the few SMEs which actually survive this critical stage of the organisational life cycle (OLC). Ndoro's research was done in Durban, South Africa where the researcher noted that most SMEs would suffer premature death. While South Africa's environment is relatively calm than Zimbabwe's VUCA environment, it stands to reason that the failure rate in Zimbabwe may be higher and also the reasons of SME failure may be different in the two nations hence this research is still necessary.

Godwell Karedza, Mike Nyamazana Sikwila, Tongesai Mpofo and Shepard Makurumidze (2014). An Analysis of the Obstacles to the Success of SMEs in Chinhoyi

(Karedza, Sikwila, Mpofo and Makurumidze, 2014) paper analysed the obstacles hindering the success and development of SMEs in Chinhoyi, Zimbabwe. They mentioned that the Zimbabwean SMEs have been affected by a number of constrains and various studies has pointed out that the major ones are as follows; Limited access and cost of finance, Lack of marketing skills and market knowledge; Inadequate management and entrepreneurial skills; Lack of access to infrastructure; Lack of access to land; Lack of information; and A hostile regulatory environment. The research unearthed that the "informal" SMEs themselves do not keep proper accounting records of their activities and as such there is no track record of what the proprietor would have done and this makes banks reluctant to offer them credit facilities resulting in financial difficulties to finance operations for expansion. Again SMEs have a tendency to jump from one thing to another, depending on what will be making money at any particular time, an approach referred to as "kiya-

kiya" (patchy/quick-fix) which makes them to fail to deliver the service promise and as a result they lose customers.

The study concluded that SMEs firms need to transform their mind-set that will see them succeed and graduate to becoming large corporations. The study was very helpful as it revealed why SMEs do not develop, however it did not adequately address how SME leaders can overcome the VUCA environment and also Covid-19 was not yet there at the time. Those differences created a gap which was covered by this paper through taking the change management perspective.

2.8.2 Literature Review- VUCA Environment

Alvin Santoso, Danu Rahardja Singgih and Desman Hidayat (2019). HOW TO SUSTAIN IN A VUCA WORLD: A CONCEPTUAL STUDY ON START-UPS IN INDONESIA.

In their research, (Santoso, Singgih and Hidayat, 2019) aimed to find out the effect of entrepreneurial creativity on sustainable competitive advantage, and how business model innovation can help start-ups in Jabodetabek to achieve sustainable competitive advantage against its competitors. They found out that despite the rapid growth, start-ups have their own set of problems. 90% of start-ups fail to attract investors and will only survive for around 3 years (Gompers and Lerner, 2002). After studying the death of start-ups, they learned that there are 20 reasons that start-up fails. Among those 20, the top five reasons are inability to find market's needs (42%), running out of cash (capital) (29%), incompatible team (23%), outcompeted by other start-ups (19%), and pricing/cost issues (18%) (CB Insights, 2017). While this research looked at VUCA environment, it did not do so with the view of change management. The research was also done in Indonesia where the economy is different from Zimbabwe's hence it is indispensable to conduct one locally where the environment is different.

Karen, N. Rimita (2019). Leader Readiness in a Volatile, Uncertain, Complex, and Ambiguous (VUCA) Business Environment.

In her study, (Rimita, 2019) stated that organizational leaders in the 21st century face relentless changes in the business environments in which they operate. The diversity, intensity, and rapidity of these changes create volatility, uncertainty, complexity, and ambiguity (VUCA), which

challenge leaders on ways to lead effectively as existing methods prove inadequate. The problem in this study was that of inadequate leader preparedness to lead and win in VUCA environments. The purpose of this hermeneutic phenomenological study was to explore the lived experiences of fifteen (15) Nigerian corporate executives about their VUCA business environment and the strategies they employed for VUCA-readiness and success within the manufacturing sector. Four (4) key themes that emerged from the research were business agility, strategic workforce and demand planning, recovery management for organizational resilience, and conscientious and value-based leadership. Recommendations from the researcher included VUCA training for preparedness and organizational resilience.

While this research was/ is very important and relevant in that it viewed organisational leaders as main individuals who should spearhead change (which is more practical in SMEs); the study targeted leaders of large corporates and how they managed to overcome VUCA's negative effect on the business. More so, the study was conducted in Nigeria- a bigger and more stable economy as compared to Zimbabwe's economy. Furthermore, in October 2019 when the dissertation was submitted, Covid-19's impact was not yet present in Nigeria, hence the paper did not cover it. These differences in prevailing situations and economies signalled the need to proceed with this dissertation and bridge the gap.

2.8.3 Literature Review- Covid-19

Chirume and Kaseke (2020). Impact of Covid-19 on small and medium-sized enterprises (SMEs) in Chinhoyi, Zimbabwe.

The first objective of the research was to identify the economic disruptions resulting from COVID-19 on SMEs in Chinhoyi; and secondly, to establish the period that businesses expected the crisis to last, and how the expectations affected their decisions. Drawing from three sectors, the researchers conducted a survey of twenty (20) SME owners or managers through a structured questionnaire. The study contributed to the understanding of the economic impact of COVID-19 on the small business ecosystem. The duo's research followed a qualitative descriptive analysis research design. Major findings were that; - for SMEs, the effects of the pandemic are more severe, as most of the SMEs cannot afford to cover the cost of doing business under environments where

clients are in quarantine. The majority of SMEs cannot bear the requirements set by authorities, for example, provision of protection equipment. The study recommended the Zimbabwean government to consider being proactive in the mitigation of the adverse impact on the informal sector by way of strengthening safety nets (stimulus packages), subsidizing cash transfers, cushioning the informal economy so that jobs are preserved, and enterprises remain sustainable and workers are protected. For SMEs, the recommendations are to alter their products to those that are in consumer demand and make use of e-commerce.

The duet's research notably stated that SMEs are more affected than other large organisations- which is the same opinion of this researcher. This fact validates why this study was done- so as to emphasise the effect that Covid-19 has had on SMEs and so inculcate necessary help from the government. The few differences noted are that the duet's research was done in Chinhoyi with a general target population of SMEs whereas this one was conducted in Harare targeting specifically SMEs in the fast foods industry.

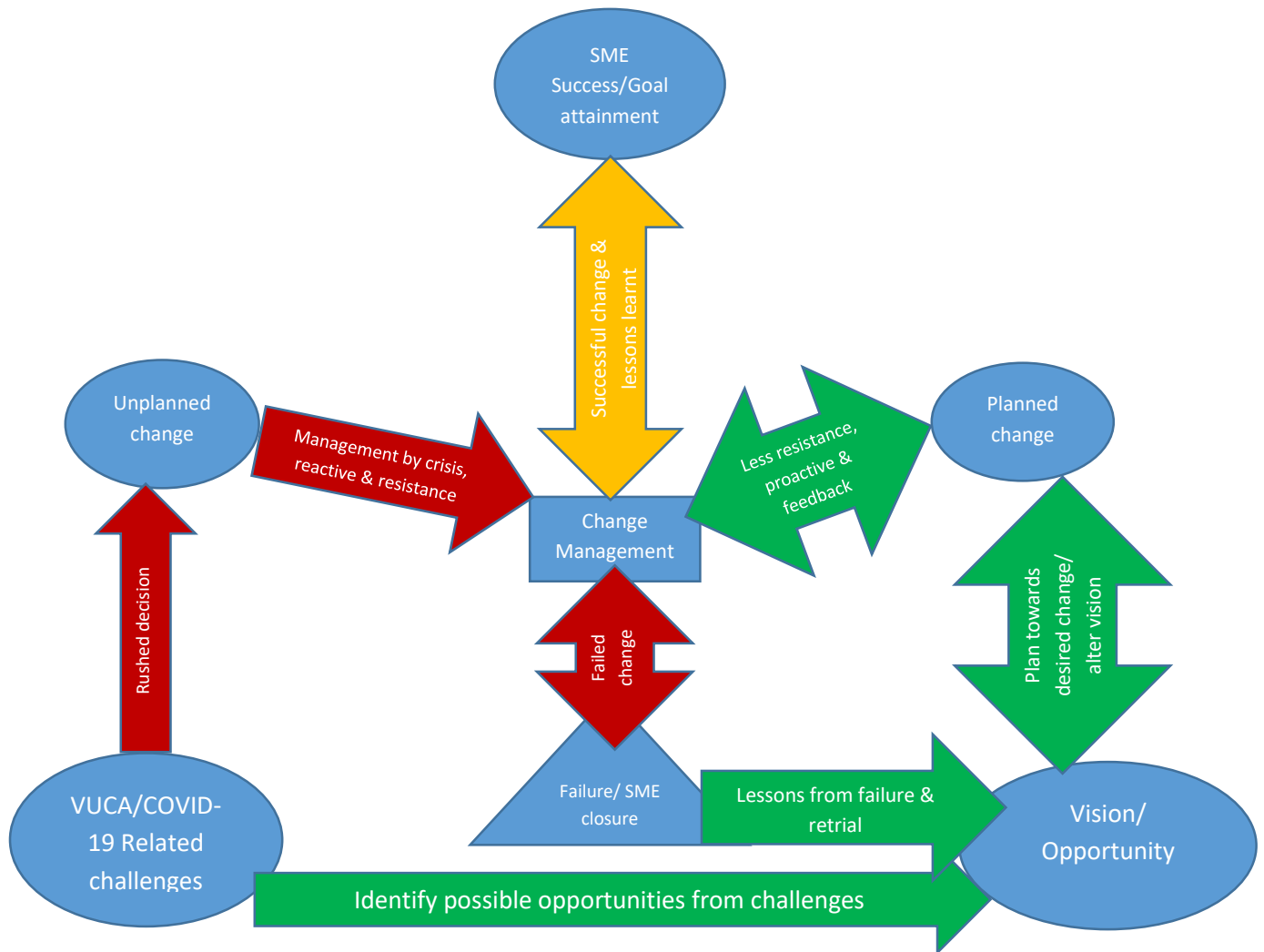
Dai et al (2020). The Impact of COVID-19 on Small and Medium-sized Enterprises: Evidence from Two-wave Phone Surveys in China

