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Project Submission Sheet

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AI Acknowledgement Supplement

Strategy Formation in Rural Irish Family-Owned SMEs: Succession, Workforce Planning and Digital Disruption

Your Name/Student Number	Course	Date
Darragh Smith/23192011		21/08/2025

This section is a supplement to the main assignment, to be used if AI was used in any capacity in the creation of your assignment; if you have queries about how to do this, please contact your lecturer. For an example of how to fill these sections out, please click here.

AI Acknowledgment

This section acknowledges the AI tools that were utilized in the process of completing this assignment.

Tool Name	Brief Description	Link to tool
Chat GPT	Used to edit and improve wording, grammar, paraphrasing and sentence structure.	https://chatgpt.com/

Description of AI Usage

This section provides a more detailed description of how the AI tools were used in the assignment. It includes information about the prompts given to the AI tool, the responses received, and how these responses were utilized or modified in the assignment. **One table should be used for each tool used.**

Chat GPT	
ChatGPT was used to edit and check wording and gramma and sentence structure. It was also used to help structure the outline of the thesis such as suggested chapter headings and their sequencing. Additionally, specific sentences were input to ChatGPT to rephrase them for better clarity and academic tone.	

Evidence of AI Usage

This section includes evidence of significant prompts and responses used or generated through the AI tool. It should provide a clear understanding of the extent to which the AI tool was used in the assignment. Evidence may be attached via screenshots or text.

Additional Evidence:

Additional Chat GPT Prompts Used:

- Check the following text for grammar mistakes and suggest corrections
- Check for consistency in spelling and punctuation
- Make the following sentences flow more naturally
- Suggest improvements to grammar and sentence flow in the following paragraph without changing its meaning or adding new information:
- Rephrase the text below to make it more concise while retaining all original meaning:
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- Suggest better transitions between the following two paragraphs without changing the content:
- Generate a linking sentence between the following two paragraphs
- Check the following text for spelling and punctuation errors, but do not change the meaning:
- Highlight any sentences that might be repetitive and suggest more concise alternatives:
- Ensure the terminology in the following section is consistent with the context:
- Maintain the formal tone of the following text while improving the readability:
- Does this following passage answer the following question (…)?

Strategy Formation in Rural Irish Family-Owned SMEs: Succession, Workforce Planning and Digital Disruption

Darragh Smith

Master of Business

National College of Ireland

2025

Abstract

This dissertation investigates how family-owned manufacturing SMEs in rural Ireland, particularly in the Cavan and Monaghan region, respond to the pressures of leadership succession, technological disruption and strategy formation. Although SMEs form quite an integral element of Ireland's rural economy, existing academic literature has largely focused on startups and urban enterprises as opposed to mature, family-run companies. This study aims to address that gap by exploring how strategic planning is shaped in businesses such as these, in the context of the above pressures.

This research was guided by five main objectives: to explore how SME founders' approach strategic decision-making; to examine the impact of past crises on the strategic outlook of businesses; to check how strategy is actually implemented in practice; to investigate the human capital challenges encountered as a result of automation and AI and finally to research how succession is managed within family-owned SMEs. These objectives provided a framework for understanding the lived experiences of SME owners in the Cavan and Monaghan region and to provide insight into the strategic behaviours that result from their response to structural pressures.

After deliberation by the researcher, a qualitative, interpretivist methodology was employed in the analysis of this dissertation. This mechanism utilised a semi-structured interview process with six SME owner–founders from Counties Cavan and Monaghan. After the interview were completed, thematic analysis via the Braun and Clarke method was applied to the data, which allowed a series of themes to develop. This particular approach enabled the researcher to gain deep, context-specific answers to the research questions.

The findings from the study revealed that strategy formation in the business is mostly informal and founder led. It also outlined that it is predominantly shaped by the intuition and experience of the founder rather than from a strategically planned process. The results further outlined that past crises, particularly the 2008 financial crash resulted in increased caution in owners of SMEs. Another finding revealed that strategic direction remains heavily dependent on the founder, with limited delegation or documentation. Labour shortages were also identified as a major issue in these businesses, especially in the area of recruiting skilled trades. Automation and AI were recognised by most as being important however adoption of these technologies was infrequent and cautious, mainly due to cost, capability gaps and cultural resistance.

Succession planning was widely noted by many of the participants as important but admittedly often delayed or disregarded entirely, with some founders citing emotional attachment and uncertainty about future leadership as their rationales.

The study concludes that rural Irish SMEs are quite resilient and that they are deeply rooted in their communities but that they face many severe barriers. Some practical recommendations that have been devised on foot of the analysis are the potential introduction of light-touch strategic routines, development of regional training partnerships and promotion of a process of tiered digital implementation. The researcher also recommends further study in this area. In this recommendation it is suggested that consideration be given to study at a level that would allow exploration of these combined dynamics simultaneously over a longer duration, across a broader geographical area and with a larger sample size. Additionally, it is suggested that future research should examine how founders can be encouraged and incentivised to begin their succession planning earlier in their working career, allowing potential successors to be mentored and to contribute their own skillsets while the founder is still active in the business.

The researcher feels that this dissertation contributes new understanding to strategy formation in rural Irish SMEs and also offers a number of actionable insights for entities such as policymakers, enterprise support organisations and business owners navigating generational and technological change.

Keywords: SME strategy, rural enterprise, succession planning, automation, family business, strategic implementation, workforce development, qualitative research, Ireland.

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National College of Ireland
Research Students Declaration Form
(Thesis/Author Declaration Form)

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Name: __Darragh Smith _____

Student Number: __X23192011_____

Degree for which thesis is submitted: _Master of Business Administration _

Title of Thesis: _ Strategy Formation in Rural Irish Family-Owned SMEs: Succession, Workforce Planning and Digital Disruption

Date: __22.08.2025_____

Material submitted for award

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ACKNOWLEDGEMENTS

I would like to extend my sincere gratitude to the lecturers and staff of the National College of Ireland and in particular my dissertation supervisor Robert McDonald. I would also like to thank my fellow classmates for their support and comradery throughout the completion of this course and dissertation. I wish to acknowledge that I could not have completed my research without the willing involvement of the individuals who participated in the interview process. I would also like to thank my employer for their flexibility in the completion of my studies. Finally, I would like to thank my family who have patiently supported over the past 2 years.

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Chapter One: Introduction

1.0 What is an SME?

Small and medium enterprises (SMEs) are described as "enterprises with fewer than 250 persons engaged" (Department of Enterprise, 2025). They are further divided into: micro enterprises with fewer than 10 staff; small enterprises with 10–49 people; medium-sized enterprises with 50–249 employees. Large enterprises (250+ staff) made up just 0.2% of enterprises, employing 30.8% of people. (European Commission, 2025) SMEs "often have lack of information, time or expertise to deal with administrative rules", meaning that regulation can have a big impact in terms of compliance costs and administrative burdens (Department of Enterprise, 2025). They account for over 99% of active enterprises and employing more than 70% of the workforce (CSO, 2024). During the 14 February 2024 Dáil debate (Oireachtas, 2024), it was stated that SMEs comprise nearly the entirety of active businesses in Ireland accounting for up to 99.8% of enterprises. These entities contribute a lot to the national economy representing 69.2% of employment, generating 41.5% of turnover and contributing 34.8% of Gross Value Added.

1.1 Background

Within the Cavan Monaghan economic area, rural based, family-owned manufacturing SMEs play a unique role. DCU (2020) reports that 64% of businesses in Ireland are family-run, totalling some 160,700 enterprises. Moreover, only 8% of family businesses are SMEs, though they still employ about 380,000 people. These businesses are not only a provider of significant local labour in their communities, but they are also considered representatives of local identities and intergenerational continuity. They have grown and adapted for decades as well as survived cycles of growth, crisis, and change. Now they are faced with new threats, such as demographic shifts, uncertain succession and the rise of automation and AI.

The lived experience of this researcher, as an operations Manager in a rural, family-owned manufacturing SME in County Cavan, informs the motivation behind this study. Over the last two decades, this researcher has witnessed first-hand how strategy in SMEs is often not shaped through formalised frameworks but instead through founder intuition, learned experience and reactive decision-making.

The company in question, was established during the boom of the Celtic Tiger like many others in the region and it has grown through periods of significant upgrades during this time. Today, it finds itself confronting different kinds of pressures including attracting a skilled workforce in a depopulating labour market, preparing for leadership succession and integrating digital technologies that challenge outdated systems and workflows.

McCarthy's (1997) doctoral thesis on Irish SME founders remains a foundational text in understanding strategy formation in this context. Her research highlighted how entrepreneurs of the 1980s and 1990s often developed strategic direction in response to defining episodes. This included special moments of crisis or change that caused reflective learning and long-term shifts in practice. This approach to strategy now closely reflects a more recent reality where events such as the 2008 financial crash have forced SMEs to rethink their priorities. Unlike the challenges of the past, today's issues are less cyclical and more structural. With the implementation of rapid technological advancement as well as the issue of aging founder populations, Irish SMEs must concentrate on legacy as well as survival.

Recent studies have shown that many Irish SMEs lack systems for strategic succession planning, workforce development or digital transformation (McKenna, 2022; EGFSN, 2022; Clinton et al., 2024). Younger successors often bring new skills and perspectives, including technology and sustainability. However, they are sometime faced with resistance from older generations who are unfortunately rooted in traditional operating models which block company growth (Lannon et al., 2023; Daskalopoulos and Machek, 2025). These intergenerational dynamics can create both opportunity and tension, making strategic formation a human process. Building on this context, the study examines how other family-owned SMEs in rural Ireland and particularly those in the north-east region (Cavan/Monaghan), are adapting their strategic responses to the challenges of succession and digital disruption. This was carried out through a series of interviews with owners from businesses across this region, the rational for which is discussed in detail in Chapter 3.0. The evolving context highlights the need for deeper investigation into how strategy is shaped within these companies, especially in relation to succession and technological change. These issues are explored further in the next section.

1.2 Justification for the Research Topic

The decision to undertake this research is informed by both academic relevance and the professional interest of the researcher. Having worked in operational leadership within a rural Irish SME for over twenty years, this is an area of immense interest to the researcher. In this time, the researcher has observed the difficulties that arise when strategic planning remains informal, when succession is postponed and when workforce renewal is reactive.

