

The Impact of Organisational Change Management Theoretical Perspective in the Context of Zimbabwe's Cash Crisis on Small to Medium Enterprises and their Consequent Adaptation Strategies

Enock Takudzwa Zenda¹, Austin Musundire², Obediah Mumanyi³

¹Regenesis Business School

²Regenesis Business School

³Independent Researcher

Abstract: Little is known of the economic phenomenon called a “cash crisis,” with only a handful of nations having ever experienced it across the globe. More recently of which is the sub-Saharan nation of Zimbabwe where this crisis has manifested itself in a multitude of scenarios affecting Small to Medium Enterprises (SMEs) and their ability to adapt strategically through organisational change management. This study explored the experiences, perceived magnitude and impact of the Zimbabwean cash crisis on SMEs while relating its findings to organisational change management theory and its applications. Qualitative and quantitative research methods were used to capture in-depth interviews, administer questionnaires and provide statistical analysis on 8 SME participants. Subsequent thematic analysis resulted in four themes; mistrust towards the banking system, significant appreciation for cash transactions, survival, change management and adaptation strategies and lastly more government assistance to SMEs. Most SMEs perceived conducting business during the persistent cash crisis an immense challenge to their operations, posing the threat of closure. They described a common need to be constantly transacting in cash (both local and foreign) to sustain their business and adapt ideal change management models that were highly reactive to their rapidly evolving and volatile business environment. In conclusion the study provides a detailed understanding of the experiences of diverse Zimbabwean SMEs during the cash crisis. SMEs change management theory and support programmes need to take into account the different realities, challenges and risks SMEs in Zimbabwe currently face.

1. Introduction

Small to medium-sized enterprises around the world have throughout history been plagued with economic and social challenges disrupting business growth and stability, especially with regard to the start-up phase of their operations. In the mist of these challenges, establishing theoretical and practical survival mechanisms have proven a mammoth downfall to SMEs thereby deterring their sustainability. This study therefore explores the implications of Organisational Change Management Theoretical Perspectives in the Zimbabwe's Cash Crisis on Small to Medium Enterprises. The intention is to make contributions from the research findings geared towards strengthening of change management innovative strategies that can be adopted and implemented in order to improve the level of liquidity among these SMEs

Background to the study

According to Patel, (2015) the failure rate of SME's globally was as high as 90% in the first year with entrepreneurs stating challenges such as access to financing, skills, and institutional support as key detriments (Patel, 2015). The challenges are not peculiar to SMEs and start-up businesses but are more intensified particularly within turbulent economic environments. The outcome can only be worse for SMEs of the developing world where economies are unstable, the threat of closure is constantly knocking on their

doors and growth or meaningful contribution to national GDP is goal that is fast running away. Such is the story of SMEs in the Southern African nation of Zimbabwe where entrepreneurs over the last two decades have been constantly battling to survive.

Over the last two decades, Zimbabwe has faced immense challenges politically, economically and socially. Undoubtedly there have been many push factors that have seen a considerable proportion of the country's skilled and unskilled labour migrate globally in search of greener pastures. Land reform, economic sanctions, and poor leadership have been amongst the factors credited with the demise of Zimbabwe, however the country must continue to grapple on and fend for its citizens.

According to the Business Connect, in March 2018, SME's constituted 70% of Zimbabwe's businesses while employing 60% of the country's labour force and contributing above 50% of national GDP (Thandi, 2018). Collectively this makes SME's a key factor towards turning around the Zimbabwean economy for the better, yet they are the most vulnerable economic players. More recently between 2016 to the present, one of the major threats to their viability has been Zimbabwe's liquidity crisis, which has seen many businesses close their doors either temporarily or for good. The liquidity crisis has introduced a new set of challenges to Zimbabwe's SME's, calling for more innovative ways

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through which to conduct their business as well as adaptation of new strategies or face the threat of closure.

As likely as it may be that SMEs take on adaptation strategies in an effort to survive, it is possible they also adapt change management strategies which do not address the issue of cash crisis, when simply put; misinformed and ineffective change management approaches. Mismanaged change adaptation strategies are equally, if not more disastrous for SMEs, than no change management at all as they culminate in more confusion in the strategic mapping of a business. It is possible that many SMEs are failing in Zimbabwe due to the simple fact they may be identifying and employing incorrect change management strategies, and an area this study also explores.