In their paper (Dai, et al, 2020) examined both the short-term and mid-term impact of COVID-19 restrictions on small and medium-sized enterprises (SMEs), based on two waves of phone interviews with a previously surveyed large SME sample in China. They aired out that the outbreak of COVID-19 and resultant lockdowns casted a heavy toll on SMEs. Affected by problems of logistics blocks, labour shortages, and drops in demand, 80 percent of SMEs temporarily closed at the time of the first wave of interviews in February 2020. Chinese authorities largely eased lockdown restrictions in April, consequently, most SMEs had reopened by the time of the second round of surveys in May. However, many firms, particularly export firms, ran at partial capacity, primarily due to inadequate demand. Moreover, around 18 percent of SMEs closed for good between the two waves of surveys from February to May, shedding 14 percent of total jobs.

It is important to note that the definition of an SME in China is different from the Zimbabwean one. Since China is more developed and advanced than Zimbabwe, some of their SMEs may actually regarded as large organisations in Zimbabwe. Nevertheless, eighteen percent (18%) of China's SMEs closed for good- this means that a larger percentage of SME closure was to be expected in a developing nation like Zimbabwe as is the case. This comparison is logical because

Zimbabwe's SMEs face more harsh situations as compared to China where only Covid-19 disrupted operations, whereas in Zimbabwe there were multiple challenges way before Covid-19.

2.8.4 Conceptual Framework



This conceptual frameworks independent variables are VUCA or Covid-19, vision or opportunity and change management. The dependent variables are SMEs success and SME failure. Unplanned change and planned change are channels through which VUCA/ Covid-19 and Vision/ Opportunity are likely to follow. The red arrows show routes which have a limited rate of success while green arrows represent paths with a higher success rate and the yellow arrow resembles the path to the fulfilment of the SME vision.

The research conceptual framework shows how fast food SMEs are being affected by the existing VUCA environment in Zimbabwe and also the COVID-19 pandemic. When this effect occurs, unplanned change is likely to follow as a quick remedial action to save SMEs. Since it is hurried reactive action being taken, it is likely to be flawed with several errors hence the path is shown in red. To manage unplanned change, management go through torrid times as there will be confusion and resistance. Managing unplanned change can be a form of management by crisis. However, when VUCA factors and Covid-19 rage, it is also possible for SMEs leaders to identify an opportunity in those challenges and so choose to formulate a befitting vision. This route has a higher potential of success hence it is shown in green.

When an opportunity is identified and a vision is formulated, then planned change is likely for follow. This route is also shown by a green arrow to show that planned change is preferable. While planned change is being enrolled, it is possible to also get feedback from team members on better ways of doing business, hence the green arrow is two (2) way directional. When planned change is being managed, it is likely to be smooth and face less resistance because there will be ample time to explain the vision to the team members. This also has high success rate probability hence it is also shown in green and it has a dual information flow because there will be continuous communication and feedback to refine the implementation process.

After right change has been adopted and successful change management process has occurred, the vision may be achieved by an SME. That route is shown in yellow as it resembles the best outcome that may result from the whole process. The arrow is also dual directional to show that the process of change management may be refined and made better by making use of lessons learnt from possible mistakes made during the successful process. This is a necessary continuous learning process because success may be attained but in a long time due to mistakes and it will be better to attain it in the shortest possible time by eliminating those errors.

Sometimes, wrong change decision is adopted or poor change management is done and in worst cases both scenarios occur. When this happens, failure of SMEs is likely to follow. This failure includes SME closures which this research seeks to minimise. However, when this predicament happens, the researcher encourages those SMEs to learn from their mistakes and attempt to bounce back into business by formulating a new vision again and identifying new opportunities. This may include diversifying into new areas or same business line but with more cautiousness. This

conceptual framework does not give room to retreat or surrender in business, but every experience whether success or failure is viewed as a learning phase.

2.9 Conclusion

This chapter reviewed appropriate literature from other researches carried out by different scholars across the globe. Literature review revealed that the VUCA environment and Covid-19 has more impact on SMEs than on large corporates. The chapter looked at the literature on SMES, VUCA, Covid-19 and Change management. A conceptual framework was also developed in this chapter. The next chapter will look at the methodology adopted to address the research questions.

CHAPTER III

RESEARCH METHODOLOGY

3.1 Introduction

This chapter focused on research philosophy, approach, design, research strategies, methodology, and also ethical considerations. Data collection, data analysis, validity, and reliability were also covered under this chapter. The population was defined, sample size was specified using the right sampling techniques and a questionnaire was developed. The research methodology was also justified herein.

3.2 Recap of research objectives, questions and proposition

Research objectives were as follows;

To assess the impact of Zimbabwe's VUCA environment and Covid-19 related lockdown on fast foods SMEs business cycles and operations.

To identify opportunities and threats presented to fast foods SMEs by the VUCA environment and Covid-19.

To examine the strategies employed by fast foods SMEs in utilising new opportunities and overcoming threats arising from VUCA and COVID-19 so as to stay afloat.

Research questions of this paper were;

To what extent, has the Zimbabwe's VUCA environment and Covid-19 related lockdown impacted on fast foods SMEs business cycles and operations?

What are opportunities and threats that arose from Zimbabwe's VUCA environment and Covid-19?

How did fast foods SMEs strategize to utilise new opportunities and overcome threats arising from VUCA and COVID-19?

The proposition of the research was, fast foods SMEs survival in Zimbabwe's VUCA and COVID-19 environment is highly dependent upon leaders' ability to embrace change management and so make their firms rightly respond to dictates of the environment.

3.3 Research Philosophy

The study was constructivist-interpretative and it made use of SMEs in Harare. The constructivist-interpretative paradigm is based on learners constructing new understandings and knowledge, integrating with what is already known (Forrest, 2017). In this study, the VUCA environment in Zimbabwe is what was already known, however the Covid-19 introduced a new and worse version of VUCA among Zimbabwe's SMEs. This research used a qualitative design to collect, analyse, interpret and present data.

3.4 Research Approach

The inductive approach was used. The inductive approach begins with specific observations and measures, then moves to detecting themes and patterns in the data (Zegwaard and Hoskyn, 2015). The observations made by the researcher include SMEs closures, SMEs stunted growth, downsizing of SMEs, reduced sales, liquidity problems and so forth. Some measures which were noted from entrepreneurs included but not limited to diversification, use of e-marketing platforms, online sales and specialised home services among other measures. Interestingly, downsizing was also viewed as both an observation and a measure taken by some entrepreneurs. More often, SMEs seemed to follow a trend either in the positive or negative direction, for example, SMEs which ended up shutting down would start by experiencing low sales, then face liquidity problems which resulted in inability to pay employees thereby forcing them to downsize and eventually shut down as the situation worsened. However, some SMEs still thrived and even grew regardless of the opposing VUCA environment. In the process, the researcher was able to form an early tentative hypothesis that can be explored that is- the VUCA environment does not necessarily pull down SMEs, but they reveal the presence or absence of change management qualities within leaders.

3.5 Research Design

The research was a case study of fast food SMEs where the performance or continuity of SMEs was affected by existing VUCA environment, COVID-19 (new VUCA) and also change management. A case study gives the researcher an opportunity to conduct an intensive study on a

single unit or sector thereby gaining immense knowledge by focussing (Fleming, 2018). Both the existing and new VUCAs were regarded as of a negative impact to small and medium fast food restaurants while change management was the positive force. It was noted that planned or unplanned change was being done by SMEs but the leaders' ability to manage change made the difference between the flourishing SMEs and struggling ones.

3.6 Research Strategies

Research strategy refers to an orderly plan of action that gives direction and guidance to the researcher's ideas and effort on how the research will be conducted so as to produce a high quality research. According to (Wilson, 2016) there are four main types of research strategies which are case study, qualitative interviews, quantitative survey and action-oriented research. This research used a case study of fast food SMEs in Harare for the researcher's convenience. The guiding paradigm or philosophical assumption of this study was interpretive research and the researcher adopted descriptive research design. Descriptive research design offers the opportunity to observe a phenomenon in a completely natural and unchanged natural environment (Silverman, 2015). The design enabled unbiased observation of VUCA and Covid-19 environment effect on fast food SMEs.

3.7 Methodology and Data Collection Methods

Questionnaires were used to collect data from fast food SMEs' entrepreneurs and also their workers. Berg and Lune, (2017) viewed a questionnaire as a form of written interview. SME owners were purposively chosen to respond to questionnaires as they have overall information pertaining to how the VUCA environment and Covid-19 has affected their businesses. On the other hand, employees of such firms are also affected in a different way by the same factors hence random sampling was used among the employees in every fast food SME that was part of the sample.