Academic research to date on SME strategy has traditionally and predominantly centred on start-up activities and innovation and growth, with comparatively less attention paid to how long-standing, family-owned companies adapt during later stages of their development (Handler, 1994; Le Breton-Miller et al., 2004). McCarthy's (1997) doctoral work addressed this oversight by examining how Irish company owners responded to economic crises in the 1980s and 1990s and found that reflective practices were primarily used to reshape their strategic direction. Her concept of defining episodes remains highly relevant, particularly in the wake of the 2008 financial crisis and the COVID-19 pandemic. However, while her study captured the strategic responses of a previous generation, there is now a need for updated analysis. This analysis should focus on trying to understand how today's SMEs are responding to the emerging pressures that they are faced with such as automation, artificial intelligence and their implications for succession and human capital planning into the future. Succession planning remains one of the most overlooked yet essential elements of long-term strategy in Irish SMEs, this was highlighted by McKenna (2022) and Clinton et al. (2024). Many companies simply either sidestep the issue or postpone action until a crisis happens. This lack of foresight is particularly concerning in manufacturing settings as many owners often negate to formally document or retain critical technical, operational and client knowledge. By examining the connections between strategy formation, leadership transition and technological change, it is felt that this study offers a timely addition to the existing body of research. This study responds to a key national policy concern including, maintaining the resilience and competitiveness of rural Irish SMEs at a time when there is rapid generational and technological shifts. Building on McCarthy's (1997) crisis-driven approach to SME strategy, this research explores how current demographic and technological developments are influencing succession and workforce planning in rural enterprises (Bryson, Edwards and Van Slyke, 2018; Mintzberg, Ahlstrand and Lampel, 2005). While this framework provides a strong foundation, a closer examination of the literature reveals that there is a clear gap which this study ultimately seeks to address.

1.3 Addressing the Research Gap

While there is substantial literature on SME development and entrepreneurship, there is also a critical lack of research examining how mature, family-owned SMEs in rural Ireland formulate strategy in response to interlinked challenges. Current literature either focuses on high-growth start-ups or large enterprises, with limited attention given to long-established SMEs facing generational transitions and structural change (Storey, 2016; Zahra et al., 2020). McCarthy's (1997) study provided deep insight into the founder mindset within Irish SMEs, often emphasising how crises events served as catalysts for strategic learning and change. Her work captured the experience of a drastically different generation of entrepreneurs during a very different economic landscape. Since then, the situation has shifted dramatically. Rural labour markets have tightened, automation technologies have become universal and the average age of SME founders in manufacturing has increased (EGFSN, 2022; Central Bank of Ireland, 2023). More recent studies on SMEs have begun to explore succession planning (McKenna, 2022; DCU NCFB, 2024) and generational change in Irish family companies (Clinton et al., 2024; Lannon et al., 2023). These contributions often only focus on urban or service-based companies, with limited attention given to traditional manufacturing businesses in rural settings. Added to this, the interaction between leadership succession, strategic formation, and digital transformation has not been studied holistically, particularly through the lens of real-time founder decision-making.

This thesis aims to fill that gap by exploring how owners of family-owned manufacturing SMEs in rural Ireland are actually approaching strategy as they prepare for leadership transition and technological change. It considers not only how strategy is shaped and carried out, but also how owners interpret their legacy, manage continuity and balance tradition with innovation in response to workforce and technology pressures.

1.4 Research Questions

Based on the literature review and the identified gap, this research investigates how owners of family-owned manufacturing SMEs in rural Ireland shape strategy in response to leadership succession and the influence of technological disruption on human capital planning. The study centres on owner identity, strategic learning, talent development and preparedness for automation. McCarthy (1997) emphasised that strategic learning within SMEs is shaped by the character of the owner and the history of the business.

Factors such as prior experiences with crisis, individual leadership approaches and concerns surrounding legacy contribute to strategic choices. Recent research has highlighted how succession planning and digital transformation, including the adoption of automation technologies, interact with long standing cultural and operational norms (McKenna, 2022; Daskalopoulos & Machek, 2025).

The study is structured around five core research questions, each of which is designed to explore a different aspect of strategy formation in family-owned SMEs in the northeast of Ireland. These questions provide the guiding framework for the empirical research:

1. How do SME owner–founders approach strategy formation?

2. How have past crises influenced strategic direction?

3. How do leaders approach strategy implementation?

4. What are their views on automation and AI?

5. What are their plans or considerations for succession?

To answer these questions, five research objectives were developed. Each objective corresponds directly to one of the research questions.

Research Objectives:

1. To explore how owner–founders of rural Irish family-owned SMEs in the northeast region approach strategic decision-making and the extent to which their strategies are formalised or shaped through experience.

2. To examine how past crises and defining episodes have shaped the strategic outlook of SME founders and how these events continue to influence their approach to planning and change.

3. To analyse how strategy is currently implemented in these businesses, looking at the balance between informal practices and more formal, structured methods.

4. To investigate the human capital challenges facing rural SMEs as they navigate new disruptive technologies such as automation and AI.

5. To evaluate how succession and/or leadership transition are understood and managed in family businesses and to identify the barriers that limit the development of either option.

Together, these questions and objectives provide the researcher with a framework for the research. It is felt that they allow for an examination of the lived experiences of SME founders in the region, while also creating a structure for comparing those experiences with existing literature and policy in later chapters.

1.5 Organisation of the Study

This study is structured into six chapters, each contributing to the main research aim and addressing the five guiding research questions shown in Section 1.4. The thesis follows a logical and constant structure designed to build the understanding of the reader.

Chapter one introduces the research topic. It outlines the rationale for the study and presents the research gap with guiding research questions. It also explains the overall structure of the thesis.

Chapter two presents the literature review. It compiles academic, policy and practitioner perspectives on three interconnected themes: strategy formation in SMEs; human capital planning and succession and digital transformation (particularly automation and AI). This chapter also identifies the theoretical frameworks that underline the study including Mintzberg's emergent strategy, Teece's dynamic capabilities and the Technology Organisation Environment (TOE) model.

Chapter three outlines the methodology. It explains the rationale for the qualitative, interpretivist approach that was utilised. Details the use of semi-structured interviews with six founder-CEOs of family-owned manufacturing SMEs in counties of Cavan and Monaghan. Ethical considerations and the data analysis process are also described in this chapter.

Chapter four presents the findings of the research. It offers a thematic analysis of the interview data and maps the emergent themes back to the research questions and relevant literature.

Chapter five contains the findings in the context of the theoretical frameworks explored in the literature review.

Chapter six concludes the study through summarising, highlighting limitations and offering recommendations for both practice and future research.

1.6 Conclusions

This introductory chapter has outlined the background, justification and structure of the study. It has highlighted the challenges faced by family-owned manufacturing SMEs in rural Ireland, particularly as they discuss succession, talent shortages and technological transformation in this digital era. Taking from both personal industry experience and academic theory, the chapter has shown how strategic formation in these businesses is shaped by owner identity, crisis experience and cultural context as opposed to formal systems.

The justification for the research lies in the limited academic attention given to mature, rural-based family SMEs, particularly those operating in legacy manufacturing sectors, at a time of substantial structural change. Although strategy, succession and automation have been studied independently, few studies have addressed the way these themes converge in small, family-owned companies. This research addresses that gap by focusing on how strategic learning, intergenerational leadership and digital adoption interact in shaping SME resilience and long-term direction.

The five research questions presented in Section 1.4 are designed to explore these interdependencies in depth. The study is grounded in qualitative data gathered from owner-CEOs of rural manufacturing SMEs and informed by academic frameworks introduced in the literature. This study contributes to the existing literature by offering a real-time, family-owned perspective on strategy formation in rural Irish SMEs through interviews with the business owners. It then attempts to bridge gaps between succession planning, digital transformation and strategic learning, providing insights that are both academically relevant and applicable for policy and enterprise support. The next chapter reviews the literature that underpins the study, exploring key debates in strategy formation, human capital planning and digital transformation in SMEs. Drawing on both the researchers professional experience and academic theory, the chapter has illustrated how strategic formation in these companies is shaped less by formalised systems and more by owner identity, crisis experience and embedded cultural context.

Chapter Two: Literature Review

2.0 Introduction

With over two decades of operational leadership in a rural, family-owned manufacturing SME in County Cavan, this researcher has observed first-hand the evolving challenges that shape strategy formation in Irish SMEs. The increasing pace of digital transformation, shifting workforce demographics and the need for strategic succession planning have become critical areas of concern for founder-owners of Irish family-owned SMEs. This literature review explores these interconnected themes in depth, offering a theoretical foundation for examining how family-owned Irish SMEs create strategy at a time of accelerated and unprecedented change. This chapter sets out to examine the literature relevant to these themes. A comprehensive examination of various academic data bases was undertaken to attain the information presented in this study. The topic is crucial since SMEs are a critical pillar of the Irish economy (Oireachtas, 2024) and are now faced with increasing strain from demographic shifts, technological issues and generational change. Understanding the formation and adaptation of strategy in this situation is needed. This knowledge will be critical in future if we are to create effective policies, direct support programs that guarantee the long-term success of these entities. The review draws on academic, policy and practitioner sources to examine three interconnected domains: (1) strategic formation, (2) succession and (3) the adoption of automation its subsequent effect on human capital planning. These areas are often treated separately in the literature but in the lived experience of rural SMEs, they are deeply interconnected. The scope of this review includes foundational theories of strategy, workforce development frameworks and models of technology adoption, with a particular emphasis on their relevance to Irish family businesses operating in legacy manufacturing sectors.

Strategic development in SMEs differs from larger companies. Traditional models such as Porter's Five Forces, assume access to formal planning systems and detailed market data. SMEs don't have access to these resources (Storey, 2016; Teece, 2018). As a result, strategy in SMEs tends to develop informally and is impacted by the founder's experience, intuition and reactions to unexpected events (Mintzberg et al., 2005; McCarthy, 1997). McCarthy introduced the idea of outlining events, showing how periods of disruption can lead to strategic thinking and change. This concept is uniform with double-loop learning (Argyris, 1990; Edmondson, 2019), where organisations reconsider not only their actions but also the belief behind them.

Human capital plays a role as both a resource and a challenge. Labour shortages in technical roles, especially in rural areas are well documented (EGFSN, 2022; Solas, 2023). Hiring of staff is often based on local networks, which can strengthen trust but limit access to a wider pool of skills that support innovation (Barrett & Tracey, 2021). Succession planning is often delayed, as founders may be reluctant to give up control or formalise changes in leadership (McKenna, 2022). Although younger leaders often bring digital skills and a willingness to innovate (Lannon et al., 2023), they face resistance from legacy practices and attitudes.