2. Theoretical Overview

There is a vast collection of organisational change theories that apply to business entities such as SMEs and the changes they experience internally and externally throughout the world. Frear (2008) makes note of changes in the organisational environment and the effect they can have on management planning in his presentation of Chaos Theory (Frear, 2008). Chaos Theory looks at change imposed by unstable environmental factors and has been widely used for interpreting organisational change and organisational behaviour (Mcbride, 2005). Sources of change within organisations and their environment include; economic, demographic, technological, socio-cultural, and political (Frear, 2008). Other stimulants of change include innovation, individual initiative and experimentation (McCarthy, 2014). SMEs in turbulent environments such as Zimbabwe are compatible with the Chaos Theory due to the unpredictable and uncertain characteristics of this business environment.

Morris (2001) presents the Contingency Theory in which he states that organisational changes in structure, strategy and behaviour over time are dictated by environmental conditions to which the SME is simply responding (Morris 2001;p86).An organisation cannot remain static over time but rather must evolve to some level of adjustment, change or improvement or risk becoming inert and obsolete (Mcbride, 2005). The general consensus amongst many organisational change theorists is that they support the idea of adaptive behaviour in organisations.

A commonly employed change management theory used to assess organisations within highly dynamic environments such as Zimbabwe is that of Kurt Lewin's Change Management Model. Lewin's plan and goal-oriented model makes rational sense as it considers both internal and external forces working in opposing directions to establish a balance (Kristonis, 2005). Kristonis (2005) makes comparisons between Lewin's Model and; Lippitt's Phases of Change Theory, Prochaska and DiClemente's Change Theory and The Theory of Reasoned Action and Planned Behavior. Her conclusion being that Lewin's Model is more suitable for analysing and interpreting business change and adaptation strategy although it ignores human emotions.

Lewin's Force Field Analysis and 3 step change model become ideal for studying largely involuntary and reactive change in highly dynamic and unstable, emerging economy SMEs such as those in Zimbabwe. Lewin's ability to take cognisance of all forces at play in the field, and devise a change management approach, makes his theory ideal for theoretical application.

3. Definitional Overview

In order to gain an in depth understanding of the background of the study, there is a need to define key concepts which will be examined throughout the study including; perceptions, cash crisis, small and medium-sized enterprises (SME), organisational change and adaptation.

Perception: This is a mode of apprehending reality and experience through the senses, thus enabling discernment of figure, form, language, behaviour, and action (Sage Encyclopaedia, 2019). It involves the way one sees the world and can be considered subjective as opposed to objective (Macdonald, 2012). The process of perception consists of 3 fundamentals; selection, organisation and interpretation (Qiong, 2017).

Cash crisis: This is known as a cash crunch which is an unfavourable situation in which an organisation or economy does not have enough money available at its disposal to perform its usual activities (Cambridge Dictionary, 2019). In this instance the funds may be available in an account but not physically accessible to be withdrawn at any given time.

A small to medium-sized enterprise: This refers to a business with less than 100 employees (Zimbabwe Policy Framework, 2004). There are several other definitions of SME however because this study is taking place within the confines of Zimbabwe, it would be the most appropriate definition to use based on Zimbabwean interpretations. It would then follow that this definition is the one most accepted and documented in Zimbabwean Policy (Nyamwanza, 2014 p14).

Organisational change: This refers to a process whereby an organisation changes its internal characteristics including operational methods, strategy, processes, technologies, or organizational culture to affect change within the organization and the effect of these changes on the organization (Nelson, 2011). All organisations change over time to keep up with their changing environment.

Change management: Change management is the process by which an organization gets to its future state, its vision (Lorenzi, 2000)

Adaptation can be defined as the actions of the entrepreneur and his/her team in processing information inputs from the environment and making rapid adjustments to this feedback (McKee et al., 1989; Stoica & Schindehutte, 1999; Woo et al., 1990). With the key concepts having been defined the next step lies in establishing the contextual framework of the study in the Zimbabwean background.

3.1 Contextual Overview

Research on the direct impact of Zimbabwe's cash crisis and methods through which SMEs have adapted to this crisis is very limited. Most authors tend to focus on SME Support from financial institutions as well as government policy and assistance, packaging the nation's cash crisis under the umbrella of 'economic crisis'. Chifamba, Mupani and Zirima, (2013) discuss strategies employed by SME's to survive between 2005 and 2009 in a period of hyperinflation and economic crisis. In their paper they stress the need for SMEs to have economic knowledge, psychological strength, flexibility and volition to survive Zimbabwe's economic crisis (Chifamba *et al.*, 2013). The study concludes by looking at SME assistance by financial institutions during this period.