3.7.1 Secondary Data Collection

The researcher also collected existing data from books, journals, public records and government publications. The data was useful to in supporting the study findings and confirming what the researcher unearthed in this paper. Secondary data gives insight and background of the underlying issues of the study to the researcher (Pimple, 2017). Secondary data also gave the researcher the research gap which birthed this research.

3.7.2 Primary Data Collection

Having considered the current situation of Covid-19, the researcher relied on sending questionnaires to targeted respondents via email, WhatsApp and other social media platforms as they demanded and felt comfortable with. The SPSS was used to analyse the data that was collected.

3.7.3 Questionnaire Development

A questionnaire is a data collection instrument consisting of a series of written down questions for the purpose of gathering information from respondents (Brink, 2018). The use of a questionnaire was cost effective to the researcher because electronic ones were sent to some of the respondents who had access to internet. This reduced the cost of printing and also protected both the researcher and respondents from the possible contraction of Covid-19 through interfacing. It was also free from the bias of the interviewer; since answers were in respondents' own words. Respondents had adequate time to give well thought out answers which improved the quality of the data collected.

However, the major drawbacks of this system were partly completed questionnaires, entirely uncompleted questionnaires and unobserved respondents' expressions and gestures while answering the questionnaire. The use of questionnaires also delayed the process a bit because some respondents took too long to answer and send back. The method was used successfully because respondents were cooperative and willing to disclose about the challenges they are facing in their industry.

3.8 Population and Sampling Technique

The population of this research are all small to medium fast food restaurants in Zimbabwe. The researcher used convenience sampling technique to choose fast food SMEs in Harare Central Business District (CBD) since the researcher was residing close to town. Within each selected SME, purposive sampling was also done so as to select respondents of questionnaires as they required literacy.

3.8.1 Population

The population of this research were fast food SMEs in Zimbabwe. Across the nation, law enforcement agents are on duty to ensure that restaurants do not operate outside the stipulated time and minimum requirements. Fast food restaurants were seriously affected by Covid-19 lockdown as they were considered high risk businesses due to customers who flock for food.

3.8.2 Sample Size

Purposive sampling was used to get a sample that represented the whole population of fast food SMEs in Zimbabwe. Forty (40) fast food SME entrepreneurs and workers in Harare town were targeted as respondents of this study.

3.8.3 Sampling Methods

There are essentially two sampling approaches, which are the probability and the non-probability sampling approach. (Johnson, and Rasulova, 2017), defined probability sampling as a procedure wherein every participant of the population has a known, non-zero chance of being selected. On the other hand, non-probability sampling counts on the researcher's decision and is only representative as far as the researcher's soundness. In this paper, the researcher used non-probability sampling techniques which are purposive and convenience sampling techniques. The method was convenient in that small fast food restaurants in Harare Central Business District are close to where the researcher resides and it was purposive given that entrepreneurs and workers who are literate were contacted.

3.9 Questionnaire Administration

The researcher made use of questionnaires to gather data. A questionnaire can be defined as an orderly structured list of open ended and closed questions which seek to gather right and specific data which will be used to answer research questions and achieve objectives. (Chivanga, 2016) simply referred to a questionnaire as a research instrument containing a series of questions for the purpose of gathering information from respondents. The researcher sent questionnaires to respondents via email and WhatsApp while others were distributed as hard copies.

3.10 Methods of Data Analysis

Qualitative analysis was used in this research. (Chivanga and Monyai, 2021) opined that qualitative data analysis helps in answering the questions such as what, why and how. This method was well fitting as the research had those questions which were addressed. More so, qualitative research provided insights that are specific to fast food industry in Zimbabwe.

3.11 Validity and Reliability

Validity is the possession of the quality to measure what a procedure purports to. Validity guarantees reliability. Reliability denotes consistency. According to (Gunn, 2017), reliability may be internal reliability or external. The author defined internal reliability, as a measure of how well a test is actually measuring what it is intended to measure, whereas external reliability means that a test or measure can be generalized beyond what it is being used for. This research is valid and reliable as it has findings which concur with those of other studies. It was also done under the supervision of other senior academic researchers to ensure it is valid work. Respondents' consent was sought before administering questionnaires, hence it stands to reason that they also contributed true data.

3.12 Ethical Considerations

Ethics are moral principles that direct and guide a researcher's behaviour or the process conducting of researching (Kumar, 2010). The researcher committed oneself to confidentiality and sole academic use of the data which was collected. The data was collected with full consent of the respondents and the information shall only be used for purposes of improving change management in SMEs during VUCA times, so as to ensure the survival of SMEs. There was voluntary participation, Anonymity practise and only relevant respondents participated.

3.13 Summary

This chapter emphasized on the research methodology, research instruments used in conducting this research and the data collection procedures. Effort was employed on developing questionnaires which were the major data collection tool. The study's population was also highlighted, the sample was specified and ethical considerations were deliberated.

CHAPTER IV

PRESENTATION, ANALYSIS AND INTERPRETATION OF RESULTS

4.1 Introduction

This chapter presented, analysed and interpreted the research findings. Primary data which was collected through questionnaires was presented in a comprehensible presentation for the benefit of other users of this research paper.

4.2 The Response Rate of Questionnaires

The sample frame for the research was forty (40) respondents. Of the total questionnaires distributed, 37 respondents were able to respond meaning the response rate was ninety-two and a half percent (92.5%). Unfruitful follow up was done on three respondents as they gave various reasons for failure to respond. The following tables help to comprehend the data better:

4.3 Gender

	Frequenc y	Percent	Valid Percent	Cumulative Percent
Male	4	10.8	10.8	10.8
Valid Female	33	89.2	89.2	100.0
Total	37	100.0	100.0	

Among the thirty-seven (37) respondents, thirty-three (33) were females and four (4) were males. This showed that the fast foods business is mainly dominated by females.

4.4 Age

	Frequency	Percent	Valid Percent	Cumulative Percent
Below 20	5	13.5	13.5	13.5
20-29	18	48.6	48.6	62.2
30-39	7	18.9	18.9	81.1
40-49	5	13.5	13.5	94.6
50 and above	2	5.4	5.4	100.0
Total	37	100.0	100.0	

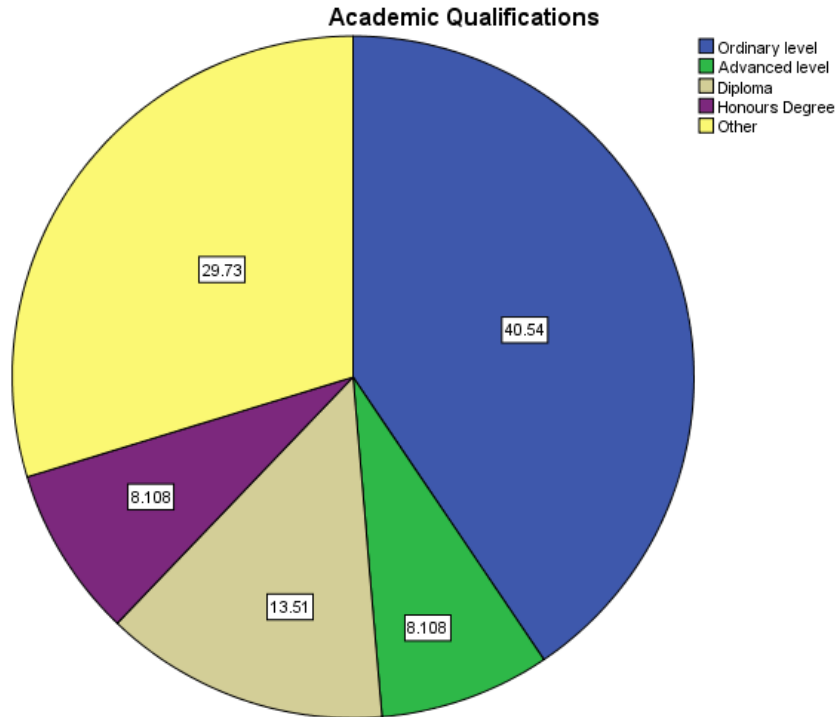
The age group which dominated the entrepreneurs and workers who are involved in fast-food business was 20-29 years, which had 48.6% of the total. On the other hand, the elderly above 50 years recorded the lowest involvement in the sector as indicated by 5.4%. Perhaps this shows that the nature of the business requires being busy and hectic hence the elderly cannot cope up with the stress involved.

