Challenging Contingency Approach to Organisational Failure-induced Adaptation: New Research Directions and Implications for Organisational Change Studies

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Abstract

Despite the plethora of research on organisational change (OC) and the popularity of applying contingency-based or structural measures for its successful implementation, we do not know how a people process-based model can more effectively and comprehensively deal with the threat that such an implementation poses for SMEs. Although contingency theory and its implicit structural approach to organisational change offer hope for SMEs to resolve their structure-outcome alignment difficulties, amongst others, we do not know whether their application in organisational failure-type situations (such as merger-acquisitions and post-mergers) has facilitated the survival of specific SMEs in such contexts. To address this theoretical gap, I use empirical data from a survey of 85 participants, including managers and employees from four SMEs covering two geographic regions of the UK to develop a missing 'dynamic process model' for organisational change scholarship. I contribute by extending the contingency planning literature's focus on a reactive, planned set of structurally based procedures by developing a model that highlights the dynamic, people-related factors that were previously missing from the contingency model in four specific change situations. I also identify what needs to be done practically by developing four people-procedural areas (PP1, 2, 3 & 4) that will help SMEs overcome their challenges in a more dynamic way at the individual, collective and organisational levels. The results' implications, the study's limitations and new directions for organisational change studies are highlighted.

Keywords: contingency, planning, SMEs, organisational change, dynamic, model

Introduction and research context

Organisational Change (OC) researchers have polarised research interests into a host of areas including leadership (Gill, 2011), strategic management (Burnes, 2004) and planning and communication (Rosenbaume et al., 2018). Relatively recent interests are focusing on facilitating organisational change process effectiveness (Subramony et al., 2018) in large as well as smaller companies (Todnem By, 2005). However, the literature focuses either on the reactive implementation of the structural measures or depicts a theoretically laden exposition, both of which have not addressed the gap in developing a more proactive process that deals with the people issues of change (Hayes, 2018). An additional problem presents itself, which is that to date, the literature on organisational change has neglected how a more dynamic and process-based approach to planning can mitigate against the possibilities of the frequency of organisational change failure (Smith, 2003) despite the planning efforts incurred in resource-constrained organisations like SMEs (Steinerowska-Streb & Steiner, 2014; Mosadeghrad & Ansarian, 2014) that are continuously battling to implement change successfully.

To date, OC researchers' focus on the planning side (Kotter, 2006; Lewin; 1947), often through a methodical (or even scientific) manner has missed the nuanced changes in people's behaviours and attitudes and how management might help in this grey area (Northhouse, 2014) i.e. the rather unplanned and chaotic nature of the people-related aspects of organisational change (Rosenbaume et al., 2018). Whilst Fry and Kriger (2009) have highlighted that researchers need to focus more on people-driven processes of change (Fry & Kriger, 2009) in order to help managers resolve the ineffectiveness caused by implementing the earlier proposed planned measures (Domingues et al., 2017), it is still not clear how this could be beneficially sustainable in addressing SMEs' frequent changes despite earlier recognition by Marks and Mirvis (2001).

The literature on organisational change is still divided in terms of what measures are effective (Seo et al., 2004) and the impact of managerial actions in their successful implementation (Van der Voet, 2014; Kempster et al., 2014). Part of the problem is that the opposing propositions raise tensions and conflicts (Schonefield, 2004) as managers' efforts to effectively implement contingency measures to tackle the implementation barriers is still an unresolved and, therefore, debatable issue (Blanco-Portera et al., 2017). This implementation deficit is especially pronounced in SMEs that are also challenged not only from a financial resource perspective (Paul et al., 2017) but more adversely from a management competency deficit

(Mitchelmore & Rowley, 2010). Such deficit has been neglected in SME studies over the past decade. I have identified for critical evaluation the theoretical foundation of the contingency approach to change to study what happens when SMEs' managers' competence is put to the test as they try and implement contingency measures as proposed in the literature in ways that they think will reap success to see what new developments could emerge. Based on what the emerging theoretical framework on contingency planning and its limitations to date has offered, I have chosen to investigate whether a people-centric approach to change can be combined with managers' dependence on organisational, contingency planning approach in order to facilitate a deeper understanding and a more efficient (i.e. successful) way of dealing with the vagaries of organisational change faced by SMEs going through mergers and acquisitions.

The author envisages to make the following additions to the organisational change theories examined. Firstly, the author examines the foundation theory of the contingency approach to see how effectively resources are utilised (in order to develop a new and more effective process for their deployment during change). Secondly, the author critiques the fundamental assumption of the contingency that employees are replaceable (and therefore dispensable assets) as opposed to the employee as a *human*/change agent. Thirdly, the author not only situates but applies the contingency approach to see what other combination(s) might exist to the literature's focus on managerially planned change. Fourthly, an analysis of the contingency approach and with the help of the data, I develop a change management process that could prove effective in the SMEs situations described (Mendy, 2020). The paper's contribution to OC research and contingency planning theory is a 'dynamic process model' (DPM) including areas highlighting how the people processes could be implemented to address organisational failure-induced mergers. After examining this paper's theoretical foundation next, I proceed to investigate the methods used in obtaining and analysing the paper's data and findings. The implications and future research directions lead towards the paper's conclusions.