Zimbabwe's manufacturing sector began collapsing relative to the decline in economic activity for the past decade due to a number of reasons the most referenced being hyperinflation which at its peak, reached an estimated 231 million per cent in late 2008 (CZI Survey, 2009). With this decline many jobs were lost and formal industries closed and divestment was rampant due to failures at adaptation. As a result Zimbabwe has been seized with unprecedented high unemployment levels and with the closure of major industry is dependent on a massive import bill for basic commodities. With manufacturing down, as much as 70% of local GDP and consequently employment is within SME sector (UN Country Analysis Report, 2010). Zimbabwe's SME sector holds the future of the economy's performance and the success of SMEs to continuously adapt is directly related to the success of the Zimbabwean economy as a whole.

There is a need for academics to increase research and advice further on how Zimbabwe's SME's can be supported to succeed as the political and economic landscape continues to evolve. With most academics identifying a broad combination of economic challenges there is a need for more focus-based research which narrows down to specific aspects of the economy, in this case the cash crisis. One such study by Gombarume and Mavhundutse (2012) points out the common challenges SMEs in Chitungwiza, Zimbabwe face, some of which included access to financing, skills and Government policy (Gombarume and Mavhundutse, 2012).

Of particular interest are the challenges that cash shortages have posed on SME's. An in-depth understanding would expose the trials and tribulations that SME's face daily in their attempt to survive a harsh economic climate.

Zimbabwe is ranked 109 out of 117 countries in terms of its macro-economic environment according to the World Economic Forum's 2017 Global Competitiveness Report. Zimbabwe's economy shrunk by more than 40% of its previous GDP in 2011 and exports have fallen by a proportion of more than half. Foreign direct investment plummeted from USD 444 million in 1998 to USD 113 million in 2015. An estimated 400 companies have shut their doors since 2011, to place unemployment at a staggering 90% of the population (Damiyano, Muchabaiwa, Mushanyuri and Chikomba, 2017).

SMEs need all the support they can get at this crucial time for Zimbabwe. More studies should focus on strategies adapted by successful SMEs and transfer the knowledge to less well-equipped SMEs to strengthen their position. Reinecke and White (2004:20) support this view and contend that, a significant proportion of SMEs exist as survivalists as opposed to attacking market opportunities (Reinecke, 2004, 72).

In a lot of cases, management of SMEs are confronted by an increasingly dynamic, complex and unpredictable environment where technology, globalization, knowledge and changing competitive approaches impact on overall performance. These challenges compounded by the cash crisis as is the case in Zimbabwe call for radical innovation. O'Regan and Ghobadian (2006) are of the notion that the business environment has become so complex that firms are being driven to devise alternative ways of conducting business to remain economically viable. As highlighted before, this study is intended to discover these adaptive strategies within Zimbabwe to secure the future of the nation's key sector in terms of GDP Organisational Change Management Theoretical Perspectives

3.2 Theoretical Perspective to SMEs in the Zimbabwean Economy

In an attempt to better understand SME behaviour under the same circumstances such as those of Zimbabwe, a theoretical perspective would be useful. As such identifying the right theoretical framework/s and applying it to the study is vital. The theory will provide a lens through which the research can be interpreted, understood and explained.

The theoretical model selected for this study is Lewin's Force Field Theory developed in 1940 by Kurt Lewin. This model states that before change of any nature within an organisation, there is equilibrium between forces driving change and forces resisting change (Connelly, 2017). In order for change to occur this equilibrium has to be upset either by adding conditions favourable to change or reducing conditions resisting change (Connelly, 2017). Lewin further elaborates on his theory with a 3 Stage Theory of Change which involves unfreezing the existing balance, moving towards the desired change and freezing or rather modern day followers of Lewin prefer; re-freezing the change (Connelly, 2017).

Relevant to this study, Lewin States that "successful businesses tend to be constantly adapting to their external environment (Medley & Akan, 2008). In essence the more versatile and responsive a business was to its external environment, the more likely it was to survive and succeed in the case of SMEs. This theory is particularly suitable for Zimbabwe as this business environment is highly dynamic and SMEs constantly need to be adapting.