4.5 Designation/ position in company

	Frequency	Percent	Valid Percent	Cumulative Percent
Owner	23	62.2	62.2	62.2
Relative of owner	8	21.6	21.6	83.8
Employee	6	16.2	16.2	100.0
Total	37	100.0	100.0	

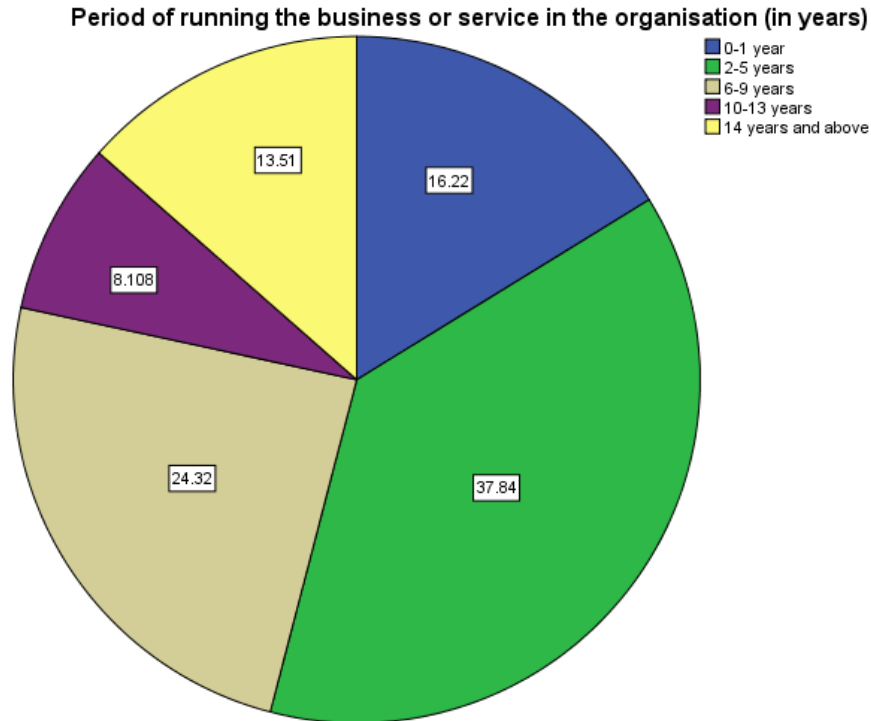
The research mainly targeted the owners of the businesses who have an overall appreciation of VUCA and Covid-19 effect on their businesses and this was achieved. 62.2% of the respondents were owners of the fast foods restaurants, 21.6% were close relatives and family members of business owners who were in charge in the absence of owners and 16.2% were employees.

4.6 Academic Qualifications



Individuals who have Ordinary levels were dominant in the fast foods industry with 40.54%. Out of the 37 respondents, none indicated that they had post graduate qualifications.

4.7 Experience



Most of the respondents had 2 to 5 years in the fast foods industry; they constituted 37.84%. 8.1% of the respondents had 10 to 13 years in the business. It is interesting to note that most of the owners started as employees then eventually started their own businesses. They added together their experience to have total number of years in business.

4.8 Objective 1: To assess the impact of Zimbabwe's VUCA environment and Covi-19 related lockdown on fast foods SMEs business cycles and operations.

The first objective was addressed by a couple of questions which were answered by respondents in this section.

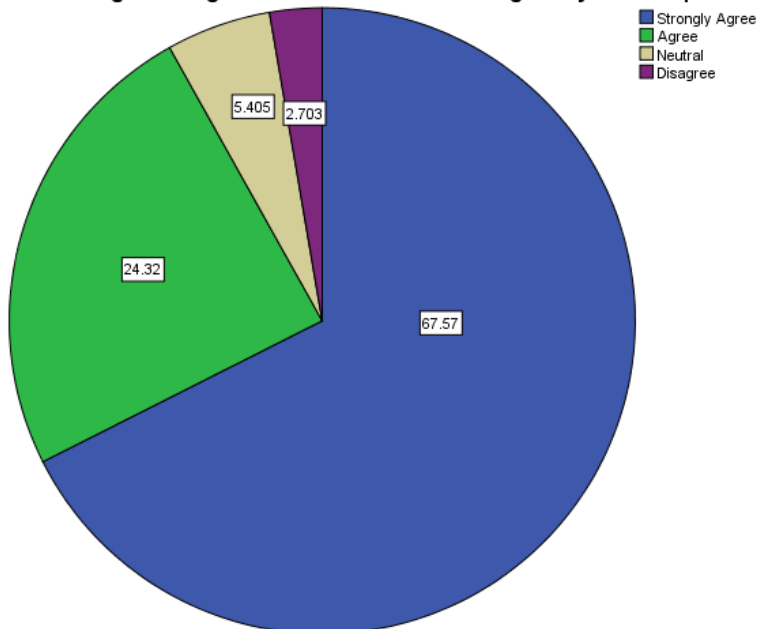
4.8.1 Fluctuating exchange rates and inflation have negatively affected the food stuff purchase prices

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly Agree	26	70.3	70.3	70.3
Valid Agree	11	29.7	29.7	100.0
Total	37	100.0	100.0	

All the respondents agreed to the notion that food stuffs' price increase was as a result of economic instability (an indication of volatility). 70.3% strongly agreed and 29.7% agreed. None of the respondents were neutral nor disagreed to the view. This showed that the VUCA environment was a cause for high production costs on the side of fast food restaurants.

4.8.2 Rewards

Fluctuating exchange rates and inflation have negatively affected profits/ salaries



67.57% of respondents agreed to the notion that fluctuating exchange rates and inflation negatively affected their profits/ salaries. Interestingly, the 2.7% which disagreed and 5.4% which was neutral mainly comprised of relatives of owners, thereby indicating the likelihood that their income was mainly related to their close relationships with entrepreneurs whereas business owners and employees income was directly affected by economic factors.

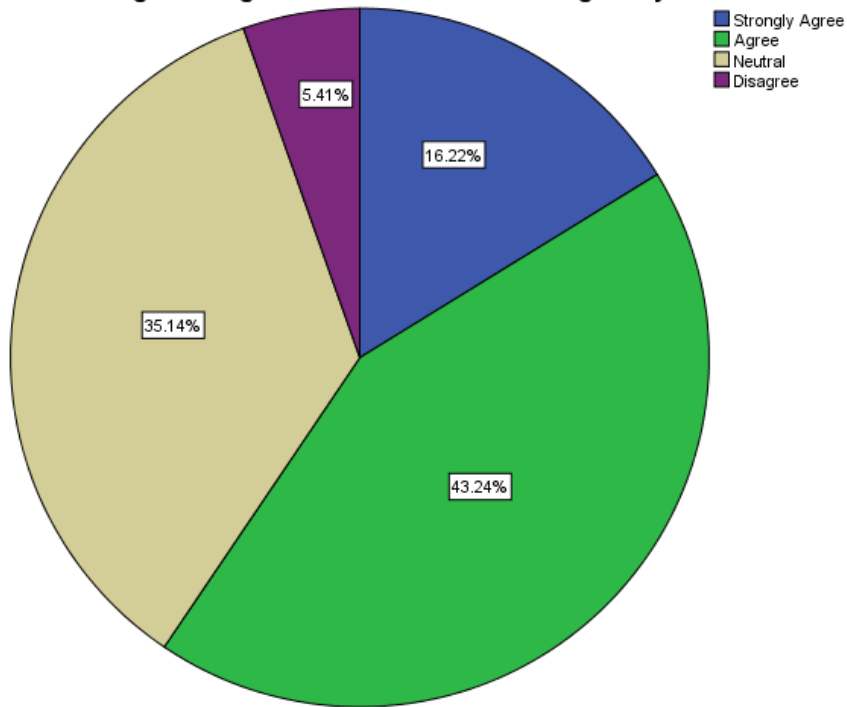
4.8.3 Fluctuating exchange rates and inflation have negatively affected rental fees

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Agree	14	37.8	37.8	37.8
Valid Agree	21	56.8	56.8	94.6
Neutral	2	5.4	5.4	100.0
Total	37	100.0	100.0	

56.8% of respondents agreed to the notion that rental fees were affected by inflation, while 37.8% strongly agreed to the view. The neutral 5.4% were of the opinion that rentals were already being paid in foreign currency therefore it did not change much.

4.8.4 Licencing Fees

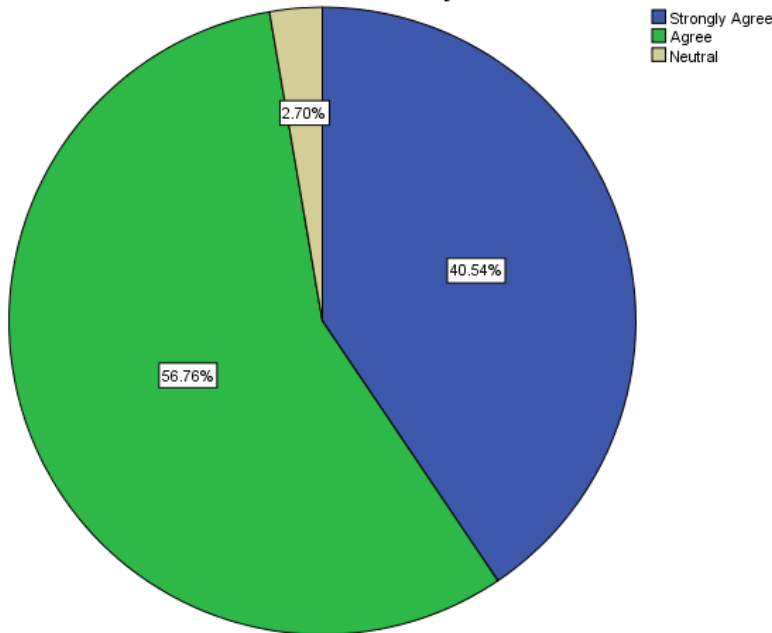
Fluctuating exchange rates and inflation have negatively affected licencing fees



While the majority agreed (43.24%) and strongly agreed (16.22%), 35.14% was neutral and 5.41% were disagreeing to the idea that licence fees (council and health) hiked because of inflation and exchange rates. Those who were not in support of the view indicated that the regulatory authorities were mainly government representatives who did not necessarily follow the inflation trend.