Literature Review

Contingency planning approach to Organisational Change

The contingency approach highlights the importance of organisational structures in achieving effective organisational change (Child, 1984). It has become a popular managerial tool for a range of outlets because it offers fresh insights (at least when it was proposed) into a number of disciplines, including OC. The basic premise of the theory is that an organisation's structure (and as such its outcomes) is largely dependent (i.e. contingent) on its situational factors (e.g.

customers, environment, industry, government and non-government agencies, technology, resources and size). Therefore, organisational success is dependent on management's capability in aligning structures to mitigate against the adverse effects of situational contingencies. As contingencies differ so too do contexts, structures and processes as well as the way managers interpret and implement the measures.

Other proponents of contingency such as Pfeffer (1994) and Uhlenbruck et al. (2017) believe that managers can plan and implement organisational change successfully (Subramony, 2018). However, it is problematic to always associate structural alignment with organisational success – e.g. the ability to outperform environmental challenges to survive (Hendry, 1980) as it is difficult to capture the variety of environmental factors that continue to emerge and fluctuate over time (Wood, 1979). Secondly, the application of contingencies to organisational change also highlights the manager-as-liberator and the manager-as-prisoner dilemma in the sense that the inherent decision-making seems to imply that when internal and external structures become fluid (Leifer & Huber, 1977), managers' influence on successful implementation becomes contingent on varying factors. In other words, in as much as managers can decide which of the factors they wish to successfully impact on (e.g. customer satisfaction fora, technological usage, communication pipelines), outcomes are at the sympathy of other factors (e.g. people capacity) and the firm's financial size (see Perrow, 1983). A deeper examination of capabilities contributing to successful processes as suggested by Burnes (1996) needs to also look into levels other than management if organisations, especially resource-constrained SMEs, are to avoid organisational collapse (Mosadeghrad & Ansarian, 2014; Mendy, 2018).

Although some scholars have noted how organisational structures and procedures can be used by managers to dynamically reshape culture if organisational change related failure is to be resolved, wider people challenges add to the managerial deficits (Banal-Estañol & Seldeslachts, 2011). Despite management's efforts to avert failure (Northhouse, 2014), negligible efforts are being dedicated to whether a process to redress such ineffectiveness of structurally laden activities such as training, leadership development and strategic redirection (Marks & Mirvis, 2001) can resolve performativity issues (Appelbaum & Berg, 2001). The inclusion of additional managerial practices such as developing and retaining staff (Horgan & Muhlau, 2005; Dolan et al., 2005) through communication (Dykes et al., 2018) have also not helped organisations (big or small) to identify what they have missed in merger and acquisition circumstances when they use the theoretical recommendations enshrined in job enrichment,

job rotation, quality assurance programmes (Stone & Deadrick, 2015). Part of the problem is the reactive way in which the managerial measures have been implemented and the ineffective outcome has highlighted how salient it is to look into specific SME merger and post-merger situations threatening organisations (Sverdrup & Stensaker, 2018) to assess the viability of managerial contingency planning for organisational change.

Other proponents of contingency have identified additional characteristics which they believe will help in organisational change. Among these is Fiedler whose oft referred to situational model of 1978 targeted leadership's ability to resolve resource-related challenges (e.g. task allocation, staffing, role distribution and so on). However, he failed to address the multiplicity of situations and challenges that Pfeffer (1994) thinks could be part of a firm's internal and external activity preoccupation such as customer demands, changes in government regulations, changes to financial and policy enactments and the emigration and immigration of staff. Therefore, the environment is also in a constant state of mutation, which in itself, presents another difficulty (Uhlenbruck et al., 2017) so is the speed at which management should react (Dykes et al., 2018) in training and developing staff (Hudson et al., 2015), in planning (Pryor et al., 2007; Wischnevsky et al., 2004) as well as implementation (Reckwitz, 2002). However, the extent to which a firm's structures, its procedures, cultures and activities are dynamic and open enough (Daskalaki et al., 2015; Jack et al., 2013) to enhance the effective being called for is a largely neglected area (Bendig et al., 2018) and therefore needs rethinking (Mendy, 2018).

When scholars such as Guest (2002; 2011) later proposed self-managed teams, job-enrichment and rotation as additions to contingency, such measures highlighted management's (and overall organisations') dependence on the benevolence of other parties to deal with the task and responsibility issues involved, among other things. Despite the afore-contributions and constraints, contingency theory remains generic – i.e. it can be applied to any group of people who are assigned to carry out any task in any organisational situation. Applying contingency measures to SMEs, where this has not been attempted before, is designed to firstly address an oversight of the extent of how it has been implemented to avoid organisational failure and secondly to see what can be contributed to Organisational Change research theoretically and practically (Mendy, 2019).