The Zimbabwean economy has provided much of the external driving forces of change that are pushing SMEs to require internal transformation in order to adapt and survive. Chidoko, Makuyana, Mutungamire and Bemani, (2011) present a long list of economic challenges in Zimbabwe, factors of which one could call driving forces of change.

These forces which are external to the SME but are a part of its environment include but are not limited to, hyperinflation; shortages of basic commodities and fuel and electricity, and an equally failing political state (Chidoko, 2011).

These factors which constitute an unstable economy have fulfilled what Lewin refers to as “Upsetting the balance” (Lunenburg, 2010) This is a state of affairs according to Lunenburg whereby a system that was previously working effectively is disturbed and as a result affects other systems which may be related or co-dependant (Lunenburg, 2010). The outcome is that the related systems are affected and will have to implement changes to keep up with the new status quo. In the case of this study, the Zimbabwean economy has been upset and SMEs which are dependent on it will need to change their structures and modus operandi to remain in business.

SMEs in Zimbabwe if looked at from Lewin’s Force Field Theory are faced with numerous driving forces for change previously discussed which include;

- Internal – competition, growth, survival, profitability and inability to source forex
- External – economic turbulence, inflation, cash crisis, poor confidence in banking sector, parallel market trading, high taxes, technological advancements, politically induced sanctions,

The same SMEs also experience Lewin’s forces of resistance to change which include aspects such as;

- SME culture, uncertainty on policy reforms, legislation and economy and speculation of a new currency.

Upon examining the nature of the Zimbabwean environment, SMEs need to change continuously in order to adapt or react to the social and economic environment that is changing more rapidly than ever before (Yuksel, 2015). Lewin devised a 3 Step Change Model which assists in the facilitation of change within organisations such as SMEs. Lewin’s model makes use of 3 distinctive phases through which he says change should be executed; 1) Unfreezing the status quo, 2) Shifting towards the desired change, and 3) freezing the change into the organization (Connelly, 2017).

4. Research Design and Methodology

This study included of both qualitative and quantitative data analysis. The qualitative consisted of one on one interviews with key personnel from each participating SME. DeFranzo (2011) identifies qualitative research as ideally exploratory which is conducive for the type of study to be undertaken. Qualitative research is useful in gaining insight into motivations, opinions and underlying reasons (DeFranzo, 2011). In this case it provided insight into why SMEs made certain decisions over others and what informed their decision to do so.

The quantitative aspect emerged when we the researcher analysed respondent statistics presented by tools such as the Lickert Scale used in line with the questionnaire. Quantitative research is a way to learn about a particular

group of people, known as a sample population (DeFranzo, 2011). The quantitative analysis provided insight into size and proportion of the sample population experiencing certain phenomena thereby drawing a picture of the extent of impact cash crisis has had on SME business.

4.1 Sampling

Three types of sampling were used for purposes of this study, namely;

- 1) *Purposive/Theoretical Sampling*; participants were selected based on pre-selected criteria and theoretical saturation, in this case by virtue of being a small to medium sized business operating within Zimbabwe.
- 2) *Convenience Sampling*; the sample population was chosen based on its locality, within Harare as well as the availability of its information within the Small and Medium Enterprise Association of Zimbabwe database.
- 3) *Maximum Variation Sampling*; is a search for variation in perspectives, ranging from those conditions that are viewed to be typical through to those that are more extreme in nature (Laerd, 2019). A sample size totalling 8 SMEs will be chosen from different sectors of the economy including manufacturing, retail, transportation, financial sector and agriculture.

The interviews were semi-structured allowing room for respondents to speak freely and contribute data and key themes were common or even unique to particular industries. To qualify as part of the sample, each SME will need to meet certain minimal criteria which are;

- 1) Located in Harare
- 2) Be formally registered with the Small and Medium Enterprise Association of Zimbabwe (SMEAZ)
- 3) Have less than 100 employees
- 4) have been in business for more than five years

The research instrument selected consisted of data collection tools designed specifically for this study. For this reason it took the form of a questionnaire as it caters more towards social sciences and understanding attitudes, perceptions and practices of SME employees (Lune, 2017). The chosen methods of data collection are listed below and are both qualitative and quantitative in nature.

