

Beating Crisis with Quality - A Case Study Research

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Abstract

This paper investigates whether entrepreneurial leaps toward quality contribute to developing more effective and resilient strategies, thereby enhancing organizational robustness during multifaceted crises. It aims to expand the current understanding of strategic management in turbulent times. Firm growth has been a critical subject in entrepreneurship literature for decades, typically modeled as sequential stages. Levie and Lichtenstein (2010) identified over a hundred stage models proposed between 1962 and 2006, which have faced criticism for being empirically untenable (Brown et al., 2017; Harbermann & Schuilte, 2017; Phelps et al., 2007). Our perspective views firm growth as a non-linear, multidimensional phenomenon that cannot be reduced to predefined steps or purely quantitative measures. Penrose's (1959) "primary meaning" of growth, emphasizing qualitative aspects, warrants further exploration. This study delves into qualitative growth processes in SMEs, aiming to build a theory on how qualitative entrepreneurial leaps unfold from a process perspective (Sternad and Moedritscher, 2022). Utilizing a data set from prior qualitative research, supplemented with case-based longitudinal data, we analyze the long-term benefits of entrepreneurial leaps, particularly in times of multiple crises. Our research spans three different industries, demonstrating that companies exhibit new entrepreneurial leaps even during crises. Through cross-case analysis, we present practical examples and ongoing research. The findings suggest that entrepreneurial leaps toward quality significantly contribute to the sustainable success of businesses, particularly evident over the past five years of crisis. Our study advocates a shift from quantity-focused to quality-focused growth, proposing that this approach can foster a sustainable economy and generate long-term value for stakeholders. This perspective encourages companies to reevaluate growth metrics, emphasizing long-term benefits and sustainable strategies amidst current global crises, including climate crises.

Keywords: strategic management, growth, quality, leadership, crisis