4.8.5 Utility Bills

Fluctuating exchange rates and inflation have negatively affected water and electricity bills



The link between inflation and utility bills increase was unopposed. 56.76% of respondents agreed and 40.54% strongly agreed. The 2.7% which represents neutrality attempted to balance the relatively low price hike in water bills against the high electricity bill and therefore resolved to be neutral.

4.8.6 In what way did lockdown affect your sales

	Frequency	Percent	Valid Percent	Cumulative Percent
Very Negatively	19	51.4	51.4	51.4
Negatively	18	48.6	48.6	100.0
Total	37	100.0	100.0	

According to research findings, lockdown negatively affected sales. Respondents indicated that their daily sales went down and in worst cases of total lockdown, no sales at all were made.

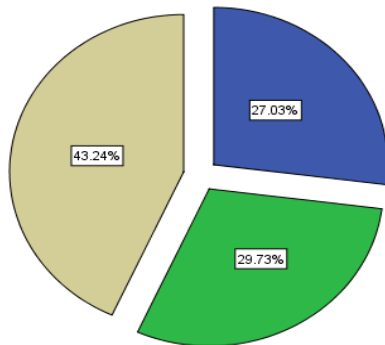
4.8.7 Commitment to Work



35.14% of the respondents' commitment to work was negatively affected by lockdown at a very high degree, and 29.73% were mildly negatively affected. The other 35.14% indicated that they were indifferent about their commitment to work after lockdown, and these were mainly business owners who are self-motivated to do the work.

4.8.8 Customer Loyalty

In what way did lockdown affect your customers' loyalty



43.24% of respondents opined that customer loyalty was not affected negatively nor positively by lockdown. Their reasoning was that while fast food restaurants were labelled Covid-19 super spreaders, they managed to improve their hygiene in line with health regulations thereby gaining the almost-lost customer loyalty. Nevertheless, 29.73% and 27.03% expressed that customers' loyalty was negatively and very negatively affected by lockdown as clients began to get used to eating at home in fear of Covid-19 infection.

4.8.9 In what way did lockdown affect your working capital

	Frequency	Percent	Valid Percent	Cumulative Percent
Very Negatively	20	54.1	54.1	54.1
Negatively	17	45.9	45.9	100.0
Total	37	100.0	100.0	

All respondents resoundingly agreed to the view that lockdown negatively affected their working capital. Many reasons were shared as to why it is so and these included the use of business funds for personal needs during lockdown and continual incurrence of fixed costs like rent despite not operating.

4.8.10 Forcefully closing down restaurants through lockdown, made small restaurants to go out of business

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Agree	14	37.8	37.8	37.8
Valid Agree	17	45.9	45.9	83.8
Neutral	6	16.2	16.2	100.0
Total	37	100.0	100.0	

A cumulative 83.8% strongly agreed and agreed to the view that closing down all restaurants as a measure of lockdown caused some fast food restaurants to liquidate. Their argument was that profits made from the business are so small that stopping operations for just a week poses threat on the business' going concern. The 16.2% chose to be neutral as they indicated that even if restaurants were not closed, clients were still not permitted in the CBD during harsh lockdown period hence it was not solely restaurant closure that caused fast foods to fail, but many other reasons.

4.8.11 Do you think the government should have helped your firm during harsh economic times and Covid-19 lockdown

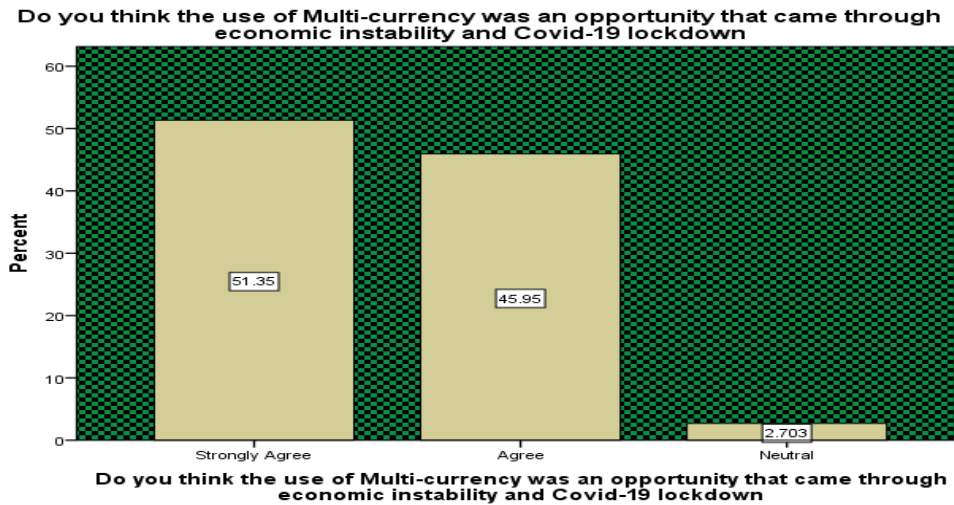
	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Agree	18	48.6	48.6	48.6
Valid Agree	16	43.2	43.2	91.9
Neutral	3	8.1	8.1	100.0
Total	37	100.0	100.0	

A cumulative 91.9% agreed and strongly agreed that the government was supposed to assist their firms during harsh economic times (VUCA manifestations) and Covid-19. The majority of respondents suggested that the government should have given grants to their restaurants so as to

cushion them from the VUCA and Covid-19 environment. However, the minority of 8.1% differed by being neutral as they viewed the government as incapable of assisting their firms. Willingness to receive help was expressed by all respondents but the minority questioned the feasibility of the idea by assessing the current economic situation.

4.9 Objective 2: To identify opportunities and threats presented to fast foods SMEs by the VUCA environment and Covid-19.

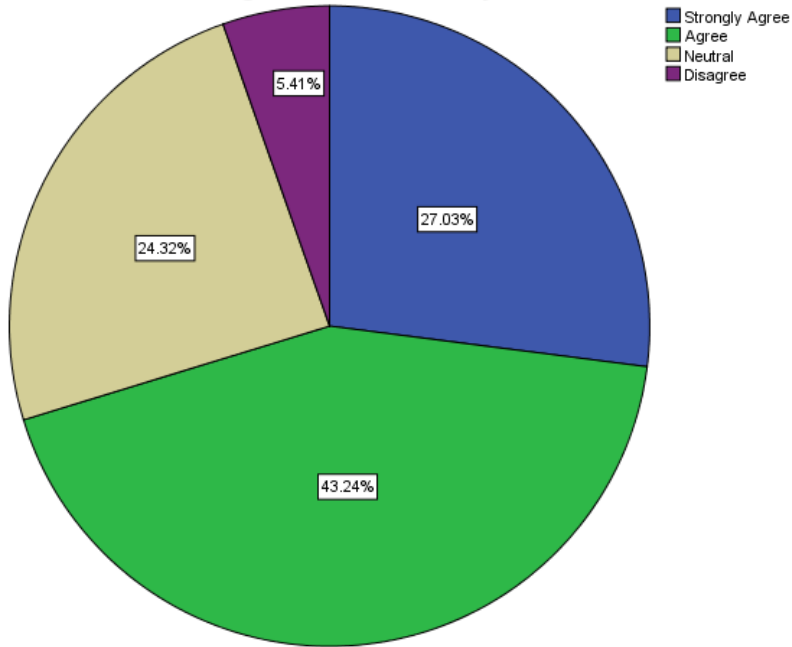
4.9.1 Use of Multi-Currency



More than 97% of respondents discoursed that the adoption of multi-currency system was/is an opportunity which fast food SMEs should make use of. The use of multi-currency was considered as an opportunity in that SMEs are able to save and also import their equipment easily if they so wish. However, 2.7% of respondents chose to view it as a neutral factor (not opportunity nor threat) for undisclosed reasons.

4.9.2 Hygiene

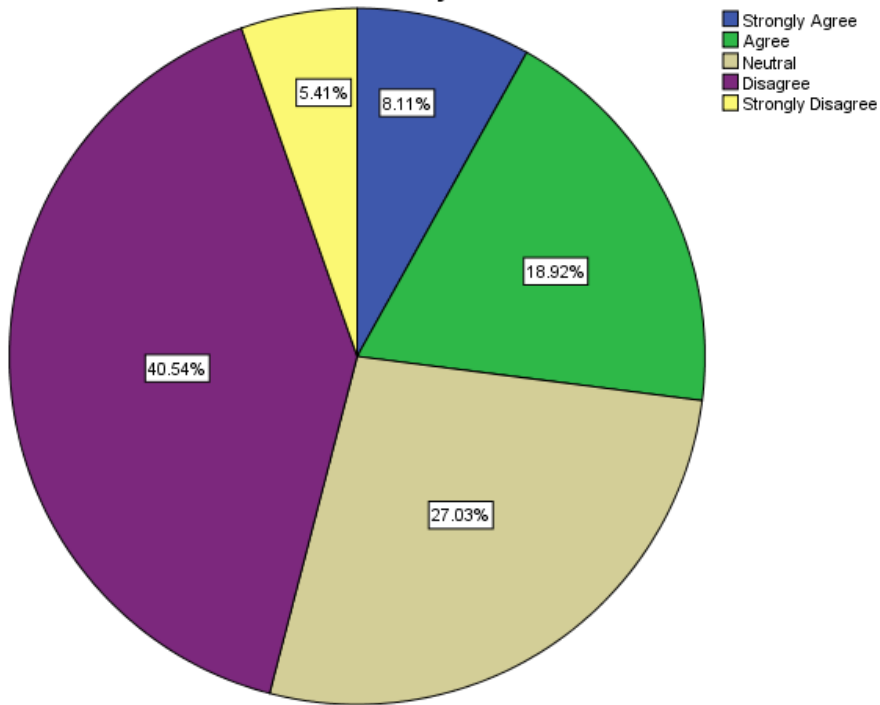
Do you think the time to improve workplace hygiene was an opportunity that came through economic instability and Covid-19 lockdown



Over 70% of target sample considered the time to improve their workplace hygiene as an opportunity to uplift their businesses whether in the persistence of Covid-19 or its end since hygiene is an important aspect of the fast food industry. 24.32% expressed neutrality while 5.41% were in disagreement. Respondents in disagreement revealed that the time could not be considered as an opportunity since the businesses did not have funds to implement the desired hygienic standards.