- Primary data – questionnaires and interviews
- Secondary data - database extraction

The analysis of data collected will also take form of qualitative analysis, through thematic analysis and quantitative analysis through statistical analysis.

4.2 Common themes throughout the Literature Review

Key themes by other scholars may be summarized as follows

- SMEs are collectively the largest contributor to economies of the developing world and their collective success transforms entire economies
- SME’s are the most vulnerable economic contributors during economic crises
- SMEs lack access to key resource for success including, skills training, financing, credit facilities, good management

- There is a direct relationship between adaptation strategies and success of SME's in turbulent economies.

This section examined the definition of cash crisis as a new concept, and one with very little prior existing academic literature. It took into consideration various studies that documented SME challenges within unstable economies which experience rapid change. It looked at characteristics of these SMEs and what made them more resilient than those that failed to survive. This research is guided by Lewin's Force Field Analysis Model as a theoretical framework for understanding SME change in the Zimbabwean economy and their responses to a highly dynamic environment. It makes use of the 3 Step Model of Change designed for organisational change and allows this

research to apply it to SMEs effectively to allow business survival and even growth in some instances.

4.3 Change Management Theoretical Framework

The researcher will make use of a framework developed by Lewin in 1940 called the Force Field Theory as a basis for carrying out this study. Although the theory was developed 80 years ago it is still relevant in the modern day and applicable to studies such as this one where it may be used to examine SMEs, their operating environments and changes that they may implement to survive. The diagram below illustrated the basic principles of Force Field Analysis.



Figure 1: Illustrating Lewin's Force Field Analysis Model Applied on Perceptions (Source: Adapted from Andyeklund, 2019)

5. Presentation of Results/Findings

Introduction

The demographic information of participants is found in the table below.

Table 1: Demographic Profiles of Participants

SME	Industry	Years in Business	Registration	Number of Employees	Interviewee
SME 1	Automotive Retailer	13	Yes	6	Owner/Manager
SME 2	Clothing Retailer	6	Yes	5	Owner/Manager
SME 3	Financial Services	12	Yes	36	Manager
SME 4	Supermarket Retailer	10	Yes	7	Owner/Manager
SME 5	Petroleum Retailer	16	Yes	9	Manager
SME 6	Chemical Manufacturing	16	Yes	24	Manager
SME 7	Transport Services	7	Yes	15	Owner/Manager
SME 8	Agriculture Food Processing	17	Yes	33	Buyer/ Procurement

The participants were all formally registered SMEs within various industrial sectors located in Harare and having been in business for more than five years.

business activities under current economic conditions. This section assesses perceptions of the small business on the current cash crisis.

6. Data Analysis and Interpretation

Looking at section one, the table below reflects how our 8 SME's perceived the cash crisis with regards to their

Table 2: SME Liker Scale Responses

Interview Question	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree	Total
Are cash transactions a vital part of your business		3	4	1		8
Has the cash crisis affected your business activities?	7		1			8
Has your business derived any positive outcomes from the cash crisis?			2	3	3	8
Would you say the cash crisis has cost your business in any way?	5	2	1			8
More can be done by government to resolve the cash crisis?	3	3	1	1		8

SME perceptions and quite possibly attitudes towards the cash crisis are very important when we take into consideration what steps they will take to improve their situation within the current economic conditions. The Likert scale was very useful in providing an idea of these perceptions.

Question 1 Analysis

Regarding whether cash was a vital part of SME business daily activity, half the respondents 50% (N=4) were rather neutral whilst 37.5% (N=3) agreed it was. From those that did agree the most obvious was the public transporter who ran several commuter omnibuses to which most consumers paid cash. The other two in agreement were the Supermarket and the Meat Processor both of which received varying amounts of cash from retail outlets. The meat processor however used cash to motivate their suppliers to sell to them as it was a more prompt method of payment when sourcing cattle from rural areas. Of particular interest was the SME which was rather unmoved by cash transactions and claimed cash transactions were not vital in their business. This SME was SME3, which in offering loans to clients, did not deal in cash neither was the client payback process nor the interest involved in cash. This SME although dealing with finances focused on electronic transactions to facilitate their business. A point that constantly popped up interestingly was that cash is not vital because if customers do not bring in cash SME's simply rated (perceived exchange rate) their electronic transactions to match the cash price. SME 5 states "Cash allows us to procure forex (US Dollars) at a better (cheaper) rate in comparison to electronic transactions, this way our money goes further and our costs are less." Although not clearly stated most SMEs were bent on the idea that physical currency was not of paramount importance but certainly provided a competitive advantage in SME business models within Zimbabwe thereby sourcing it constituted adaptive change in strategy.