Digital transformation offers both potential benefits and threats. Despite the increasing availability of technologies such as artificial intelligence and automation, their use in SMEs remains inconsistent. The Technology-Organisation-Environment (TOE) framework (Baker, 2011; Prakash, 2025) and the Technology Acceptance Model (TAM) (Venkatesh & Davis, 2000; Martin, 2022) suggest that adoption of such technologies depends on internal capacity, user attitudes and outside conditions. The diffusion of innovation theory (Rogers, 2003; Miranda, 2024) is also used to explore factors that support or hinder AI adoption in Irish SMEs. Recent reports (Microsoft & TCD, 2025; PwC, 2024; Bibby, 2025) show that while awareness of digital tools is predominantly accepted and growing, few SMEs have clear strategies or leadership structures to manage such digital change. Daskalopoulos and Machek (2025) state that progress does not depend solely on automation, but on leadership, generational debate and willingness to change.

Despite extensive research, gaps remain as many studies focus on strategy, workforce or digitalisation separately and few have explored how SME leaders manage overlapping challenges. There is limited evidence available on how rural, family-owned manufacturing companies balance tradition, survival and innovation in the context of declining workforces and increasing digital demands.

This review aims to bring together existing research to understand how Irish rural SMEs are responding to a set of interconnected challenges, namely: generational change, skills shortages and digital transformation. It suggests that long-term strategic success in these companies requires a change in approach, one that respects founder experience while promoting shared planning, structured talent development and active engagement with digital technologies.

2.1 Approaches to Strategy

Strategic formation in small and medium-sized enterprises (SMEs) differs from that in larger businesses. Traditional strategic models, such as Porter's Five Forces, often assume access to extensive market intelligence, specialised strategy teams and strong analytical capabilities. Such resources are typically unavailable to SMEs (Storey, 2016; Teece, 2018). As a result, strategy in SMEs tends to develop informally and instead they are shaped by the founder's intuition, personal experience and immediate operational demands (Mintzberg et al., 2005; McCarthy, 1997). Mintzberg's framework offers a useful lens for understanding this process. His distinction between the design school, which advocates structured planning and the emergent school, which views strategy as evolving over time, reflects the reality of many Irish SMEs. These companies often respond to short-term challenges or opportunities rather than following formal strategic plans. In rural contexts, where founders remain closely involved, decisions are frequently influenced by their personal relationships and informal interpretations of market signals (McCarthy, 1997; Leehy, 1997). The Resource-Based View (RBV), introduced by Wernerfelt (1984) and developed further by Barney (1991), Konneh (2024) and Mailani et al. (2024), supports this perspective. The RBV suggests that internal resources such as organisational culture, founder expertise and customer loyalty, can provide sustainable competitive advantage. In Irish SMEs, these internal factors often serve as both strengths and limitations. Research by McKenna (2022) and Leehy (1997) indicates that strategic direction is frequently shaped by the founder's personality and comfort zone, which in some cases can promote stability but in others can restrict adaptability. Teece's (2018) dynamic capabilities theory adds further depth. It argues that companies must be able to identify opportunities and act on them. Proactively reallocating resources to adapt to changing conditions. This structure is especially relevant for Irish manufacturing SMEs. They have faced serious setbacks like the 2008 financial crisis, the COVID-19 pandemic and recent shifts in global trade and technology. In these situations, a founder's willingness to take known risks can be a decisive advantage. Despite the benefits of flexibility and agility, informal or founder-led strategy also presents its own set of challenges. Storey (2016) warns that this approach may encourage short-term thinking which can cause immediate concerns which overshadow long-term planning. Many SME owners say they're too focused on daily operations which means that they don't have time for strategic development.

Without formal processes or dedicated personnel, long-term goals are ignored and opportunities for innovation are delayed. McCarthy (1997) found that in many cases, strategy exists primarily in the founder's mind rather than in a written form. This fits with the idea of bounded rationality (Simon, 1957; Giarlotta & Petralia, 2024), where owners must make decisions quickly based on what's most practical.

In summary, traditional strategic models fall short of capturing the reality of SME operations, despite their valuable insights. Instead, more adaptive approaches that focus on experience, evolving conditions and internal capabilities are a better fit for explaining how Irish SMEs navigate uncertainty and change.

2.2 Crisis Driven Strategic Development

One of the main features of strategy in SMEs is how strongly it is shaped by crisis. Unlike larger organisations that rely on structured planning and forecasting, SMEs often develop strategy through experience and in response to disruption. McCarthy's (1997) concept of defining episodes illustrates how events such as economic downturns or succession challenges prompt reflection and strategic adjustment. These events force SMEs to reconsider beliefs and reorganise their priorities. This process lines with the theory of double-loop learning (Argyris, 1990; Edmondson, 2019), a concept which involves not only solving problems but also questioning the underlying beliefs that guide organisational behaviour. In rural Irish SMEs, such learning tends to occur informally, through gradual reflection rather than formalised procedures. McCarthy (1997) observed that following the 1980s recession, many founders redefined their leadership styles and strategic goals based on past experiences. In these cases, strategy became embedded in organisational culture and relationships rather than documented plans. Recent studies reinforce this view. Beaver (2003) describes crisis as a strategic inflection point that can lead to either stagnation or meaningful learning. Zahra et al. (2020) argue that companies that learn from crisis often develop greater foresight and adaptability. This capacity to bounce forward is particularly important for SMEs facing multiple pressures, including population decline, climate-related risks and digital transformation, issues that are especially relevant to rural Irish businesses today. Doz and Kosonen (2010) refer to this capacity as strategic agility. It is defined as the ability to sense change, respond quickly and reallocate resources (Ludviga & Kalvina, 2023).

Even though the concept was created for big companies, it works well for SMEs that succeed by staying flexible and include innovation in their practices. Even though decisions in SMEs are often made by the founder, their approach is usually wary and is guided by an awareness of risk. Ekezie (2023) applies this idea to the digital world, showing that SMEs often adopt new technologies only after a crisis. This reactive approach can limit the strategic benefits of innovation. The concept of path reliance (Sydow et al., 2009; Brekke et al., 2023) helps explain why past decisions can limit future options. In family-run SMEs traditional ways of thinking may hold back succession planning or technological adoption, slowing down progress in return. These findings underline the importance of preserving institutional knowledge and bringing reflective practices within SME culture. In the absence of a formal system, Irish SMEs risk losing valuable strategic wisdom during leadership transitions. McCarthy (1997) found that very few founders documented their decisions or crisis responses, making it difficult for successors to lead effectively in dynamic environments.

In conclusion, crisis does not just disrupt SMEs, it actively shapes their strategic capabilities. Learning in this context is informal and personal. For rural Irish manufacturing companies, where change is ongoing, the ability to reflect and adapt remains a key source of flexibility and competitive advantage.

2.3 Leadership Transition and Founder Role

Succession planning remains a complex and frequently deferred issue in family-owned SMEs in Ireland. Although its importance is widely acknowledged, it is often avoided until a crisis forces action. McKenna (2022) identifies several barriers to succession, including denial, emotional attachment to the business and fear of losing control. Research from the DCU National Centre for Family Business (2024) supports this notion, reporting that fewer than one-third of Irish family businesses have a formal succession plan in place. This is an increasing concern as many approach second or third-generation leadership without clear direction.

McCarthy (1997) links founder identity closely to strategic direction, identifying between pragmatic and charismatic entrepreneurs. Pragmatic founders tend to focus on legacy and structure, while charismatic founders prioritise vision and control. The latter of these often delay succession due to reluctance to change. This can block innovation, frustrate younger family members and create fragility during leadership transitions.

Succession is best understood as a gradual process of transferring authority and responsibility to another leader (Handler, 1994; Baltazar et al., 2023). This is particularly relevant in Irish SMEs, where founders often occupy multiple roles within their organisations. Miller et al. (2003) and Waddell (2024) warn of founder entrenchment, this concept is evident in instances where the business becomes overly dependent on a single individual, limiting renewal. Some founders may view succession as a personal loss rather than an opportunity for organisational growth. At the same time, younger successors often bring focus on technology, sustainability and inclusive leadership styles. Lannon et al. (2023) underline their interest in digital tools and environmental responsibility. However, internal resistance is common, especially when efforts are made to modernise practices that are rooted in legacy systems. Clinton et al. (2024) argue that successful SMEs are those who can balance tradition and innovation, passing on not only control but also values and culture.

The absence of formal structures in many SMEs means strategic knowledge is rarely documented. McCarthy (1997) found that many founders believed that no one else could do the job properly, a mindset that can block succession and block knowledge transfer. This essential syndrome often results in sudden, unplanned transitions triggered by occurrences such as illness, burnout or external shocks.

Succession planning must align with the company's future strategy, not just ownership change (Le Breton-Miller et al., 2004; Duckworth-Chambless, 2023). Without this alignment, succession risks becoming a transfer of outdated systems. McKenna (2022) stresses the need for planning that considers external dynamics such as technological change, regulatory shifts and labour market.

In summary, succession planning in Irish family-owned SMEs is both a strategic and personal process. It involves more than appointing a new leader; it requires redefining roles, updating systems and building trust. For manufacturing SMEs facing digital transformation and rural skills shortages, the lack of a structured succession planning poses risks to operational continuity.

2.4 Skills Shortages and Labour Markets

Skills shortages are a prevailing issue for manufacturing SMEs in Ireland, especially in rural regions such as Cavan and Monaghan. These areas operate at the boarders of labour markets and education systems which makes it difficult for companies to access the talent needed for modern manufacturing. Solas (2023) states a growing gap between the skills required, especially in automation, robotics and digital technology and those being supplied by Ireland's education and training systems. These qualifications are crucial for Industry 4.0 readiness. The Expert Group on Future Skills Needs (EGFSN, 2022) underlines the increasing need of technical skills. Mentioning that digital and automation capabilities are now critical even in traditional manufacturing sectors. However, many SMEs struggle to apply new technologies while facing recruitment difficulties for roles such as CNC programmers and toolmakers. The Central Bank of Ireland (2023) reports a continued decline in skilled labour in rural areas, worsened by youth emigration and an ageing workforce. Issues that continue to exist despite national recovery efforts. From a recruitment point of view, Barrett and Tracey (2021) argue that informal hiring practices are both a strength and a limitation for rural SMEs. Many companies rely on family networks and local references rather than formal recruitment channels. While this approach builds trust, it restricts access to wider talent pools and reinforces demographic stagnation. SMEs without structured HR systems are at a disadvantage when competing with urban companies and multinationals for unique skills. McCarthy (1997) identified this pattern early on, noting that rural Irish companies were already dependent on ageing, loyal workforces without adequate planning for renewal. Many SMEs remain skeptical to invest in external training due to concerns that staff may leave for better-paying opportunities. This fear is particularly acute in companies with tight margins, where the loss of trained staff can have significant operational impacts. In addition to technical gaps, soft skills such as leadership, adaptability and communication are also lacking (OECD, 2020). SMEs face the dual challenge of filling specialised roles while developing internal capacity for transformation. Government initiatives like Future Jobs Ireland (2019) have acknowledged these issues and offer support through regional forums and modernised apprenticeships. However, participation among rural SMEs still remains low, with many reporting limited access or engagement. Studies from Bibby (2025) and Eir Evo (2025) show a growing divide. While urban SMEs are attracting tech staff and upskilling their employees, rural companies can't compete, often lacking the career paths, salaries, and varied roles that young workers seek. Without targeted support like tax incentives or regional partnerships, this issue will only get worse.