The contingency approach to organisational change has therefore not fully addressed the gaps that have been identified from this literature especially those relating to SMEs' resource

(un)availability and effective usage. This therefore implies that such types of organisations will continue to find their situations/environments competitive and their management would continue to struggle. Contingency planning procedures and their implementation were supposed to help managers in a range of organisations in any situation to resolve any resource related challenge effectively (Uhlenbruck et al., 2017). Aspects that deserve additional scrutiny have to do with the way contingency planning (Dykes et al., 2018) measures (Bullough et al., 2014) are implemented practically on people, given the oversight in the literature.

Something innovative is nigh (i.e. a process that helps in identifying and improving suitable internal working conditions to counteract the external situational challenges as well as those relating to how tasks and responsibilities are internally carried out at various levels. Scholars have proposed that individuals (at the individual level) develop a sense of agency – i.e. as people who can bring about effective change (Barratt-Pugh & Gakere, 2013). However, such a view is not supported by everyone. Other scholars identify managers (at the managerial level) as people who should exercise leadership by changing their organisations' 'old' structures and mechanisms for 'new' (and hopefully more effective) ones through a planned, rational and linear contingency approach. Yet other theorists oppose linear planning by recognising that the scale, disorderliness/chaos, frequency and complexity of change renders it un-plannable (Burnes, 2004). Given the continuous complexity of organisational change, other scholars have proposed greater sophistication in the organisational change procedures but we do not know how the recurring paradoxes posed by management's adoption of planned procedures would be solved (Rouleau & Balogun, 2011) or what type of alternative process might help alleviate the difficulties caused and the research gap on SMEs.

Research Methodology
Data collection
Two survey rounds were conducted between 2004/5 and 2011. Four SMEs agreed to participate in a total of eighty-five interviews (68 to start with and 17 subsequently) with managers and employees. They all confirmed that their companies were faced with merger and acquisition challenges which were threatening their viability and ability to initiate organisational change. Each of the interviews lasted not more than an hour per participant. Whilst the first survey was used to ask questions on the nature of the challenges faced by the members of each of the firms, the second centred on how people responded to the managerial measures used in each of the situations. The second round also highlighted the opportunities as well as the constraints faced

at the individual (i.e. managerial and employee), the collective (i.e. group) and organisational levels. Participants decided on their own accord to waive anonymity and agreed that the materials be publicised.

Data analysis

Having collected the data, I sought assistance from three independent researchers with expertise on qualitative data review, classification and interpretation. Their help was in axial coding and thematisation. The process entailed combing through the qualitative transcripts, the arrangement of recurring themes into phases of their emergence and then categorising these appropriately. Such a systematic procedure led to the development of four areas that facilitated the thematic identification of the nature of the challenges and the response mechanisms implemented from managers' organisational change perspective.

After due consideration of the different qualitative research interpretation protocols available, including those of Silverman (2016), it was agreed to interpret the data in the custom of Alvesson and Skoldberg (2017) as it lent itself to a deep sense-making of qualitative survey material. Additional input from the solicited researchers highlighted participants' reflexive descriptions capturing not only the planning involved in dealing with the challenges but also a process that showed a level of dynamism (i.e. a proactive engagement on the part of respondents). Relevant organisational change literature was used to enhance the analysis and help develop a more dynamic process model than those currently available in the literature examined. Having done so, the need to look into how sustainable the proposed activities from the literature were in relation to the four contexts (e.g. training, monitoring, evaluating and so on) was undertaken in order to ascertain their impact on people's responsiveness to managers' use of contingency measures for organisational change at the individual, collective and organisational levels of analysis (see earlier reference to various collection-year-points). Table 1 below highlights the composition of companies and data collection participants.

Companies	Role types	Total respondents
Bakkavor-Laurens	Employees Managers	10 employees 7 management=17 in 2004/05 2 employees, 3 management=5 in 2011
Longhurst Housing	Employees	10 employees, 7 management=17 in 2004/05 2 employees, 2 management=4 in 2011

	Managers	
Lagat	Employees	10 employees, 7 management=17 in 2004/05
		2 employees, 2 management=4 in 2011
	Managers	
Eden	Employees	10 employees, 7 management=17 in 2004/05
		2 employees, 2 management=4 in 2011
	Managers	

Table 1. *Companies, role types and surveyed participants*

I applied a three-stage procedure to analyse the data. Firstly, I presented people's descriptions' (Lincoln & Guba, 1985) of what they perceived as the nature of the challenges and what mechanisms they used to manage them. These were used to denote the extent to which participants used contingency planning measures as advised by the literature to deal with merger-acquisition type organisational change. People's reactions highlighted the recurrence of four thematic categories in the tradition of Alvesson and Skoldberg (2017). This ushered in the second stage, which is extracting a procedural process of how staff's subjectivities were played out as these have been largely missed in previous contingently, planned procedures for organisational change. The third stage featured the development of an integrative process of managing change that might help mitigate against potential demise.