4.9.3 Wide Internet Use

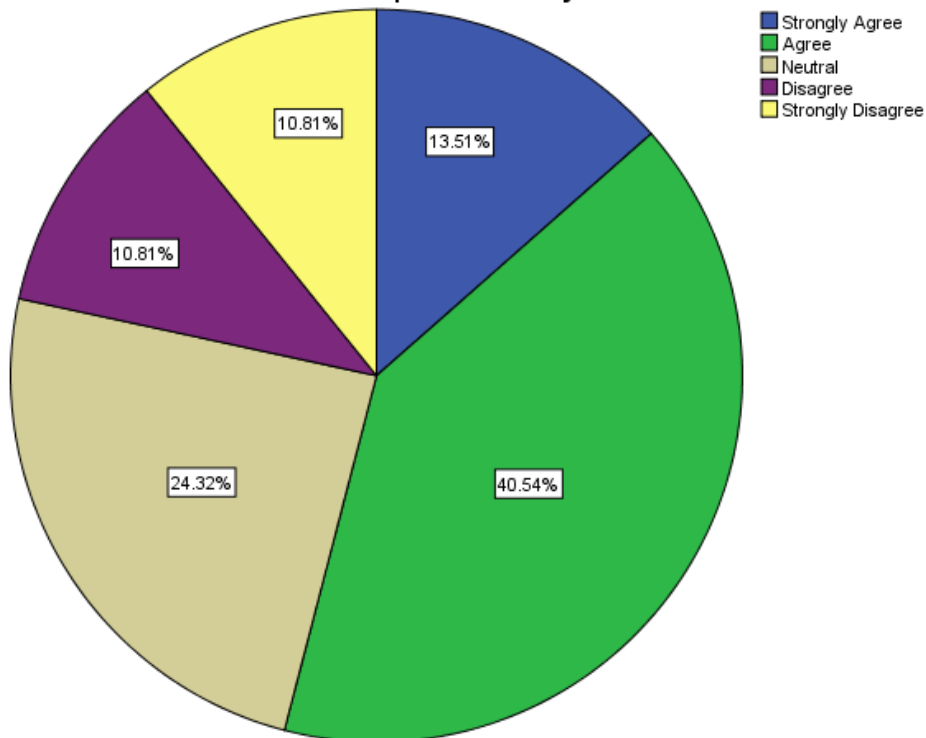
Do you think the wide use of internet was an opportunity that came through economic instability and Covid-19 lockdown



A cumulative 27% agreed and strongly agreed that wide use of internet and online business was an opportunity for their businesses. These were few optimistic business people who believed that internet could be used to reach more customers. Almost the same 27% were neutral about internet. Almost 46% disagreed and strongly disagreed to the notion as they viewed their business as a face to face model. More so, they argued that online business was for established huge firms which could afford door to door delivery. In worst cases, they viewed internet as a tool being used against them by huge firms.

4.9.4 Low Disposable Income

Do you think low or no disposable income among consumers was a threat from Zimbabwe's poor economy and Covid-19?



Over 54% of respondents agreed and strongly agreed that low disposable income among consumers was a threat on their businesses as customers could not afford restaurant meals. Thus the majority acknowledged low income as a challenge which could affect them. Neutral respondents were 24.32% while those who disagreed and strongly disagreed formed almost 22%. Respondents who disagreed viewed their services (fast foods) as needs which their clients could not do without even if they had little funds.

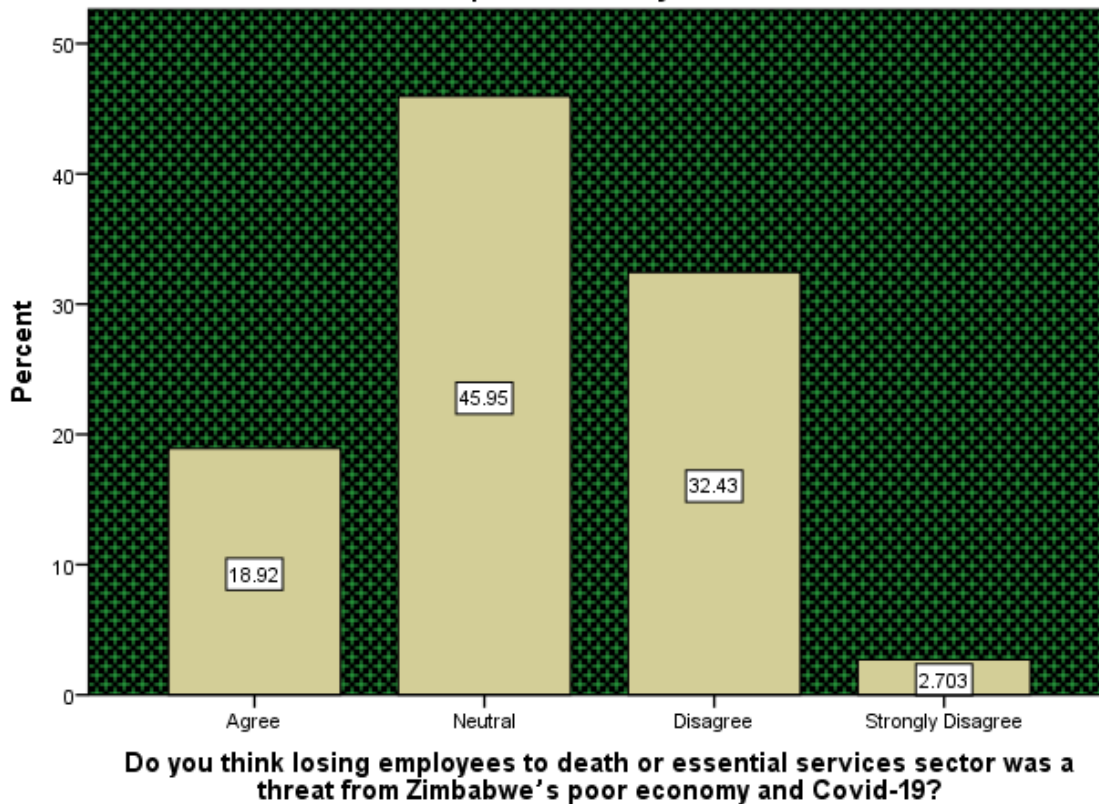
4.9.5 Do you think lack of funding from financial institutions was a threat from Zimbabwe’s poor economy and Covid-19?

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Agree	11	29.7	29.7	29.7
Valid Agree	18	48.6	48.6	78.4
Neutral	8	21.6	21.6	100.0
Total	37	100.0	100.0	

A cumulative 78.4% agreed to the view that lack of funding from financial institutions was a threat in Zimbabwe among fast food SMEs. Respondents indicated that although they were willing to change, it was very difficult without the necessary funding, for instance services like dial and deliver or door to door deliveries would not be possible without funds to procure motorbikes and also to do extensive marketing. The neutral 21.6% were mainly composed of non-proprietors, explaining why their comprehension of higher business needs seemed to be low.

4.9.6 Losing Employees

Do you think losing employees to death or essential services sector was a threat from Zimbabwe's poor economy and Covid-19?



Only 18.92% agreed that losing their employees to death as a result of Covid-19 or joining other essential services sector which continued functioning regardless of lockdown was a threat. Neutrality was dominant with 45.95% while disagreements and strong disagreements were 32.43% and 2.7% respectively. Respondents did not view this as a threat because the field of workers is so huge due to high unemployment and their type of work is easy to mentor new employees.

4.10 Objective 3: To examine the strategies employed by fast foods SMEs in utilising new opportunities and overcoming threats arising from VUCA and COVID-19 so as to stay afloat.

A few following questions were responded to by respondents so as to address the third objective of this paper.

4.10.1 Do you view diversifying into new business as a strategy of utilising new opportunities and overcoming threats in VUCA and Covid-19 environment?

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Agree	13	35.1	35.1	35.1
Valid Agree	20	54.1	54.1	89.2
Neutral	4	10.8	10.8	100.0
Total	37	100.0	100.0	

With 89.2%, diversification into new business areas was endorsed as a strategy which fast food SMEs employed to remain in existence. Diversification was not opposed but only had 10.8% neutrality. Some entrepreneurs confessed their shift in business from selling fast foods in the CBD to selling raw food stuffs like vegetables and meat in their homes. This is a form of related diversification which succeeded because knowledge of where to acquire affordable food stuffs was already there.