The literature consistently shows that labour shortages in rural Irish manufacturing SMEs are structural rather than temporary. They stem from geographic isolation, limited policy support, outdated recruitment practices and insufficient HR capacity. For founder-led companies, this creates tension between maintaining tradition and addressing the urgent need for workforce renewal and futureproofing.

2.5 Human Capital Planning

While the literature has long acknowledged that SMEs often lack structured HR functions, there's growing agreement that the lack of strategic workforce planning is no longer viable, especially for rural manufacturing companies facing demographic shifts, succession risks and digital change. Strategic workforce planning involves aligning workforce needs with long-term goals (Garavan et al., 2016). Unfortunately, in SMEs, this is often informal or absent due to resource constraints (Storey, 2016). McCarthy (1997) found that many Irish SME founders saw little value in formal HR systems, relying instead on loyalty and close relationships. While these values helped create stability, they also created blind spots around future workforce needs succession and workforce development. Her research further revealed that founders rarely had succession plans or clear talent pipelines, making workforce renewal reactive and poorly timed. Cappelli (2008) and Hobsbawm (2024) argue that human capital planning must be flexible and continuous, particularly for smaller companies operating in volatile labour markets. For SMEs, this doesn't necessarily mean building large HR teams but instead integrating basic forecasting and development into daily operations. The identification of roles at risk and nurturing internal talent are practical steps that can be taken with minimal resources. Boxall and Purcell (2011) highlight the value of bundled human resource practices where recruitment, development and retention policies work together. In rural Irish SMEs, aligning flexibility and culture with employee expectations is key. Yet, evidence suggests that workers often leave if they don't see opportunities for growth. Saks and Gruman (2018) note that purpose, autonomy and coaching are now central to retention. Ekezie (2023) notes that AI and automation will reshape as oppose eliminate jobs. Roles in quality control (QC), logistics and production will increasingly require digital skills, system thinking and human machine collaboration.

Without preparation, current employees may feel disengaged, while new recruits may view the company as technologically outdated. Ekezie also cautions that when change isn't communicated well, it can lead to disengagement from employees.

Communication gaps are a recurring issue. McKenna (2022) found that in many Irish family SMEs, successors were increasingly frustrated by unclear roles and career paths. A lack of transparency takes away trust. Without a shared roadmap for capability-building, many high-potential employees simply leave for more stable environments.

Digital readiness also affects retention of staff. Companies that don't actively invest in training and infrastructure struggle to attract employees that are tech-savvy workforce and risk losing existing staff.

PwC (2024) found that only 19% of Irish CEOs are actively investing in workforce reskilling even though 94% believe their business models will change due to AI and new automation. This gap shows a failure to include workforce planning into leadership thinking. As Clinton et al. (2024) argue, the most sustainable Irish SMEs are those that integrate strategy, talent and governance early on. In family-run companies, where leadership is often inherited rather than hired, there is an urgent need to professionalise HR practices without losing cultural identity. Strategic workforce planning should be seen not as bureaucracy, but as stewardship or investment in the long-term health of both people and the business.

2.6 Automation and AI Adoption

Despite increasing knowledge of digital transformation, its adoption among Irish family-owned SMEs remains uneven and in many cases, limited. Larger companies often benefit from dedicated IT teams and structured digital strategies. Smaller family enterprises often adopt technology as a reaction to external pressures, rather than as a planned, proactive strategy (Microsoft & TCD, 2025; PwC, 2024). Rural SMEs face additional barriers, including among others poor infrastructure, limited access to technical talent and low engagement with government support (Bibby, 2025; Eir Evo, 2025). The Technology-Organisation-Environment (TOE) framework (Baker, 2011; Prakash, 2025) provides a useful view for understanding these issues. It suggests that digital adoption depends on the characteristics of the technology and external environmental factors. Applied to Irish SMEs, this framework helps explain why even digitally aware businesses may hesitate to adopt AI or automation.

Common concerns include implementation complexity, employee resistance and a lack of local success stories (Microsoft & TCD, 2025). The Technology Acceptance Model (TAM) (Venkatesh & Davis, 2000; Martin, 2022) further highlights that adoption is shaped by users' views of usefulness and ease of use.

In family-owned SMEs, founder attitudes are particularly impactful. McCarthy (1997) found that many founders were sceptical of new technologies, outlining concerns about cost, control and cultural disruption. This resistance is often stronger in businesses with informal decision-making structures. Daskalopoulos and Machek (2025) argue that successful digital adoption in family SMEs depends on intergenerational dialogue and strategic planning. Founders who resist change may limit dynamic capabilities such as sensing market shifts and reconfiguring operations. Their research identifies a generational digital gap, where successors are more open to innovation but face resistance from legacy leadership. Lannon et al. (2023) report that next-generation SME leaders in Ireland are digitally fluent and ready to innovate.

It is also reported that they often struggle with informal organisational structures and a lack of governance. Microsoft & TCD (2025) found that while 91% of Irish companies report using AI in some capacity, fewer than 10% of SMEs have an active AI strategy or designated leadership for digital transformation. This highlights a gap between tactical use, solving immediate problems and strategic integration of technology into long-term planning. Regional disparities are also evident. Bibby (2025) and Eir Evo (2025) report that only 35% of SMEs in counties such as Cavan and Monaghan have initiated digital transformation, compared to over 50% in Dublin. Barriers include limited technical expertise, weak supplier networks and poor broadband infrastructure. These factors reinforce internal resistance and slow progress. The literature suggests that digital adoption in Irish family-owned SMEs is limited by a combination of organisational culture, leadership attitudes, infrastructure limitations and generational tensions. As Daskalopoulos and Machek (2025) argue, digital transformation requires more than access to technology, it also demands a shift in leadership mindset, succession planning and strategic integration.

2.6.1 Supports for SME digitisation

Institutional support is vital in enabling SMEs to adopt digital technologies and automation. Enterprise Ireland (EI) offers several programmes to help SMEs with digital adoption and growth.

The Digital Discovery Grants help SMEs develop digital roadmaps, while Innovation Vouchers and the Innovation Partnership Programme encourage research and development partnerships. Other programmes such as New Frontiers and High Potential Start-Up.

Supports are aimed at expanding businesses, while sustainability-focused programmes such as Green Plus and Climate Action Voucher encourage environmental improvements (Enterprise Ireland, 2025).

European initiatives also provide significant support. The Horizon Europe program, for example, has given Irish companies substantial funding, with SMES receiving around €233 million between 2021 and 2024. This places Ireland among the top countries for participation in the program (Enterprise Ireland, 2024). The European Innovation Council offers additional funding for scalability through its Work Programme. While the EU Recovery and Resilience Facility helps Ireland's programme for the digital transformation of SMEs. This includes the creation of four Digital Innovation Hubs, which provide technical assistance and training to SMEs (European Commission, 2024).

These national and EU-level actions demonstrate the existence of a policy environment that actively supports SMEs' commitment to innovation, sustainability and automation. These frameworks provide Irish SMEs with the opportunity to expand and adapt to technological revolutions. Helping to bridge capacity gaps and reduce barriers to digital transformation.

2.7 Organisational Change

The integration of automation and artificial intelligence (AI) into SME operations has implications that extend beyond process efficiency, it has the ability to reshape human capital strategy. For rural Irish family-owned SMEs, adopting digital tools requires consideration of workforce structure, skill requirements, role definitions and organisational culture. These challenges are particularly acute in companies with informal HR systems and founder-led decision-making (McCarthy, 1997; McKenna, 2022). Brynjolfsson and McAfee (2014) predicted that automation would enhance productivity while disrupting traditional roles. SMEs implementing automation in production and administrative functions are now experiencing these effects. Caruso (2020) notes that unclear communication and role ambiguity can lead to psychological strain, especially in family businesses where roles are relational and often undefined. Ekezie (2023) found that AI adoption frequently reveals gaps in workforce planning.

SMEs without structured reskilling programmes face resistance, not only due to fears of redundancy but also concerns about becoming professionally irrelevant.

In Ireland, upskilling efforts are often reactive and underfunded, leaving long-serving employees uncertain about their future roles. PwC (2024) reports that although 94% of Irish CEOs expect AI to reshape their business models, only 19% are actively investing in staff reskilling. This gap is particularly evident in rural SMEs, where access to support is limited. Microsoft & TCD (2025) observe that digital change often begins with isolated technology adoption rather than a people-first strategy, making AI more disruptive than transformative. West et al. (2014) emphasise the importance of psychological safety in supporting employee engagement during periods of change. Many Irish family SMEs lack formal feedback mechanisms or change management structures.

Trust is often built through personal relationships and can become harder to maintain as a business grows. McKenna (2022) describes a reality in which leaders assume digital readiness while employees feel excluded from the process.

Founders may adopt automation to respond to external pressures but fail to align these changes with employee capabilities or expectations. Younger workers increasingly expect digital competence in their workplaces. Clinton et al. (2024) argue that for family businesses to continue, they must actively manage the balance between tradition and modern systems. To succeed, SMEs will need to do more than just adopt new technology. They will have to prepare staff for new roles, build systems for continuous learning and manage a culture where change is viewed as an opportunity rather than a threat.

2.8 Areas for Further Study

The preceding sections reveal three interconnected realities that shape strategic development in family-owned SMEs: (1) Strategy evolves through experience and crisis rather than formal planning. (2) Human capital functions as both a strength and a vulnerability in the absence of structured workforce development. (3) Automation and AI present both existential risks and untapped opportunities, depending on leadership mindset and organisational capacity.

Strategic formation in Irish SMEs has been extensively examined in McCarthy's (1997) doctoral study, which remains foundational in understanding how strategy emerges in these contexts.

Her research illustrates how founders learn through crisis, build strategy intuitively and often resist formalisation due to cultural and contextual factors.

Theoretical contributions from Mintzberg (2005) and Teece (2018) support the view that while SMEs can be agile and resilient, they frequently struggle to transfer strategic learning across generations. The founder's personality, worldview and openness to change are central to the strategic direction of the company.