The nature of the challenges faced by all four SMES are organisational change-related and, by extension, the extent to which the new propositions are sustainable in the longer term. For example, Longhurst was under government pressure to improve not only the quantity but also the quality of its public housing in terms of staff performance. Lagat was asked to meet the increasing demands on their educational services for young adults when headcount was shrinking during the austerity years in the UK. The Care Quality Commission (or CQC) had Eden Supported Housing (ESH) asked Eden to make care more affordable to the frail and elderly and improve the service-quality. Its new owners emphasised on profit-maximisation and greater performance. Laurens-Patisserie, the biggest cake manufacturing firm in Lincolnshire and Nottinghamshire, was diversifying its employee ethnicities and cultures which necessitated new ways of working. Local supermarkets like Morrison's and Asda's started asking for greater clarity on products' nutrition labelling. An international company, Bakkavor, bought the firm by 2011 and redirected their focus on greater financial viability as their preferred performance.

Results

The results of the interviewees highlighted not only how management but also how staff dealt with the challenges of organisational change. The extent to which their actions could be considered as mitigating against the possibility of organisational failure were captured as part of a process of change implementation. Sometimes, employees' responses were characterised by compliance with management's demands and usage of the contingency approach (Fielder, 1964; Dykes et al., 2018), sometimes by non-compliance (Burnes, 2004). What became interestingly observable from the data is that some staff used a combination of other measures (or if one wills, an alternative set of mechanisms) to address the organisational change issues in ways that have not been captured in contingency planning theory (e.g. employees 'branching out' of structural contingency tasks). Yet still, others developed sub-cultures that were concealed from management as a way to develop their own contingency alternatives. In contrast with McLaughlin et al.'s (2002) technology-culture-change alignment, staff violated management's established communication-via-technology-aided pipelines by setting up their own communication channels to forestall the damage cause by implementing the measures (i.e. impending failure) The results surfaced aspects of contingency planning procedures (e.g. management's use of supervision, training and development protocols) as a way to enhance staff's adaptability and an organisation's capability to mitigate the external pressures – (see Uhlenbruck et al., 2017) whilst simultaneously highlighting employees' acknowledgement of having to deal with conflicting and sometimes unplannable nature of the demands from their respective managers and organisations (Burnes, 2004).

More importantly, a process that captured the various reactions started to emerge and show the significance of the study's findings in comparison to previous studies that focused on the contingency approach. These are classified as a Dynamic Process Model (DPM) as it highlights a combined set of processual as well as procedural set of activities to deal with the respective organisations' performativity and change implementation issues (Appelbaum & Berg, 2001) and how they were implemented in line with the situational contingencies. There are four processes (or DPMs) and within these are four people procedures (or PPs). After due consultation with three other expert researchers in the field, it was agreed to combine and report the process and its procedures in order to develop a more comprehensive capture of the way the contingency measures were applied in the firms and the contexts studied (see DPM-PPs 1, 2, 3 & 4). They should and are treated as an integrated organisational change framework with the following key aspects namely 1) communicating preferred organisational change (DPM-

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PP 1); strategizing on organisational change implementation (DPM-PP 2); 3) learning to change by changing organisational structures and mechanisms (DPM-PP 3) and 4) developing new ways of making organisational change work (DPM-PP 4).

Their details are supported with relevant respondents' quotes and what transpired as managers attempted to use contingency measures to implement change. Four categories of what transpired are accounted for as follows:

Communicating preferred organisational change
• *DPM-PP 1:* Managers in the four SMEs clearly said that they recognised the necessity for their companies to change. Employees also came to this realisation when they were told by their managers often via their company's top-down communication channels. In other cases, they became aware via management's scheduling of periodic '*meetings*'. However, at other times managers saw the need to '*push*' communication further down the hierarchical line especially as the SMEs were '*looking to develop, develop, develop*' (i.e. their financial resources). Increasingly staff were made aware of the need to '*show competence, as qualifications change*'. Managers then tried to recruit staff who knew about '*commercial activity*' but who were told about some '*practical overlaps*' via periodic meetings. Those staff who were not '*attuned*' with the new (financially geared) requirements were served with disciplinary measures often via '*new efficiencies*' communicated through third parties. This caused staff to '*devise their own ways*' as they began to '*erase job boundaries*' in their bids to survive and add to the measures.