Question 2 Analysis

On whether or not the cash crisis had affected each SME, 87.5% (N=7) strongly agreed that it did in one way or another. Once again only one SME seemed neutral this being SME3 the financial services provider. SME 3 "Our business being a financial services provider only deals with the bank we do not provide cash transactions to our clients neither do we demand cash payments." They reported that the cash crisis did affect them but very mildly, what directly affected them was inflation and perhaps one of their bigger fears as they stood to lose far more than their clients. In the case of SME 3 their adaptation strategy was simply to charge higher interest rates as an inflation adjustment change management tool to remain in business.

Question 3 Analysis

This question aimed to assess whether there were any positive outcomes that could have been derived from the cash crisis in order to maintain a balance and not prematurely conclude it was all doom and gloom. 75% (N=6) of respondents were in disagreement with the idea that their businesses derived any positive outcomes from the cash crisis. The remaining 25% were neutral on their standing. Not surprisingly one SME reported a positive outcome of the crisis. SME 8 states "The cash shortage

allows me to benefit from cash discounts when I buy cattle for slaughter in rural areas, electronic money is inaccessible to them." As part of change management strategy, this SME took advantage of the scarcity of cash as a commodity to procure inputs at a lower cost.

Question 4 Analysis

When asked if the cash crisis had adversely affected their business and cost them in any way. Without a doubt, 62.5% (N=5) SME's strongly agreed while 25% (N=2) agreed and 12.5% (N=1) remained neutral. This shows that the cash crisis does affect all SME's though at varying levels and degrees. SME 1 stated "Cash crisis inherently forces us to transact and save in a more stable and internationally acceptable currency to remain in business." In order to adapt SMEs continuously find sustainable methods of saving and paying suppliers outside of Zimbabwe in an internationally acceptable currency as part of change management strategy.

Question 5 Analysis

The last question on the Likert Scale sought to find out if SMEs felt there was more the government could do to alleviate the cash crisis within the country and more so its impact on their business activities. This question had varied responses ranging from positive to negative on the Likert Scale. 37.5% (N=3) SMEs strongly agreed that more could be done, while another 37.5% (N=3) also agreed, 12.5% (N=1) were neutral and 12.5% (N=1) disagreed. Of particular interest in this case was the one that disagreed. This response came from the SME 8 T, who elaborated in narration by saying "government can be more proactive in supporting small businesses, understanding our challenges, needs and designing institutional reforms which strengthen SMEs."

7. Thematic Analysis

Table 3: Key Themes for Adaptation Mentioned by SME Participants

Theme	Category
Mistrust towards the banking system	<ul style="list-style-type: none"> • Inability to access deposited funds • Poor confidence with regards to NOSTRO/FCA Account Management • Banking system failures • Speculation of a new currency
Great Appreciation for Cash Transactions	<ul style="list-style-type: none"> • Transaction-tax Evasion (cheaper money) • Favourable conversion rates
Survival Strategies and Adaptation	<ul style="list-style-type: none"> • Trading in foreign currency • 3 tier pricing strategy & hedging • Hoarding and selling of cash • Saving in foreign currency • Diversification • Cash as a business incentive • Credit facilities
More Government Assistance to SMEs during Cash Crisis	<ul style="list-style-type: none"> • facilitating the sourcing of Forex formally • business development initiatives as opposed to increased tax burdening

Theme 1 Mistrust towards Banking System

A recurring theme mentioned by several SMEs and their perception of the current cash crisis was that people prefer to

hold onto physical currency due to historical experiences where the local banking system let them down. This way they are able to avoid queuing for currency and are able to conveniently access and control their funds at any given time. This is especially true of the smaller SMEs which handled smaller transactions resulting in an overall smaller turnover. Their adaptation strategies and change management model structures were geared towards the ability to access their money at any given time to pay suppliers and other business expenses.

In line with Lewis change management model this involved unfreezing traditional methods of banking and transacting with their suppliers and customers, instilling more liquid financial structures and freezing them into their operations. Some of these new adaptations included cash hoarding in currencies both local and foreign and maintaining minimal balances within their bank accounts. This allows them to react to overnight monetary changes more swiftly. It has happened in the past that SMEs were not able to react in time to monetary policy changes such and new currency in time due to the inaccessibility of their banked funds thereby putting them at a huge disadvantage financially.