Human capital is similarly complex. It is a strategic asset, yet also a constraint when workforce planning is absent. Reports from Solas (2023), EGFSN (2022) and OECD (2020) show labour shortages in rural areas. Scholars such as Boxall and Purcell (2011) and Garavan et al. (2016) stress the importance of proactive workforce training. However, evidence suggests that rural Irish SMEs rarely invest in structured talent planning. Succession remains largely ignored, despite research showing that planned transitions and inclusive leadership are critical for long-term sustainability (McKenna, 2022; Clinton et al., 2024).

The third pillar, digital transformation, presents a paradox. While digital tools are increasingly accessible, there is a lack of adoption.

Structures such as Technology-Organisation-Environment (TOE) and the Technology Acceptance Model (TAM) show that adoption depends on organisational context and user perception. Reports from Microsoft & TCD (2025) and Bibby (2025) reveal a lack of engagement with AI and automation among SMEs. Daskalopoulos and Machek (2025) argue that progress depends not only on technology but also on leadership renewal, governance structures and generational dynamics. Despite a robust body of literature, several gaps remain, particularly in the rural Irish context. First, there is limited integration across the three domains of strategy, workforce and digitalisation. Second, national reports often provide quantitative data but rarely capture the lived experiences of SME leaders. Third, few studies explore how family-owned rural manufacturing SMEs in legacy industries balance tradition, survival and innovation amid workforce decline and technological disruption. This thesis aims to address these gaps by exploring founder perspectives on strategy, succession and automation. It investigates how rural Irish family SMEs are responding to what may be described as a quiet crisis, the convergence of generational transition, skills shortages and digital urgency in a rapidly evolving global market. The central argument is that sustainable strategy in these companies requires a shift in mindset, one that respects founder experience while embracing collaborative planning, structured talent development and proactive digital engagement.

Chapter Three: Methodology

3.1 Introduction

The purpose of this chapter is to outline the research instruments that were utilised in attempting to address the research questions set out in this study, namely, to investigate strategic planning within family-owned manufacturing SMEs, with particular attention given to the fields of automation, workforce strategies in response to automation and succession planning. The methodology has been shaped by the research questions and their corresponding objectives and is informed by gaps identified in existing literature (McCarthy, 1997; Diaz-Moriana et al., 2018), ensuring a clear link between the study's design and its investigative aims. As Saunders et al. (2019) note, methodological choices are guided by research objectives and the view that reality is socially constructed supports the use of in-person interviews to capture individual perspectives. The philosophical stance adopted aligns with established research practices and the selected data collection methods are designed to address the study's objectives. A structured and reliable approach as outlined later in this chapter, has been applied to data analysis, with ethical considerations and measures for data reliability integrated throughout the research process. Any limitations of the methodology that have been encountered are also outlined to provide transparency regarding the scope and applicability of the findings. The overall aim of this chapter is to justify the methodological decisions that were taken and to demonstrate how each element contributes to the achievement of the study's aims. (Saunders et al., 2019). The procedures that were selected for data analysis are outlined later in the chapter to demonstrate that a structured and reliable approach has been applied to the interpretation of the findings. Ethical considerations have also been addressed throughout the research process, with various measures in place to support data reliability at each stage of the study.

3.2 Research Philosophy

The researcher has opted for the interpretivist approach to explore the complexities of strategic planning in Irish SMEs. This is a style of qualitative analysis and it is used to assess the lived experiences of SME owners and managers. It is considered particularly relevant in a setting where leadership decisions are made by uncertainty or change, such as shifts in market conditions or the introduction of new technologies (Collis & Hussey, 2021).

Interpretivism is based in the belief that social reality is not fixed and that it is instead constructed through the human experience and interactions. It also challenges the idea that certain instances can be understood independently of human consciousness and instead places focus on meaning and context. This is applicable to SMEs, where an owner's personal values and experiences often influence the strategic direction of the company. The interpretivist lens also allows for a closer inspection of decision-making in areas that are often delicate for SME leaders. This includes succession planning or the adoption of automation in businesses unfamiliar with digital technologies.

Other philosophical approaches were also considered during the development of this study. The idea of positivism, with its focus on objectivity and quantifiable data was reviewed. However, it wasn't chosen due to its limitations in providing vital context. It was felt that this approach would not capture the subtle and experience-driven nature of strategic decision-making in SMEs. A pragmatic approach was also explored for its useful merits. However, it was also deemed unsuitable in this instance. The researcher felt that it lacked the depth required to understand how strategic learning unfolds within family-owned businesses. For these reasons, both approaches were considered incompatible with the aims of this research.

This research is based on the understanding that multiple realities exist in the context of SME management. It is acknowledged that within a single SME, various key individuals may hold quite distinct views of the businesses journey, challenges and future path. All these perspectives are viewed as valid and capable of making strategic decisions. The researcher's role is not just simply one of an observer. Rather that of an engaged listener seeking to understand the participants' viewpoints on their own terms. This co-construction of meaning is central to the interpretive tradition (Guba & Lincoln, 1994; Aguzzoli et al., 2024), ensuring that the findings are reflective of the lived realities and experiences of Irish family-owned SME founders.

3.3 Research Approach

This researcher opted to utilise an inductive research approach which is commonly associated with qualitative research, whereby theoretical insights are developed from observations rather than tested against pre-existing hypotheses (Saunders et al., 2019). Induction is known to be particularly well-suited to exploratory studies that aim to uncover meaning from complex, real-world experiences especially in under-researched contexts and as such was deemed suited to strategy forming in Irish SMEs.

This approach allows for themes to develop organically rather than using pre-existing theory. The researcher felt that it would align with an interpretivist philosophy that values context and the uniqueness of everyone's experience. The mechanism by which the participants of this study were selected is outlined in detail in section 3.6. The participants were asked to partake in the study by means of semi-structure interviews both in person and across Microsoft teams. The owners interviewed, each brought varied experiences and perspectives on various topics including strategy formation, strategic planning (such as succession planning or talent pipeline planning) and embracing and implementing automation and AI technologies using thematic analysis which is discussed in detail later in this chapter. The study attempted to identify both shared meanings and differences, aiming for insights based on the lived experiences of those directly involved.

Before selecting an inductive approach, the researcher considered a deductive method, typically associated with positivist research. However, it was deemed unsuitable as it would involve testing predefined ideas that may not reflect how strategic decisions are realistically made in day-to-day practice (Mintzberg et al., 2005). Abductive reasoning was also reviewed for its value in iterative design, but it too was set aside as the researcher favoured a more open and unfiltered engagement with participants (Thomas, 2006; Ozone et al., 2023).

This inductive strategy supports a narrative-based enquiry, placing value on the richness and depth that stems from close exploration of participant responses. By engaging directly with a series of individuals who are navigating strategy on the ground, the research remains open to unexpected findings and better reflects the evolving, reflexive nature of strategic formation in Irish family-owned SMEs. This inductive approach supports a narrative-based enquiry as the researcher personally places value on the depth and detail that emerge through close engagement with participant responses. By speaking directly with individuals actively involved in shaping strategy, the researcher was able to pursue unexpected insights that emerged during the interview which better captured the evolving, reflexive nature of strategic formation in Irish family-owned SMEs.

3.4 Research Strategy

The researcher adopted a qualitative methodological approach through semi structured interviews with owners and CEOs of SMEs based in the Cavan and Monaghan Region. This method was selected to capture detailed insights, lived experiences and individual perspectives and for the flexibility and openness which is needed to support genuine expression. While the interviews followed a guide to support the flow of conversation, the format allowed participants to raise issues that may not have been anticipated. Several authors highlight semi-structured interviews as a valuable tool for gathering quick thoughts, opinions, knowledge and ideas in qualitative research (Deterding & Waters, 2018; Kakilla, 2021). This method best suited the nature of this study as it was more concerned with people's stories, their reflections and their viewpoints. This mechanism also respects the individuality of each participant's experience while ensuring that the core research questions are answered (Gill et al., 2008). The researcher felt that building a relationship with the interviewees was essential. This approach gave him the flexibility to do so, which allowed him to dig into complex issues and get a truer sense of how strategic decisions are really made. It was also effective for getting deeper and more valuable information, especially for decisions tied to an individual's personal history, identities and values (Yin, 2018). Additionally, it allowed for the analysis of elements that are difficult to report, such as emotional responses or local impacts that play a role in making strategic choices. The interview questions were designed to translate the wider research questions into practical ideas, ensuring that each of the five objectives was directly addressed during the interviews.

It is widely recognised that strategy formation in small companies, particularly those led by owners, is rarely formalised or documented (McCarthy, 1997). Instead, it tends to be shaped by local knowledge, intuition, experience and personal beliefs. By encouraging participants to speak in their own words, the researcher found that there was greater likelihood for the emergence of insights that may not have surfaced through a structured questionnaire. A qualitative strategy aligns with the study's interpretivist and inductive stance, supporting depth of conversation over breadth and encouraging the co-construction of meaning between researcher and participant (Creswell & Poth, 2018).

3.5 Interview Process

Each interview centred on three main areas. Participants were first asked to express themselves on key strategic decisions that they had made in the years after the 2008 financial crisis. These reflections helped to uncover how this major economic event influenced their long-term business thinking. The conversation then moved on to the matter of human capital planning, with a particular focus on how owners plan and manage staffing and leadership in small business environments where resources are often limited. Finally, the topic of automation was introduced with a view to exploring how the participants fell their businesses are adapting to technological change despite operating with constrained means.

In developing the data collection mechanisms, a quantitative or mixed-methods design was considered by the researcher but ruled out given the small sample size and the required emphasis on personal narratives. The aim of the researcher in this instance was not to produce generalisable data but to gain a richer understanding of how strategy is formed on the ground by those directly involved albeit on an informal basis. In choosing this strategy, the researcher felt that the study remained true to its original objectives. It afforded a voice to family business owners in a part of Ireland that is often overlooked in wider studies. By focusing on the interviewees lived experience, the researcher feel that the study offers a detailed look at the realities of family-owned SME strategic planning in a rural Irish setting.

3.6 Research Design

"Research design provides the glue that holds the research project together" (Trochim, 2006). In this study, the researcher decided that a cross-sectional design mechanism would be best suited to examine how family-owned SME owners in Ireland engage in strategic planning. This mechanism is an observational approach and is used to capture non numerical in-depth data from a representative subset at a single point in time, rather than over an extended period regarding a specific phenomenon or perspective. This mechanism was selected for its ability to provide insight into current thinking and behaviours within a defined context. As Bell et al. (2022) note, cross-sectional designs are well-suited in exploring current trends. Aligning with the study's aim to understand how SME leaders are approaching their business strategy in the current economic climate.

Easterby-Smith et al. (2021) also highlight that this design is very beneficial when the goal is to explore specific behaviours within a realistic and manageable time. Capturing owner perspectives as they are at present offers meaningful context for understanding how Irish SMEs are navigating strategic challenges today.