Strategising on organisational change implementation
• *DPM-PP 2:* Managers were compelled to start '*new strategies*' some of which included '*performance matrices*' especially as they noticed that staff were resisting their measures. These included '*measurements*', '*training in specialist skills*' that provide '*more opportunities to develop*'. In other instances, the new measures started to make employees feel their '*hard*[ness]' and '*harsh*[ness]*' because they '*don't see the need*' given the '*minimum wage jobs*' that appeared to have '*asked too much*' of their contributions. Whilst these were going on, a Manager at Eden in 2004/05 remarked that the situation called for '*a lot of work on disciplinary issues*' as this was buttressed by another Manager at Longhurst who in 2011 said '*you need to be very disciplined* [with] *the plan* [for change] '*and revisit it….*'. As a result,

employees started operationalising their own way of implementing additional measures by talking and interacting with their colleagues.

Learning to change by changing organisational structures and mechanisms
• *DPM-PP 3:* Via such interactions, employees began taking up extra duties and responsibilities by, for example, consciously selecting those '*training programmes*' they should be '*representing the company*'. Some of the staff even talked about '*branching out*' from their companies as the necessity to provide '*business updates*' and '*how [to] improve fund raising*' became more acutely felt by all parties. Managers saw these counter-measures as acts of rebellion and they started to rein in on the employees. Employees realised that they had a knack for some jobs and by taking up more of the ones they were good in doing they made their work more noticeable than what they would have been given credit for under the contingency measures. They engaged in '*learning', 'supporting*' and '*checking funding streams*' of various types including, '*learning how projects are progressing*', '*learning to understand each other's role*', '*learning to win contract bids through variety generation*' and '*learning to deal with uncertainty.*' They thought these will facilitate additional contributions to their companies.

Developing new ways of making change work
• *DPM-PP 4:* Employees took it upon themselves to act as mentors to other colleagues in order to boost their competency and to help their firms in what they considered as 'people investment and consolidation' opportunities. By so doing, they began curtailing what they considered as the '*harshness'* and '*hardness'* of their management. Employees started to appreciate the benefits of working in '*cross functioning'* teams and by so doing consolidated '*relationships*' not only across '*departmental working*' but also in '*staff training and the delivery of quality support*'. These activities were undertaken over and beyond what their managers could monitor and keep a check on.

People-centric Change theory
The process of how each of the companies' respective management tried to implement changes, as identified above, is interesting in the study of Organisational Change. This is partly due to the fact that its focus has shifted from an overemphasis on an organisation's procedures, structures or plans (see Child, 1984; Subramony, 2018) and from a previous focus on management's role in facilitating (sometimes dictating contingencies for) organisational change (e.g. planning skills development - Bullough et al. (2014). There is an additional shift

from Guest's (2002; 2011) earlier emphasis on team-working and job-enrichment and from Barratt-Pugh and Gakere's (2013) need to identify and implement effective management mechanisms and procedures to an emerged focus on the effectiveness of sub-cultural contributions as an addition, and therefore an alternative to contingency theory and approach. Part of the problem posed by these traditional methods and proposals is that they have not been able to sustain the initial gains made for the very organisational change processes and procedures that were supposed to help the company adapt to and thereby survive its changing environmental challenges. Likewise previous attempts by scholars to resolve inefficiencies caused by the setting up of organisational structures (Daskalaki et al., 2015) succeeded only in restricting the innovative capacity (i.e. human potential) of staff either as individuals or as a collective as they seek new ways of carrying out tasks needed to deal with fresh performativity issues. This new shift and what its addition to the previous contingency measures has been referred to as 'people-centric change theory'. It recognises what people actually do (i.e. their compliance, non-compliance, branching out and sub-cultural counter-contingency measures to organisational change).

Identifying the centrality of a people-centric change theory is not enough especially in a field where a plethora of theories have been identified previously. What is important is to show the usefulness of the theory (i.e. what it can contribute). To do so, I have highlighted four people procedures (PPs), which should be viewed as belonging to an umbrella process of how staff ought to be treated not only in the traditional organisational change rhetoric of resources to be deployed on the behest of a managerial productivity-based agenda (i.e. as a disposable means to an end) but as innovative and effective organisational change (i.e. as change agents with expertise). The proposed four aspects show what types of skills and competency sets are needed to enhance the expertise that contingency approach adoption was supposed to demonstrate in achieving a more innovative and sustainable way of implementing change. As the expert agents accrue what is needed from each of the four areas, they begin to show what was lacking in previous studies whose focus has been on the procedures and structures (i.e. the mechanisms and plans for change - Jack et al. (2013)) rather than on a willingness from participants to develop the capabilities for continuous adaptation in the longer term (see Table 2 below & Mendy (2019)):