SME 6 (Chemical manufacturing) narrates their experience in 2017 “ *we had built up our reserves over a long period in the company bank account with the intention of expansion then in the space of a week our US dollar deposits were converted to RTGS balances which only work in Zimbabwe. Suddenly we could no longer afford to import the equipment we needed and had saved up for.*” SMEs perceived view even the newly introduced foreign currency accounts as potentially vulnerable to policy changes preferring to hold their hard currency at home or outside the country.

Appreciation for Cash Transactions

Cash transacting was one of, if not the most common adaptation strategies SMEs introduced into their change management plans. Cash transactions provided advantages such as access to funds, ease of currency exchange for SME needs on the informal market, and the obvious tax evasion. SME 2 (clothing retail) narrates “*cash transactions whether local or foreign, put my business in a much better position to restock on imported brands. If its local currency it's cheaper for me to buy fore if I buy using a cash rate in comparison to transfer.*” SME change management models had to take cognition of the obvious advantages cash transactions provided most SMEs during the cash crisis. The resultant adaptation strategies put customers transacting in cash at a better advantage in terms of discounted pricing and prioritization within most SMEs.

Survival and Adaptation Strategy influence on Organisational Change Management

SMEs within this study took on more of a reactive than proactive approach to organisational change management strategy adaptation. The reason for this being the external environmental forces that affected most SMEs during the

cash crisis were highly volatile and not predictable. Many of the challenges SMEs faced were new to them and could not be adequately planned for ahead. In line with Lewins change management theory these changes would be catered for as they presented themselves within the business environment. Survival rather than growth of SMEs has informed most of the changes SMEs have adapted including; cash hoarding and selling, 3 tier pricing, trading and saving in hard currency (US dollar), and change management relative turbulent economies. SME 5 (petroleum retailer) explains “*we set RTGS cash sales targets simply by prioritizing cash customers, we then sell it on the informal market to raise more money to meet our overheads and pay off suppliers especially given price controls its becoming harder to break even and innovation is required.... then with (the) surplus we buy US dollars for savings.*” SME 5 has change from regular business to a highly survivalist approach on business to make ends meet and their change management model has permitted them to survive.

More Government Assistance for SMEs during the Cash Crisis

All SMEs with the exception of one felt government could do more than they currently are to ease the burden on their business. They felt they were being over taxed and under supported. “*apart from requiring us to register and pay taxes I am not quite sure what role government really plays within our industry.... it is not surprising many SMEs are evading transactional taxes through cash (transactions) any chance they get*” – SME 7 (transport provider) explains. SME change management models sometimes lend a blind eye to tax and monetary control legislation to best suit SME business needs. The process is so common it appears normal to most business operators.

Applying Lewin's Force Field Analysis of Smes to this Study

During the course of interviewing SMEs, the researcher was able to pick out their challenges with regards to conducting their business in the cash strapped Zimbabwean economy. From the interview, one is able to deduce their key driving forces for change both internal and external as well as note their restraining forces. Some of the driving and restraining forces were common across SMEs whilst others were unique to certain SMEs and industries.

This section applies Lewin's Force Field Analysis Model to the SMEs linked to their feedback from the interviews and establishes a generic commonality based organisational change management model for understanding. This model can be tweaked to become SME specific for more accurate individual SME based results.

Perhaps the best way to illustrate Lewin's Force Field Analysis Model with relation to SMEs interviewed in this study, would be to visually depict the new generic approach as shown below, and further discussed thereafter.



Kurt Lewin's Force Field Analysis of Zimbabwean SMEs During the Cash Crisis		
Driving Forces	Status Quo Cash Crisis	Restraining Forces
Internal Survival Profitability Growth, Expansion & diversification Technology		Internal Uncertainty SME Culture Morals & ethics
Forces for change 		Forces resisting change 
External High inflation High taxation Increased costs of Production Foreign exchange shortage Parallel market driven economy		External Speculation on new Currency Legislation Fiscal & Monetary policies