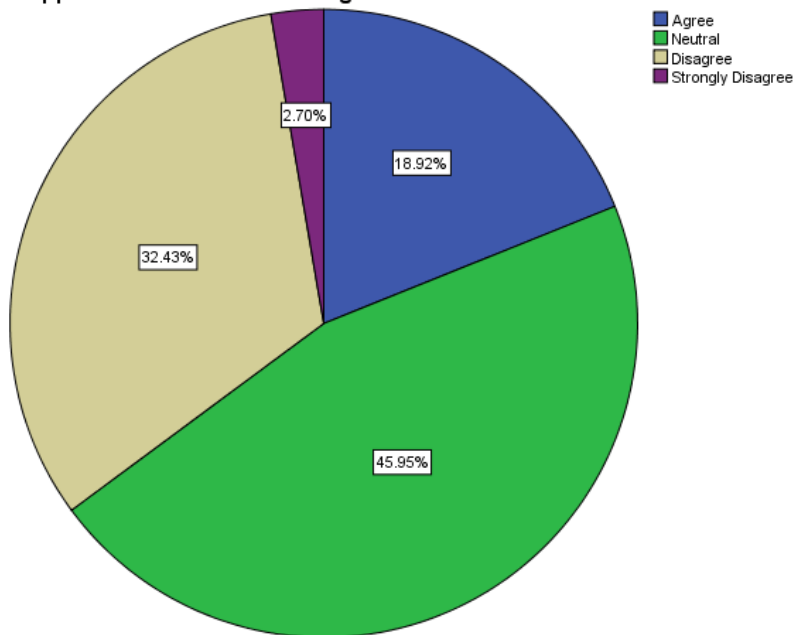
4.10.2 Do you view employing or being employees who embrace change as a strategy of utilising new opportunities and overcoming threats in VUCA and Covid-19 environment?

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Agree	13	35.1	35.1	35.1
Valid Agree	21	56.8	56.8	91.9
Neutral	3	8.1	8.1	100.0
Total	37	100.0	100.0	

91.9% agreed that employing workers who could easily embrace change was also a strategy to utilise new opportunities and overcome threats which are presented by VUCA and Covid-19 environments. The strategy was not opposed but had 8.1% neutrality. Respondents indicated that young people could easily embrace change than the elderly. The educated individuals also had higher chances of accepting change, but they would be costly to SMEs therefore not considered a good option.

4.10.3 Internet Transactions

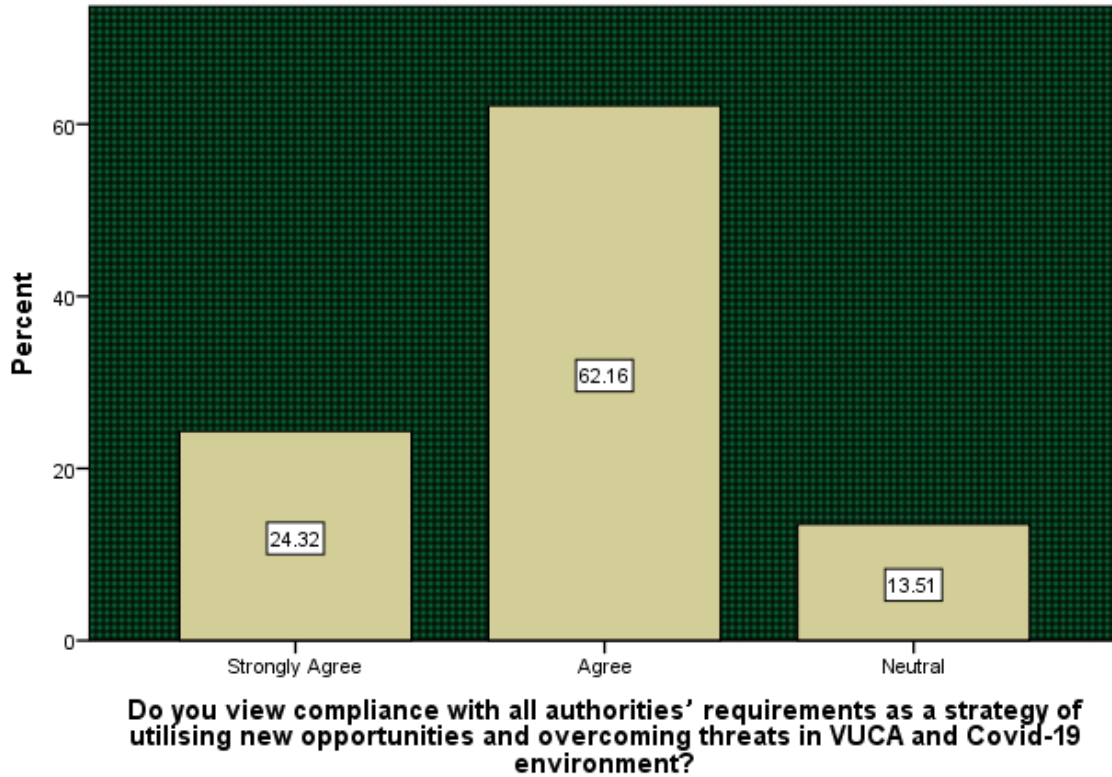
Do you view using internet platforms to sell and buy as a strategy of utilising new opportunities and overcoming threats in VUCA and Covid-19 environment?



The use of internet as a strategy to manoeuvre in VUCA and Covid-19 environments was viewed from different perspectives. The majority of respondents were neutral as represented by 45.95%. Disagreements and strong disagreements were almost 35% while agreements only constituted 18.92%. While small fast food restaurants were willing to use internet, the nature of their service would require delivery; which is made difficult by lack of financial resources.

4.10.4 Compliance

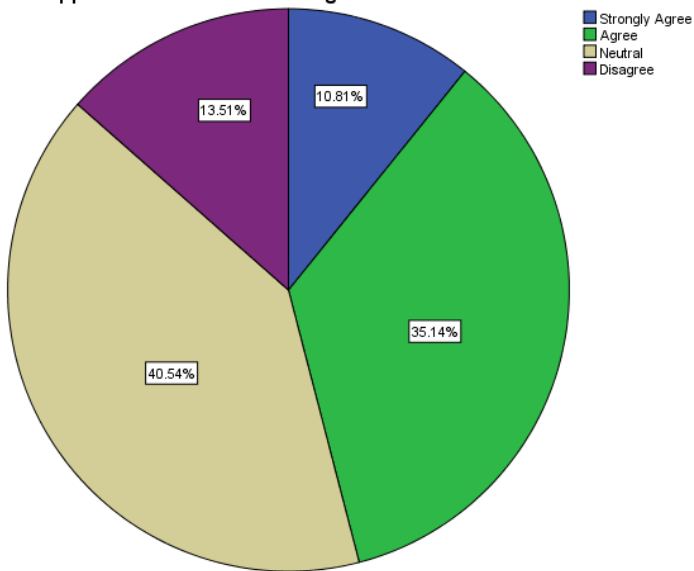
Do you view compliance with all authorities' requirements as a strategy of utilising new opportunities and overcoming threats in VUCA and Covid-19 environment?



Compliance with regulatory authorities was also endorsed as a strategy by over 86% of agreements and strong agreements. 13.51% was neutral and no respondent opposed the idea. Compliance with authorities would ensure that restaurants operate without being forced to close, and also tenders to supply food to government institutions may be awarded if compliance is done.

4.10.5 Saving Foreign Currency

Do you view saving foreign currency and reinvesting as a strategy of utilising new opportunities and overcoming threats in VUCA and Covid-19 environment?



More than 46% of the respondents agreed and strongly agreed that saving foreign currency for reinvestment and internal growth is key strategy in the current situation in Zimbabwe. The neutral 40.54% and disagreeing 13.51% doubted the feasibility of saving considering how low the profits in fast food industry are.

4.11 Chapter summary

Presentations of research findings, remarks and argument on the importance of SMEs embracing change to overcome VUCA and Covid-19 effects in fast food industry was done. The conclusions and recommendations were made in the next chapter.

CHAPTER V

CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

In this chapter, the researcher summarized the results obtained from the questionnaires. The researcher shared observations made during the research and conclusions were reached regarding the research questions of the paper. Suggestions for further research were also made.

5.2 Revisit of Research objectives

This paper set out achieve the following objectives;

To assess the impact of Zimbabwe's VUCA environment and Covi-19 related lockdown on fast foods SMEs business cycles and operations.

To identify opportunities and threats presented to fast foods SMEs by the VUCA environment and Covid-19.

To examine the strategies employed by fast foods SMEs in utilising new opportunities and overcoming threats arising from VUCA and COVID-19 so as to stay afloat.

5.3 Summary of Findings

The study showed the majority of people in small fast food business are women of the age 20-29 years old. It was also noted that most of the traders have ordinary level as their highest level of qualification and their majority has 2-5 years of experience in the industry. The research also established that fast food SMEs employ their relatives and give them positions of authority to run businesses in the absence of the owner.

It was revealed that Zimbabwe's volatile economy led to several problems for fast food SMEs like high cost of production through increase in prices of food stuffs. The inflation and unstable

exchange rates have also caused small restaurants to realise very little profits and poorly reward their employees except close relatives who seem to be unaffected by economic dictates. It was noticeable that restaurants continued paying fixed costs for such as rentals at a time when they were not operating thereby straining their financial base. Operating licence fees and utility bills which are often charged in the local currency also spiked because of the harsh economic conditions in Zimbabwe.