Aspects	Organisational Change theory	Contingency theory	Dynamic Process Model
1	Create urgency for change and performativity	Develop organisational structures	Identify mechanisms for adapting to external pressures
2	Encourage team-working to enhance change	Develop processes of adaptation	Identify mechanisms for adapting to external pressures
3	Encourage high levels of engagement	Identify and develop contingency leaders as resource	Highlight staff's value in and contributions to this
4	Be flexible with people	Match leaders' competence with non-leaders' capabilities	Create openness and flexibility in organisational systems and processes
5	Develop a vision for change	Develop leaders with competences to drive change	Match structures with people's objectives for successful environmental adaptation
6	Develop necessary resources	Develop pools of staff to facilitate leadership's initiatives	Identify human and non-human resources needed
7	Develop necessary resources	Train and develop staff	Develop everyone's adaptation and sustainability capacity
8	Stabilise change initiatives	Adapt structural activities to facilitate staff voice and engagement for successful outcomes	Facilitate effective deployment of available resources to optimise dynamic capabilities
9			Reinforce previous steps to enhance the system's dynamism and adaptation capability via periodic evaluation

Table 2. *Comparison of organisational change theory, contingency theory and dynamic process model*

Discussions and Implications

The Dynamic Process Model includes four people-procedures (PPs) referred to in this paper as (DPM-PPs) which form part of an overarching way in which participants developed an organisational change framework. The latter includes 1) communicating preferred change in performance (DPM-PP2); strategising on implementation issues (DPM-PP2); 3) learning to perform whilst changing organisational structures and mechanisms (DPM-PP3) and 4) developing new ways of making change work (DPM-PP4). Each highlights efforts of

organisational members showing the shortcomings of the contingency planning measures adopted by their managers. Therefore, the DPM is proposed as an addition (or an alternative to contingency) to highlight the innovative capacity that managers' adoption of the structural measures of previous studies had perhaps unintentionally stifled leading to potential organisational failure (Amankwah-Amoah, 2016).

The overall process provides us a visualisation of what management *as well as* employees contributed when they tried to follow contingency planning measures. Their various contributions have been captured in the form of compliance, non-compliance, 'branching out' of structural contingency methods and sub-cultural formations as counter contingency measure. At the start of the challenges, employees could be seen complying with the managerial structural input as a way that they thought would avert further adversity. However, when they realised that their welfare was not being taken into account, non-compliance started to set in as part of employees' reactions to management's use of structural and procedural impositions that were not working. To demonstrate that something new has been added from the data, it was noted how employees talked openly about 'branching out' from the measures (i.e. contingencies) which highlighted a specific type of innovation in organisational change. It showed what people in a certain context that has been threatened by organisational failure because of the application of contingency theory as an approach to change, can actually 'branch out' of what has been prescribed in traditional wisdom. This development led to the formation of sub-cultures as a counter-narrative to contingency planning, contingency theory and the contingency approach/model of organisational change. These four developments are captured in the form of a 'people-centric change theory' and a 'dynamic process model' which help to signal the mutating nature of organisational change and the sustainability aspects required for its resolution. Given its rarity in organisational change discourse, such a research area was chosen for further exploration as a way to contribute to its under-reporting in SME studies on how organisational change challenges are captured, reported and dealt with. This has helped to answer the research question. Dynamic Process Management (DPM) sub-procedures 1 and 2 identify the specific contexts giving rise to the SMEs' organisational change problems and DPM sub-procedures 3 and 4 identified what types of resources (in addition to the financial) were needed to implement a resolution of the context-specific-change and performance problems. The second set of strategies is important because they showed how SMEs can use their meagre resources in more innovative, and therefore dynamic, ways than those previously highlighted by Child (1984) or Uhlenbruck et al. (2017), among others. However, I also hasten

to add that my proposal and the four areas need to be adapted to specific organisational change situations for them to be effective (i.e. sustain the benefits of dealing with organisational barriers to change both at the individual and collective, organisational levels).

An examination of how the people procedures helped in facilitating this operationalisation is therefore vital. First, the way individual employees and managers dealt with their challenges (i.e. using what types of practical actions they took and the language used - Sanders et al. (2014) in DPM-PP1 only highlighted an uncoordinated set of individualised actions that succeeded in 'pushing' rather than helping people become innovative. However targeted the structural and contingent nature of the procedures were in order to train staff to be compliant with the new activities (e.g. DPM-PP2), they served to reveal what staff thought to be the 'harshness' and 'hardness' of the managers' measures. However, by DPM-PP3 staff's behaviours and attitudes showed something different from the contingent management measures used previously as they realised the benefits of learning from each other's roles and using these to show how to better communicate their coping and management skills (formally and informally). In a way, they showed how to practically deal with pressures as a result of the adoption of theoretically based contingencies that failed to resolve the internal and external environmental challenges (see Subramony et al., 2018). By DPM-PP4, the overall institution had realised the essence of people's commitment and relational networks as a dynamic set of resources that could resolve the challenges at other levels – i.e. individual and collective.