In considering the most appropriate research design for this study, the researcher also examined a longitudinal approach, based on repeated data collection from the same participants. The positive attributes of this mechanism were that this method could have offered deeper insight into how strategic responses evolve over time. However, practical constraints such as limited access to participants and the time sensitive nature of the MBA programme, made a single-phase design more suitable. The researcher determined that the process of tracking SMEs over an extended period would have presented a logistical challenge, particularly given the dynamic and unpredictable nature of SMEs.

3.7 Sampling and Access

Purposive sampling was used to identify and select six family-owned SMEs that were most relevant to the study's aims. In line with Etikan et al. (2016), the sampling strategy was guided by a deliberate focus on businesses where owners are approaching retirement and where key decisions around either workforce restructuring or automation, are currently under consideration. These criteria were chosen to align with the objective 4.0 which aimed to provide an understanding of how strategic planning is shaped by generational transitions and technological shifts. The selection process was further narrowed down by limiting the sample to manufacturing SMEs that are based in the Cavan and Monaghan region. Additional inclusion conditions stipulated that companies must have been established prior to 2008 and must employ fewer than 250 staff members. In doing so, it was ensured that each participating enterprises held a sufficient operational history to look back on past planning processes while also facing immediate strategic challenges, common among older SMEs. Access to the selected organisations was made possible through the professional network of the researcher, who leveraged existing business relationships to identify suitable candidates. Initial contact was made via individualised email invitations which briefly outlined the study's purpose. The emails were then followed up by phone calls to address any queries and to further explain the nature of participation.

One limitation of this sampling method is that it does not offer equal opportunity for all members of the population to be selected, which means the findings cannot be generalised to the wider population (Bailey, 1994; Sheppard, 2020). However, given the exploratory nature of the study and its focus on depth over breadth, the researcher determined that purposive sampling was considered appropriate for identifying participants with direct relevance to the research aims.

3.8 Data Collection Methods

Of the six interviews conducted, three were carried out in person and three via Microsoft Teams. The choice of medium was determined by the participant's preference and availability. In person interviews were facilitated by regional proximity and by the preference of some interviewees for face-to-face engagement. On the other hand, the online method offered flexibility while maintaining the consistency of data collection (Janghorban, Roudsari and Taghipour, 2014). The digital interviews were found to be equally capable of producing in-depth data, particularly when supported by strong pre-existing relationships and a clear structure (Neal, Neal, VanDyke and Kornbluh, 2015). Each interview lasted between 35 to 55 minutes and followed the interview guide as presented in Appendix E. They were designed to explore areas considered vital for this research. These areas included strategic learning from the 2008 financial crisis, readiness for Industry 4.0 technologies, leadership identity and succession planning. Consistent with the research questions, these topics were informed by a fusion of the literature review and the researcher's professional knowledge and experience. Together providing the framework for the data collection and analysis.

Interview data was recorded with the explicit consent of each participant, a copy of which is included in Appendix D. These recordings were actively transcribed during each interview to preserve the authenticity and tone of the responses (Braun and Clarke, 2006). Field notes were also taken to capture non-verbal cues, environmental observations and immediate reflections. This practice aligned with Creswell and Poth's (2018) recommendation to enrich interview data through reflexive observation. The method was particularly suited to the aim of understanding lived experiences and strategic sensemaking in real-world SME settings (Maguire and Delahunt, 2017). The first interview conducted was also used as a sample to test and refine the interview guide.

This process led to improved clarity and sequencing of questions and was instrumental in confirming that the guide was suitably open-ended to allow participant narratives to emerge while still addressing the key research themes (Gill et al., 2008).

3.9 Data Analysis Procedures

The data collected through the interview process was analysed using thematic analysis which uses the six-phase framework as developed by Braun and Clarke (2006). Thematic analysis is a form of qualitative analysis that is used to identify, analysis and report patters or clusters of similar responses within data. Braun and Clarke (2012). Taking a semantic approach, the researcher was only concentrating on what the participants had said. This method aligned well with the study's interpretivist stance, where meaning is co-constructed and contextually bound. "Data analysis is central to credible qualitative research." (Maguire and Delahunt, 2017)

The six-phase framework developed by Braun and Clarke (2006) offers a clear structure for thematic analysis with each step.

Step 1. Become familiar with the data.

Step 2. Generate initial codes.

Step 3. Search for themes.

Step 4. Review themes

Step 5. Define themes.

Step 6. Write-up

Reflexivity is a methodological tool involving conscious self-awareness and critical self-reflection when implemented by a researcher (McLeod, S. 2024). This tool played a critical role in the analysis as the researcher had a professional relationship with each participant. Journaling and memo writing were used to surface and manage assumptions, expectations and emotional responses during the interpretation phase. Additionally, two transcripts were also reviewed by a peer to validate coding consistency and thematic alignment (Nowell et al., 2017). Linking the themes to the literature and research questions and their corresponding objectives helped shape a data-led narrative that reflects the real-world complexity of strategy formation in Irish family-owned SMEs.

3.10 Ethical Considerations

This study was conducted with the ethical guidelines of the National College of Ireland (NCI) and received formal approval from the NCI Research Ethics Committee prior to any data collection. Ethical ordeal was made a priority throughout the study to protect participants welfare and ensure responsible research conduct. All contributors received an information sheet outlining the study's aims, their role also including anonymity and the freedom to withdraw at any stage. Participation was entirely voluntary, and informed consent was formally obtained prior to interviews. To protect personal data, all information was anonymised. Recordings and related files were stored on encrypted, password-protected drives in full accordance with GDPR (EU, 2018). All insights were treated with attention to ensure no participant could be identified from recordings. The participants were informed that they could decline to answer questions without explanation. The researcher was mindful not to misrepresent any viewpoints or distort findings to fit given narratives and as such a conscious effort to separate personal viewpoints from participant experiences was made. As Saunders, Lewis and Thornhill (2019) argue, ethical considerations are not merely procedural but must be embedded within the full research.

3.11 Limitations of Methodology

While the methodology aligned with the study's interpretivist aims, there are several limitations that should be noted. The research involved six SME owners from Cavan and Monaghan which narrows the scope of findings. Although the researcher was consistent with case-based qualitative standards (Yin, 2018), the results may not apply to SMEs in other regions or sectors.

The cross-sectional design of the analysis processes limits the study to a single point in time, offering only a snapshot of strategic thinking rather than its development over time (Bell et al., 2022). Self-reporting bias can influence the data, with participants often adjusting their answers based on how they want to be perceived (Podsakoff et al., 2003; Polas, 2025).

Despite the best efforts of the researcher to reduce researcher bias, full neutrality may not have been possible due to the researcher's professional ties to the sector. Additionally, the exclusive focus on owners' perspectives also meant that insights from successors or employees were not captured in this study.

Chapter Four: Findings

4.0 Introduction

This chapter sets out to present the findings from interviews conducted in preparation for this study. The aim of the study has been to explore how these leaders approach strategy formation, how they manage human capital in the context of the advance of automation and AI and how they consider succession planning into the future. The objectives of this study were extracted from the research questions. The findings will be presented in line with the research objectives, showing how each is addressed. Limitations will be acknowledged, along with the implications for both academic understanding and industry practise.

4.1 Background

A total of six interviews were completed with owners of family-owned SMEs based in the northeast of Ireland. The interview processes and descriptions are detailed in section 3.0. The interviewees are referenced as Participant 1 through Participant 6 to preserve anonymity and each business is described only in general terms. The interviewee's comprised a consumables manufacturer, a cardboard packaging manufacturer, two businesses producing engineered metal components, a specialist fabrication engineering company and an agricultural machinery manufacturer. They were first-generation owners; four acquired existing businesses (either by purchase as a going concern or through subsequent acquisition) and two built their businesses from scratch. Each business falls within the SME definition outlined in Chapter 1.

The interview transcripts were analysed using Braun and Clarke's (2006) six-phase framework for thematic analysis. The analysis process began with careful familiarisation through repeated reading of the transcripts and notes. Key points were then coded systematically. From this stage, broader themes were identified, refined and structured around the five research objectives set out in Chapter 1 and these themes are discussed in section 4.2. Several additional themes emerged during the interviews and have also been outlined in section 4.3. The thematic findings from the data analysis are presented in Figure 1.0 as a Thematic Map showing the systematic thematic development of the analysis and associated findings.

Figure1.0 Thematic Mapping of Sub-themes and Themes
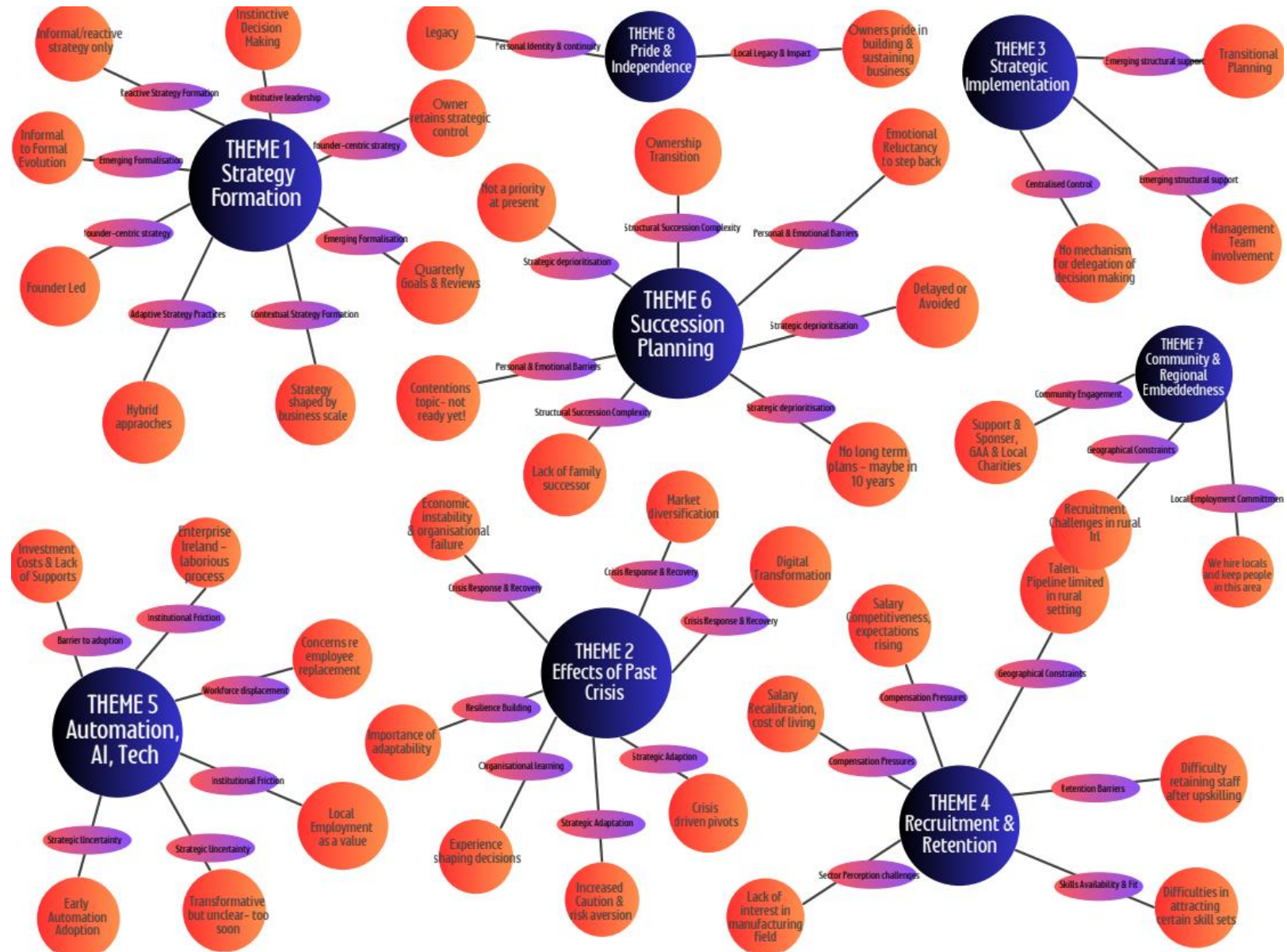
The researcher has also used a heat map of the responses to the main themes as presented in Figure 2.0. This tool was used to visually show the responses from the interviews on each thematic area, as well as outline the force to which they participants relayed their statements on the various thematic areas.