In the face of an unstable economy, small restaurants were further crippled by Covid-19 related lockdowns. It was established that sales were negatively affected by the lockdown since shops were ordered to close and work for shorter hours in order to contain the Covid-19. Shop closures and short working periods negatively affected the work commitment of restaurant workers and owners since the business future and going concern were no longer sure. Stocking became difficult and planning was/is always uncertain since new lockdown regulations may be announced at any time. Liquidity problems also gripped fast food restaurants as they prolonged an unproductive period while still spending from their coffers. On the other hand, customer loyalty was also affected as they viewed restaurants as super spreaders of Covid-19. It was also noted that some fast food restaurants could not resume operations after intensive lockdown in March 2020 due to financial pressures beyond their ability to overcome. While almost all small fast food restaurants appeal for government assistance, some acknowledge that the state is not in a position to assist them.

The use of multi-currency was also viewed as an opportunity which fast food SMEs should take advantage of and utilise. While Zimbabwe's own currency is unstable, other currencies are stable hence SMEs can use those to plan and do their budgets. Some entrepreneurs viewed forced hygienic measures as an opportunity for them to attract customers in the industry whereas others considered it as of no effect since they do not have resources to meet the desired standards. The use of internet for many consumers was largely viewed as not an opportunity by SMEs as they pointed to their internal weakness of lacking funding to then deliver orders to their clients.

Low disposable income among consumers was viewed with mixed reactions both as a threat and also neutrality. Although there is no question about low incomes, some SMEs opined that they offer basic needs which would always be prioritised by consumers. Lack of funding from financial institutions which require collateral security that SMEs do not have was also regarded as a threat

in the paper. The loss of employees to death by Covid-19 or being employed elsewhere was not considered a threat in the industry since the job is easy and there is a huge pool of labour force.

The other finding was that diversification is a strategy that has been adopted by SMEs to continue with business regardless of closing shops. The useful strategy being employed to enhance agility is also employing young people who can easily embrace change. Internet usage to reach a huge customer base was out-rightly rejected noting that it is suitable for large organisations who have resources to serve the huge market and offer door-step home services. The last strategies which are being employed by fast food SMEs are authority-compliance and foreign-currency savings.

5.4 Objectives' Conclusions

5.4.1 To assess the impact of Zimbabwe's VUCA environment and Covi-19 related lockdown on fast foods SMEs business cycles and operations.

The researcher concluded that the VUCA and Covid-19 environments crippled fast food SMEs business cycles and operations. Among many negative effects on fast food SMEs are low sales, liquidity problems, losses and premature business closures. The environment's impact on SMEs is heavier than on large corporates because small organisations are financially weak and cannot afford hiring change management experts which huge entities do in times of VUCA. It was also concluded that lockdown drove out small restaurants out of business as they mainly rely on face to face business.

5.4.2 To identify opportunities and threats presented to fast foods SMEs by the VUCA environment and Covid-19.

It is undeniable that the VUCA and Covid-19 environment brought some opportunities also; not threats alone. These opportunities included the use of internet to cover wide range of clients, easy access to foreign currency and hygienic requirements among others. Nevertheless, (Fleming, 2018) argued that when an opportunity does not coincide with a strength, it ceases to be one. This was the case of SMEs, who could identify, but were incapacitated to make use of the opportunities due to lack of financial resources. As a result, the researcher concluded that the same opportunities were used by large corporates in such a manner that they were threatening the very SMEs

existence; thereby heaping pressure on obvious threats like low consumer disposable income, lack of funding and loss of employees among many other threats.

5.4.3 To examine the strategies employed by fast foods SMEs in utilising new opportunities and overcoming threats arising from VUCA and COVID-19 so as to stay afloat.

The researcher concluded that strategies such as compliance with regulatory authorities, diversification and saving foreign currency for reinvestments were very critical for SMEs to do. Related diversification seems tried and tested therefore recommended and also compliance with authorities will reduce the likelihood of restaurant closures. While the use of internet is also good, but fast food SMEs face the delivery challenge. In this regard, online marketing strategies, not necessarily home deliveries would work for SMEs.

5.5 Proposition Recap

Fast foods SMEs survival in Zimbabwe's VUCA and COVID-19 environment is highly dependent upon leaders' ability to embrace change management and so make their firms rightly respond to dictates of the environment.

5.5.1 Proposition Conclusion

The researcher agrees to the proposition in that there are fast food SMEs which are still functional while others collapsed, yet both businesses were exposed to the same VUCA and Covid-19 environment. The only difference can be found in the way in which leaders handled change when it came. It will remain true that everything stands or falls to a leader.

5.6 Recommendations

The researcher recommends fast food SMEs to have optimum stocks of food stuffs which avoids a restaurant from running out of stock however small enough to not cause a huge loss when a sudden lockdown is announced. It is also recommended that entrepreneurs save foreign currency with the mind to start another business, especially in the essential service sector so as to spread risk of closures. Fast food restaurants are also recommended to comply with health regulations and

all other governing authority regulations as this will enable SMEs to continue functioning without disruption.

5.6 Areas for Future Research

More research studies should be conducted to explore why some SMEs deliberately choose to remain small and also in only one line of business. Other researches should also be done on SMEs in other sectors like the clothing sector, groceries and salons so as to understand how the VUCA and Covid-19 environment in Zimbabwe has impacted on them and how they can conquer it through agility.

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APPENDICES

Consent Letter

Dear Respondent

I am a final year post-graduate student at Bindura University of Science Education, who is pursuing Masters in Business Leadership Degree. In partial fulfilment of the programme, I am required to conduct a relevant industry-orientated research. I would like to assess the impact of Zimbabwe's VUCA environment and Covi-19 related lockdown on fast foods SMEs business cycles and operations, to identify opportunities and threats presented to fast foods SMEs by the VUCA environment and Covid-19 to examine the strategies employed by fast foods SMEs in utilising new opportunities and overcoming threats arising from the presence of COVID-19 so as to stay afloat. I seek your permission to conduct my research by using your firm as part of the research sample, and I kindly ask for your assistance in this regard. I wish to assure you that the information you will provide will be used only for learning purposes and will be preserved with distinct confidentiality and anonymity.

Your participation will be dearly cherished.

Yours sincerely,

Botoman Deverson (B1336132)

.....

QUESTIONNAIRE

Instructions

Kindly tick or fill in your response in the appropriate box or space provided to each of the questions below.

SECTION-A

BIO-DEMOGRAPHIC DATA

1. Gender

Female Male

2. Age (years)

Below 20 20-29 30-39 40-49 50 and above

3. What is your highest level of academic qualification?

Ordinary level Advanced Level Diploma

Honours degree Post Graduate Degree Other

If other, please specify.....

4. Period of running the business or service in the organisation (in years)?

0-1 2-5 6-9 10-13 14 and Above

5. Designation/ position in company.....

SECTION B

To what extent, has the Zimbabwe’s VUCA environment and Covid-19 related lockdown impacted on fast foods SMEs business cycles and operations?

6. Fluctuating exchange rates and inflation have negatively affected the following:	Strongly Agree	Agree	Neutral	Disagree	Strongly disagree
Food stuff purchase prices					
Profits/ Employee salaries					
Shop/ Premises Rental fees					
Licence fees (Council, health)					
Electricity and water bills					

7. In what ways did lockdown affect your:	Very negatively	Negatively	Indifferent	Positively	Very Positively
Sales					
Commitment to work					
Customer loyalty					
Working Capital					

8. Forcefully closing down restaurants through lockdown, made small restaurants to go out of business?

Strongly Agree [] Agree [] Neutral [] Disagree [] Strongly Disagree []

9. Do you think the government should have helped your firm during harsh economic times and Covid-19 lockdown?

Strongly Agree [] Agree [] Neutral [] Disagree [] Strongly Disagree []

10. If you strongly agree or agree to question number 11 above, what do you think the government should have done or do?

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.....

If you disagree or strongly disagree to question number 11 above, give reasons why?

.....
.....

Comments, if any:

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.....
.....
.....

SECTION C

What are opportunities and threats that arose from Zimbabwe’s VUCA environment and Covid-19?

11. In your own view, do you think the following were opportunities that came through economic instability and Covid-19 lockdown?	Strongly Agree	Agree	Neutral	Disagree	Strongly disagree
Liberty to use multi-currency					
Time to improve workplace hygiene					
Increased internet use					

Comments, if any:

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12. Do you think the following were threats from Zimbabwe’s poor economy and Covid-19?	Strongly Agree	Agree	Neutral	Disagree	Strongly disagree
Low or no disposable income among consumers					
Lack of funding from financial institutions					
Losing employees/ workmates to death and essential services sectors.					

Comments, if any:

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SECTION D

How can fast foods SMEs strategize to utilise new opportunities and overcome threats arising from VUCA and COVID-19?

13. Do you view the following as strategies of utilising new opportunities and overcoming threats in VUCA and Covid-19 environment?	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
Diversifying into new business					
Employing or being employees who can embrace change					
Using internet platforms to sell and buy					
Ensuring compliance with all authorities' requirements					
Saving foreign currency and reinvesting (internal growth)					

Comments, if any:

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Thank you for your time