The analyses of each of the levels showed that the SMEs revealed aspects that showed they were challenged by organisational change. For example, individual employees and managers talked about being required to develop new '*competences*' and acquired new '*qualifications*' so as to meet the new requirements relating to their companies' '*commercial activity*'. Others also talked about having to make '*new efficiencies*' which they reported as stringent especially as their 'old' jobs started to '*erase*' in the face of the '*new* [contingent] *strategies*' and '*performance matrices*'. At the collective level, the combined group of management and employee cadres reported the urgent need to develop teams that worked on a '*cross functioning*' basis across '*departmental*' and '*staff training*' exercises. At the organisational level, such levels of innovation were considered crucial if the companies were to '*improve fund raising*' whilst simultaneously '*learning to win contract bids*' for their sustainability and viability. Each of the levels showed the type of innovativeness required to survive the challenges despite previous literature's emphasis on aligning organisational structures with a

company's financial capability (Perrow, 1983) or aligning training and leadership development with strategic reorientation (Marks & Mirvis, 2001) or focusing on performativity (Appelbaum & Berg, 2001). What each of these contingency-focused measures failed to account for is what Burnes (2004) had earlier referred to as the disorderly and unplannable nature of problems such as organisational failure. What my proposal does is capture the complexity involved as well as show what type of creativity is needed from all parties, including staff who had not been factored in traditional contingency theory and approach by Dykes et al. (2018) among others.

Through the individual, organisational and collective institutional level of analysing the survey data, it could be ascertained that various interventions and skills sets are vital if SMEs are to successfully become innovative in the use of contingency measures when dealing with multiple challenges of adaptation. These include the interventions identified earlier at each of the levels, especially those highlighting the need to transcend the managerial application of contingent planning procedures. It also includes developing expertise that allows individuals and groups to become more adaptive to their specific situational challenges (e.g. financial acumen development, learning to be more agile, becoming more efficient in their respective roles). Being innovative also involves the pooling together of an institution's resources as well as relational capital to deal with perceived as well as real organisational challenges similar to the ones envisaged by management and dealt with by staff. Previously, anticipated problems to be caused had been attempted to be resolved by Panayotou (2016) although the actual way in which people become innovative in resolving similar challenges had not been dealt with.

What management anticipated to be positive outcomes as a result of their contingent interventions was found not to be the case despite previous research's proposals by Pfeffer (1994), Budd et al. (2010) and Hendry (1980). What the findings of this study revealed is that studies of the past had emphasised contingency measures as a planning and structural requirement for organisational change without taking into account the process needed to enhance creativity at different levels of operation. Quite apart from showing that the Dynamic Process Model and its resultant people-centric-procedures are vital in (re)shaping our thinking and practice of how to cope with and successfully mitigate change, to claim to have done so innovatively (i.e. by adding something creative to the contingency measures) requires additional discussion as follows.

What the model and its procedures highlight are new people-centric process directions that are needed to forestall some of the damages caused as a result of managers having to use the contingent measures to effect organisational change. Each level of analysis has revealed the fundamental and underlying principle of engaging implementers of organisational change (i.e. its agents) as well as the potential resistors (i.e. the people barriers) in a process of continuous improvement despite the challenges. Previous studies' have missed recognising the data's important aspects such as a more coordinated tackling of the challenges that contingency planning would hitherto accord to management, highlighting that the contingency measures, whether executed out of habit or presumed knowledge served predominantly to stifle the very resources they ought to have unleashed for collective benefit and the need to discover new resources when existing ones are proving ineffective in supporting institution-wide capacity building. The last aspect of my dynamic process model is fundamental in highlighting a new research agenda and a new theory focusing on what types of qualities are needed by all organisational members if they are to develop innovative capacity to deal with the ravages caused by management's adoption of contingency plans towards organisational change. Having and utilising such a capability set has helped to sustain the survival of the companies and secondly the four people-centric procedures which were developed by the participants equate to a strategy for sustainable and innovation-infused change.

This paper recognises some implications as follows. The issue is whether the process developed here has sufficient research quality that could facilitate SMEs and their members' survival capacity under merger-acquisition type challenges. To respond to this, an evaluation of the effectiveness of applying the process is considered. Firstly, the process is directly developed from SME members who reported the urgency to save their companies from external challenges from competitors, regulators, investors and profitability losses as well as internal application of contingencies that deepened the challenges and stifled creativity. It also did not help when participants reported wanting to help but being stifled by the scale of the challenges and management's insensitivity to how contingency planning measures were being applied. The thematisation of the issues raised by both management and staff unearthed that the linear application of contingencies (i.e. from managers down to staff) needed revisiting and rethinking in organisational change studies. This has led to the paper's second or alternative implication, which is that what the proposed process contributes should not be viewed simply as a process, given the fact that the application of previous procedures has failed companies and their members. Mine is a combined process that involves building on the inadequacies of

contingency planning (based on what members think works). It is derived from a combination of analyses of the drawbacks of contingency practices and a demonstration of the people and structural aspects needed for its successful implementation contrary to and in extension of Dykes et al. (2018) planned approach.