The objectives of this study focus on how owners approach strategy formation and the influence of past crises on their outlook. They also address how strategy is currently implemented, the human capital challenges facing rural SMEs as they navigate new disruptive technologies such as automation and AI and how succession and leadership transition are understood and managed in family businesses. The researcher feels that this is relevant as it reveals the topics that were of the most importance to each participant and to what level they have considered them. The findings that follow reflect the participants lived experiences, highlighting both areas of agreement and points of difference. This chapter is concerned with description and evidence. Interpretation against the wider literature is reserved for Chapter 5.

Figure 2.0 Heat Map of Thematic Responses

	Participant 1	Participant 2	Participant 3	Participant 4	Participant 5	Participant 6
THEME 1: Strategy is shaped by instinct and experience rather than formal planning	Agree	Agree	Agree	Agree	Disagree	Agree
THEME 2: Past crises instilled caution but also resilience	Agree	Agree	Agree	Agree	Agree	Agree
THEME 3: Strategy implementation remains heavily dependent on the founder	Agree	Agree	Agree	Agree	Agree	Agree
THEME 4: Recruitment and retention challenges dominate strategic concerns	Agree	Disagree	Agree	Agree	Agree	Agree
THEME 5: Automation and AI are recognised but adoption remains limited	Agree	Disagree	Undecided	Undecided	Agree	Agree
THEME 6: Succession planning is largely absent or avoided	Undecided	Agree	Agree	Disagree	Agree	Undecided
THEME 7: Community and regional embeddedness	Not Mentioned	Agree	Agree	Not Mentioned	Not Mentioned	Not Mentioned
THEME 8: Pride in independence and resilience	Agree	Not Mentioned	Not Mentioned	Agree	Agree	Not Mentioned

4.2 Main Thematic Findings

4.2.1 Theme 1: Strategy is Shaped by Instinct and Experience Rather than Formal Planning.

Across the interviews, participants repeatedly described strategy as something shaped by instinct and lived experience rather than by formal structures. Participant 1 explained this in plain terms: "I know where I want the company to go, but it's in my head more than written down." This view was echoed by Participant 3, who admitted, "We don't have long-term plans; we look at what's ahead this quarter and go from there. Strategy sounds fancy, but here it's common sense." For most, strategic decision-making was seen as a blend of intuition and pragmatism. Participant 2 put it this way: "Most of the time we're reacting to what's in front of us - orders, customers, suppliers. That's what dictates things." This reactive style was common, reflecting the reality that survival and customer needs drive priorities more than formal planning. However, a few participants spoke of trying to bring some structure, often influenced by earlier career experiences. Participant 4, who had worked in a multinational before starting his company, explained: "I try to bring some of what I learned in corporate - quarterly goals, reviews - but it's hard to keep it consistent when you're pulled in ten directions." Despite this effort, he admitted that formality tended to fade as immediate demands took over. Participant 5 stated that they had recently implement an informal strategic decision-making process "In the last year, we adopted a kind of informal decision-making policy on the recommendation of a new member of staff who recently joined the team. It's now included in the team meetings and hopefully we will get to a point where it can be formalised and included in senior management meetings."

These accounts confirm what Mintzberg et al. (2005) called "emergent strategy," where plans evolve through action rather than design. McCarthy (1997) also noted that Irish SME strategy "often lives in the head of the founder", a phrase echoed almost directly in these interviews. The evidence here shows that strategy for these companies is instinctive, adaptive and often undocumented, a reflection of both the owners' personal style and the constraints of running small, family-owned businesses.

4.2.2 Theme 2: Past Crises Instilled Caution but also Resilience

All six participants strongly emphasised the moments of external shock that shaped their strategic outlook, most often the 2008 financial crash.

Participant 1 recalled vividly: "When the crash hit, it nearly finished us. Since then, cash is king." Participant 3 shared a similar story: "The 2008 crash nearly wiped us out. Since then, we watch cash flow like hawks. It changed how I look at everything." For others, the same crisis presented opportunities as well as challenges. Participant 4 described, "2008 was brutal, but it opened doors. We grew when others went under. It taught me that sometimes crisis clears the field." Participant 2 reflected more cautiously: "When you've had the rug pulled once, you know you can survive again, but you never stop looking over your shoulder. I'm always asking, what's the next crisis? Energy, inflation, labour…" More recent crises were also highlighted. Participant 5 recalled the uncertainty of Brexit: "Brexit gave us headaches with customs and supply, but it forced us to get smarter about where we source." Participant 6 pointed to Covid as a test of adaptability: "Covid showed us we could adapt quickly if we had to. It wasn't easy, but it proved we could change overnight if needed."

These reflections echo McCarthy's (1997) concept of "defining episodes" as turning points in SME strategy. They also align with Argyris (1990) on double-loop learning, where crises lead to deeper shifts in how leaders think. What comes through clearly is that crises created a legacy caution about risk, but also confidence that survival is possible.

4.2.3 Theme 3: Strategy Implementation Remains Heavily Dependent on the Founder.

Implementation of strategy was described as heavily tied to the founder's personal involvement across all the interviews. Participant 1 admitted honestly, "If I want something done, I say it. That's the strategy." Participant 2 echoed this sentiment: "We set the figures, but it's me who drives them." Others reinforced this picture. Participant 4 explained: "Even if we had it all written down, the lads would still come to me. That's the nature of a family business." Participant 5 put it more bluntly: "If I'm not there, things stall. That's the reality." Participant 6 reflected on the difficulty of delegation: "Everyone comes to me before deciding, no matter how small. I try to delegate, but it always circles back." While this founder centrality provided clarity, it also created vulnerability. Participant 3 noted: "I sometimes worry - if I was out of the picture, what happens? Too much depends on me."

This pattern resonates with Clinton et al. (2024), who describe the challenge of balancing founder authority with organisational renewal in family companies. It also echoes McKenna's (2022) finding that Irish SME owners often resist formalising systems for fear of losing control.

The evidence here shows that, in practice, strategy is not widely shared or embedded - it remains dependent on the founder's presence and authority.

4.2.4 Theme 4: Recruitment and Retention Challenges Dominate Strategic Concerns

The most urgent practical concern voiced by participants was the difficulty of attracting and keeping skilled staff. Participant 4 described, "Trying to get good welders is impossible. We've had to turn down work because we couldn't staff it." Participant 6 added, "Finding skilled fabricators is near impossible. We're competing with multinationals who can double our wages." Retention was equally challenging. Participant 1 shared, "It's hard to get skilled lads who'll stay. You train someone up and then they leave for better money." Participant 5 echoed this frustration: "Young workers aren't interested in manufacturing. They see it as old-fashioned and hard graft. We're fighting a losing battle sometimes." The intensity of the labour challenge made it a strategic issue. Participant 3 admitted, "Half my time is spent trying to fill roles or cover gaps. It pulls me away from everything else." Participant 2 had a varying view on this area as he had recently hired skills in from abroad and as such was not seeking additional staff. "It's not my biggest problem at the moment, I recently paid a recruitment agent to outsource 5 semi-skilled individuals from South Africa and so far, so good"

These accounts reflect national reports. EGFSN (2022) and Solas (2023) have identified persistent shortages in skilled trades, especially in rural areas. Barrett and Tracey (2021) note that SMEs often rely on word-of-mouth recruitment, which limits their reach. OECD (2020) similarly found that SMEs suffer from both technical and soft skills gaps. The lived experiences here confirm that these wider labour shortages are not abstract policy issues but daily constraints shaping strategy on the ground.

4.2.5 Theme 5: Automation and AI are Recognised but Adoption Remains Limited

When asked about automation and AI, participants acknowledged the relevance but were quick to highlight barriers. Cost was the most frequent concern. Participant 5 explained, "I've looked at robots for packaging, but the cost is massive.

Even if you buy the machine, who's going to run it?" Participant 1 raised another issue: "I don't want to spend half a million on a machine that puts lads out of work. We're a family business, not a tech company."

Several also mentioned capability gaps. Participant 3 asked, "We know automation is the future, but where do you start? It's not just the cost; it's finding people who can run it and keep it going." Participant 6 was sceptical: "AI might help with paperwork, but on the shop floor it's a different story. I don't see it yet."

There was also frustration with support schemes. Participant 4 said, "We're interested in automation, but Enterprise Ireland forms take forever. By the time you get approval, the chance is gone." Participant 2 stated "now that I have hired these workers from South Africa, I'm going to see how they work out before giving any more consideration to automation, you can't replace people"

Many of the accounts reflect wider literature on digital adoption. Baker (2011) and Venkatesh & Davis (2000) emphasise the importance of readiness and observed usefulness. According to Daskalopoulos and Machek (2025), a key reason for technological reluctance in family companies is a generational carefulness among owners who are wary of adopting something they don't understand. Irish surveys (Microsoft & TCD, 2025; PwC, 2024) confirm that SMEs lag in automation and AI adoption, citing cost and skills as barriers. The findings here reinforce those points, showing technology is recognised but remote and with limited traction in practice.