Figure 2: Force Field Analysis

This interpretation of Lewin's Force Field analysis applies to the generic SME operating in Zimbabwe. It highlights the most common driving and restraining forces observed from SMEs involved in the study. On weight and score the left site of the force field scores higher and so this means forces for change are more dominant and SME's will change their structure and practices to adapt to the environment their operate within characterised by cash shortages. The changes SMEs then implement are the Adaptation strategies pointed out by study research objective 3 stated below;

- Trading in foreign currency
- 3 tier pricing strategy & hedging
- Hoarding and selling of cash
- Saving in foreign currency
- Diversification
- Cash as a business incentive
- Credit facilities

8. Conclusion and Recommendations

8.1 Introduction

This chapter takes a look at a summary of the research objectives and the main findings revealed throughout the study. It also presents the conclusions drawn from the study and puts forward recommendations the researcher may deem necessary before finally pointing out the limitations of the study.

8.2 Summary

The vast majority of Zimbabwean SMEs are greatly affected by the cash crisis in varying levels depending on their industry, scale of operations and input requirements. The cash crisis has led to a new set of deterrents amidst the Zimbabwe economy's already complex operating environment plagued with a cocktail of challenges.

The shortage in cash has created a currency situation in which SMEs participate in the buying and selling of cash both local Bond and US dollars on the parallel market. These activities by SMEs have managed to support their revenue streams as well as secure much needed foreign currency for purposes of importation of raw materials and products for local consumption.

As the cash crisis continues to persist, the safest way through which SMEs perceive they are able to save their

funds is in the form of physical US dollars, they store outside of banks. The mistrust they have gained towards the banking sector instigates fears of inaccessibility should the funds be deposited and required at a later stage. Once again this has fed the cash crisis as banks fail to attract deposits and money is being hoarded by SMEs. In addition to improving accessibility to their funds by saving in hard currency, SMEs are able to protect their money from Zimbabwe's skyrocketing inflation if it is in US dollars.

8.3 Recommendations

The first recommendation put forward would certainly be to carry out more research with regards to cash crises, not just in the case of Zimbabwe but in other countries where similar economic challenges have been experienced.

A second recommendation would be for the Zimbabwean government to facilitate dialogue with SMEs around the cash crisis and how they can collaboratively resolve this economic dilemma. There is little trust between SMEs, the banking sector and government and as long as this is mistrust is in place the economy will continue to deteriorate. SMEs need to be engaged as they are holding much of the cash which should be in circulation as well as participating in parallel market trade. It is also SME's that have introduced measures such as 3 tier pricing that needs to be addressed.

There is a need to establish formal channels through which foreign currency can be sourced and traced so as to be made available for key sectors that need to import goods. The allocation of which should be transparent and accounted for by responsible bodies.

A third and final recommendation would be for SMEs to adapt change management models that take a holistic approach to all external environmental factors that affect internal processes. Kurt Lewin's change management theory has proven to be highly compatible and useful approach to understanding and facilitating organisational change within SMEs operating in Zimbabwe during the cash crisis.

8.4 Limitations

A cash crisis such as that currently being experienced in Zimbabwe is a very unique phenomenon and as such few

economies have experienced this and documented such. Based on current literature available this study is likely one of very few, if not the first that specifically links SME perceptions to cash crises as well as documents SME responses. For this reason there was little by means of already existing literature to compare findings and results with.

A second limitation of this study is the nature of the Zimbabwean economy as a possible constraint to achieving accurate results. The Zimbabwean economy is ailing in far more ways than one and phenomena such as the cash crisis do not occur in alienation to other parts of the economy. The cash crisis itself is a manifestation of economic mismanagement coupled with economic sanctions, symbolic and symptomatic of greater underlying causes which themselves need to be addressed.

The final limitation lies in the degree to which respondents of this study felt free to communicate and express their challenges and adaptation strategies to a researcher. There was a general sense of insecurity on the part of SMEs with regards to what the research was about, what it would be used for, where it would be published if so. Some of the activities SME's partook in are now considered illegal under new Zimbabwean laws but it was not the case at the time of interviewing.

8.5 Conclusion

This study explored a new challenge to Zimbabwe's economy that of the cash crisis, one that is not common but of particular interest as it has driven SMEs to adapt innovative measures and change management theory to stay afloat. It explored how SMEs perceived this crisis and how they were executing change management to avert closure. SME's that fail to adapt to the curve balls the Zimbabwean economy is constantly throwing at their operations face a real threat of closure and therefore need to be constantly adapting to their highly dynamic operating environment.

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