Summary

This paper's research question (and the gap thereof) was identified based on the extant literature whose need for a more dynamic process became evident as the contingent and planned structural procedures and their application only helped to stifle SME members' creativity towards organisational change. It was found that SMEs' capacity to deal with the challenges were overlooked in current and past studies. To answer the study's research question (and thereby address the identified gap) I explored key organisational change literature including contingency theory and approach to show what has been missing in SMEs experiencing potential organisational failure. I noticed that studies that focus on management's use of structures as advised by contingency theory only served to highlight the types of management expertise required to be exercised on apparently docile employees (Teittinen et al., 2013) thereby leaving the important staff competency capabilities required to complement management's action unattended at the behest of overall organisational performativity (Appelbaum & Berg, 2001). When this happened in each of the four specific organisational change situations investigated in this study a fundamental aspect for enhancing the innovative use of the contingency measures – (i.e. by combining management and staff's creativity) was missing. This oversight was found to have led to each of the four SMEs' managerment's incapacity to deal with their change challenges. Something that flexibly reflects what staff said could work was needed. Having identified what was lacking, I used the aspects to develop a dynamic process model that captured various human aspects that they said should more effectively not only in treating staff as human beings with expertise but also recognising a whole range of individual, organisational and collective efforts needed to counter the literature's predominant narrative of standardised, contingency proposals. This shows what organisational change research has needed over the years – an innovative capacity of resolving challenges for SMEs.

This study contributes in extending our knowledge concerning what managers need to do when they try to be innovative in change challenged and failure-prone contexts. There is a systematic way as presented in the four DPM-PPs to show various levels of innovation – some more creative than others (e.g. DPM-PP 3 & 4 compared to DPM-PP 1 & 2). It was found that

innovation measures that were geared towards 'pushing' staff to implement a set of mechanistic activities only served a managerial agenda of quantitative 'measurements' to make their efforts look scientific (i.e. implemented according to the rule book of contingency planning theory). However, the recognition that an additional set of measures could prove more effective (DPM-PP 3 & 4) within the four specific organisational change situations highlighted the drawbacks of relying on the application of contingency measures that could impact adversely on sustainable change and longer term organisational survival as noted by Mosadeghrad & Ansarian (2014). Therefore DPM-PP 3 & 4 highlight the need for their inclusion in Organisational Change theory as well as their recognition of 'people-centric change theory' as a result of the developed model.

Conclusion

By developing a dynamic process, I have added to contingency planning dependence by managers and this could serve as a welcome alternative to the structural contingency planning method for organisational change. Therefore, my research question has been answered. I have also identified four specific organisational change situations that SMEs were involved in and shown how they each dealt with their challenges. Their responses and activities were incorporated into a new and innovative way of in an area of research that had been overlooked and one that contingency theorists could take note of in future studies. The contextualised nature of the challenges that served to limit staff's expertise and thereby stifle an innovative capacity to organisational change helped in highlighting the drawbacks of relying on a planned yet contingent approach to organisational change as captured in traditional literature by Budd et al. (2010) and Hudson et al. (2015) among others. Therefore, a more contextually-dependent approach to innovative capacity building for organisational change has been identified in DPM-PP3 & 4 compared to the linear approach of contingency modellers and theorists. My model calls for dynamism as a way to recognise that dealing with fluid situations as the ones experienced by SME members needs greater levels of flexibility in order to enhance organisational and their members' survival in the longer term.

My findings highlight what could be of assistance to decision, policy makers and managers of SMEs – i.e. recognising the importance of people-development-centric processes and adapting these in line with a range of employees' capabilities. My results have therefore extended extant knowledge which previously relied on the use of contingency methods as a shortcut to deal with the resource constraints of small and medium sized enterprises faced with continuous

organisational change. My model and theory serve as part of a new research agenda that acknowledges fluidity, dynamism and a people-centric framework that can help facilitate how managers, with the help of staff, can become more innovative with organisational change compared to the previous efforts of Saridakis et al. (2017), among others.

Paper's Limitations

The drawbacks of the study centre on the limited nature of the survey sample. This suggests that the results should be interpreted as part of an integrated process to deal with the recurrence of organisational change challenges (see DPM – PP1, 2, 3 & 4) such that individual and collective level survivability are enhanced. Although the planned nature of the contingency model has sought to reassure management of its potential to facilitate organisational survival, the dynamic and fluid nature of recurrent organisational change has negated such promise (see each of the specific SME change situations). The paper is also constrained by the fact that I focused on specific regions in the UK, whereas a wider trawl of regions or countries could have unearthed greater dynamism in the model and therefore a more varying degree of people processes that could have further enriched my developed model and theory. As part of a new research agenda for Organisational Change, there is now the need to embed dynamism, fluidity and people-based capability aspects in future studies. Their inclusion will further strengthen the organisational change planning methods used by contingency theorists and enthusiasts as a practical way of resolving the challenges that pose survivability threats especially to smaller firms. Further work is needed in the new directions that have been highlighted for the benefit of organisational change studies.

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