4.2.6 Theme 6: Succession Planning is Largely Absent or Avoided

Succession was perhaps the most sensitive topic in the interviews. Participants recognised its importance but often admitted hesitance or avoidance. Participant 2 reflected, "I know I should be thinking about it, but right now it's about keeping the business running." Participant 5 added, "Succession isn't on the agenda - I'm not ready to step back. Maybe in ten years." Others described the issue as premature or uncertain. Participant 6 explained, "It's tricky. My kids are young, so who knows. Right now, it's too soon to say." For some, the challenge was lack of family interest. Participant 1 shared openly: "My kids aren't interested. That makes it hard - do you sell, do you bring in an outsider? It's not something you want to think about."

One alternative came from Participant 4, who suggested internal succession: "If my family aren't interested, maybe the team could buy in. A management buyout is realistic, but it's not something I've pushed."

What stood out in these discussions was the openness of participants. While the subject was clearly difficult, most were willing to share honest reflections, even where the answers were uncertain. This candour itself was striking, given the sensitivity of succession in family companies.

The literature shows that this avoidance is common. McKenna (2022) found reluctance among Irish owners to plan succession until it was unavoidable. Handler (1994) and Miller et al. (2003) both noted that founder attachment often blocks transitions. DCU NCFB (2024) confirmed that formal succession plans are rare in Ireland. The participants' openness here illustrates the tension between recognising the issue and deferring it indefinitely.

4.3 Peripheral Thematic Findings

4.3.1 Theme 7: Community and Regional Embeddedness

While not directly related to the original objectives set out, two themes emerged strongly from the interviews, one of which was the sense that the companies in question were strongly rooted in their local community. Several participants spoke of their companies not only employers but local anchors. Participant 3 said, "This business isn't just about us; it keeps families here. If we closed, it would be a big hole in the town." Participant 2 added, "We take lads from the area, train them up. Even if they leave, they've had a start here." This theme illustrates how SMEs see themselves as part of the local structure, providing employment and identity in areas where opportunities are limited. The literature notes similar findings, with Barrett & Tracey (2021) observing that SMEs often act as community stabilisers.

4.3.2 Theme 8: Pride in Independence and Resilience

The final theme evident across the interviews was a sense of pride in independence and survival. This theme was not present in all the interviews, but it was mentioned extensively by two participants. Participant 1 expressed this clearly: "We're still here. That's what matters.

We've outlasted plenty bigger names." Participant 5 noted, "We're not perfect. But we're our own bosses. That counts for something." This pride was often linked to resilience in the face of hardship. Participant 4 reflected, "We've been through crash, Brexit, Covid and we're still here. That's not nothing."

This theme added an emotional dimension to the findings, revealing the pride founders take in their ability to endure and remain independent in a volatile environment.

4.4 Summary of Findings

The findings from the six interviews reveal a coherent but complex picture of rural, family-owned SMEs in the northeast. Strategy is instinctive and informal, shaped by founder experience more than formal plans. Crises such as the 2008 crash left lasting marks, instilling caution but also interestingly, building resilience in the face of adversity. The formation and implementation of strategy remains heavily dependent on founders, with extremely limited delegation. This is most evident in founder-led SME's where the founder has second generation family involved in the business but is demonstrating resistance to change. Labour shortages dominate daily concerns, restricting growth and planning capacity. Automation and AI are acknowledged but remain distant, hindered by cost, skills and bureaucracy. While succession is acknowledged as critical, it is frequently delayed or avoided. This often caused by a mix of the founder's attachment to the business and a lack of interest from family members. Beyond these six central themes, two additional insights appeared. The role of these businesses as community anchors and the pride founders expressed in independence and survival. The interviews revealed a strong sense of openness and honesty. Participants were willing to share more than just business information. They offered personal insights on truly challenging topics.

These findings show companies that are practical and tough, having strong ties to their founders, but struggle with long-term planning and adapting to change. The next chapter will explore how these experiences align or diverge from the academic literature on strategy, human capital, technology and succession in SMEs.

Chapter Five: Discussion

5.1 Introduction

This chapter will cover the study's main findings and explore their meaning for rural, family-owned manufacturing SMEs. Each section begins with a summary of the results under each of the themes, followed by an interpretation of how they address the research questions. The discussions then compare the findings to existing literature, noting where they agree and differ. We also explore the wider relevance of the findings, especially for practice and policy. The chapter concludes by acknowledging the study's limitations in methodology and suggests future research to further our understanding of these businesses.

5.2 Theme 1: Strategy is Shaped by Instinct and Experience Rather than Formal Planning

Across the interviews, strategy was largely intuitive and founder-led and was shaped more by experience than formal planning. This reflects an emergent approach where strategy develops through ongoing decisions rather than detailed design (Mintzberg et al., 2005). Detailed quotations from each of the interviews are outlined in Chapter 4 outlining how founders spoke of knowing what works in their market and relying on experience and institution. Under the resource-based view, this knowledge and formed trust are valuable and hard to replicate, forming a basis for advantage (Wernerfelt, 1984; Barney, 1991). However, specifying important information and judgement in one person creates fragility within the organisation and limits visibility for managers and staff.

Dynamic capabilities theory highlights the need to sense change, seize opportunities and reconfigure resources (Teece, 2018). In these cases, sensing was strong but seizing and reconfiguration were inconsistent. The lack of even basic structure, such as short written priorities or review cycles, reduced memory and alignment. Storey (2016) notes that small companies often focus on immediate needs over longer-term planning. The practical implication is not to replace instinct, but to support it with simple routines that make intent visible and enable faster learning. This helps connect the strengths of informal, experience-based decision-making with the structure needed to respond to changes like digitalisation and shifting demographics.

5.3 Theme 2: Past Crises Instilled Caution but also Resilience

The study also set out to examine how SMEs respond strategically to external shocks. Time and again, participants pointed to events such as the 2008 financial crisis as a defining moment for their businesses. In response to this event, many of the companies outlined in their interviews how they subsequently adopted strict cash discipline, avoided debt and focused on survival. This finding supports earlier research that disruptive events shape how Irish SMEs perceive risk and opportunity (McCarthy, 1997). Crisis experience embedded both resilience and caution in the participants. The concept of Path dependency helps explain how behaviours formed under pressure persist into the future, potentially locking companies into conservative approaches that hinder change (Sydow et al., 2009).

At the same time, some companies showed strategic agility, which is understood as the ability to shift direction quickly by reallocating resources and aligning leadership (Doz and Kosonen, 2010). Several companies diversified markets and built supply chain redundancy to avoid dependence on single customers or sectors. Others created a lesson of caution, holding back investment in automation or export growth even when conditions allowed. This shows in literature showing crisis can lead to either consolidation or renewal, depending on leadership and organisational capacity (Beaver, 2003; Zahra et al., 2020).

5.4 Theme 3: Strategy Implementation Remains Heavily Dependent on the Founder

Another area explored in this study was how they manage strategic implementation under resource constraints. Many of the participants outlined that daily pressures, lean staffing and reliance on the founder's attention often disrupted follow-through. This aligns with research showing that small companies struggle to maintain momentum when capacity is stretched and routines are not embedded (Storey, 2016). In several cases, decisions weren't documented, making it hard for managers to act without checking back with the owner. This pattern slowed execution, discouraged initiative and weakened succession planning.

From a capability's perspective, effective change requires routines that share responsibility, allow feedback and support course correction (Teece, 2018; Zahra et al., 2020). HR and leadership research shows that simple tools such as using clear roles, a few indicators and short review cycles, can improve execution without adding complexity (Boxall & Purcell, 2011; Garavan et al., 2016).

Trust is also essential. Without basic psychological safety, many staff will simply avoid raising concerns or suggesting changes (West et al., 2014). To improve execution and prepare for a leadership transition, a business can adopt a light-touch structure. This could include a one-page list of priorities, a few measures for success and clear delegation with the founder acting as a sponsor.

5.5 Theme 4: Recruitment and Retention Challenges Dominate Strategic Concerns

This study examined how SMEs navigate workforce constraints during times of strategic change. Many participants reported ongoing difficulty attracting and retaining engineers and skilled trades. Participants depended on their local networks and reputation, which proved useful for entry-level positions. Yet, proved insufficient for specialist roles. This finding aligns well with national data that highlights the disadvantages rural areas face in accessing technical skills (EGFSN, 2022; Solas, 2023). Barrett and Tracey (2021) note that informal recruitment can narrow reach and limit exposure to new ideas. The result is a structural constraint for companies in terms of their growth and renewal.

Human capital theory sees skills and learning as core productive assets (Becker, 1964). In small companies, resource limits and concern about turnover often reduce investment in development, even when the case is strong (Storey, 2016). Several owners stated that they simply didn't have the capability to release staff for longer courses or backfill roles during training. This creates a circular challenge in that without clear development paths, companies struggle to keep ambitious staff and without strong retention, they are hesitant to invest. The strategic impact in this instance is clear, capital resource planning is not just a support activity but a key factor that can limit change and automation.

Some practical responses include joint apprenticeships across local companies, college partnerships that bring training to the region and short, modular upskilling that fits around shift patterns. These approaches reflect how rural SMEs operate and acknowledge the limits of assuming geographic mobility.

5.6 Theme 5: Automation and AI are Recognised but Adoption Remains Limited

Another element to this study was the exploration of automation and AI. While most participants knew their importance for future competitiveness, their adoption remained slow. The main barriers were high costs, lack of expertise and worries about the impact on staff and the local community. This aligns with diffusion theory, which suggests that a lack of local success stories and the perception of risk slow down adoption (Rogers, 2003). National reports show that while awareness of AI is high among Irish SMEs, formal strategies and leadership are still limited, especially outside Dublin (PwC, 2024; Microsoft and TCD, 2024, 2025; Eir Evo and Microsoft Ireland, 2025; Bibby Financial Services Ireland, 2025).

Technology adoption in small companies is best understood through capability, not just the technology itself. Dynamic capabilities require companies to spot opportunities, invest with confidence and adjust roles to realise benefits (Teece, 2018). From a resource-based view, technology only adds value when supported by people and organisational systems (Barney, 1991). Participants noted that skills to choose, integrate and maintain systems were in short supply. Storey (2016) points out that cost and capacity issues often lead SMEs to choose small projects over full system changes. The strategic takeaway in this instance is staged adoption. Small pilot projects focused on quality and safety that are linked to staff redeployment rather than job cuts and that are supported by local advisory networks. These steps lower risk, build confidence and make further progress more achievable.

5.7 Theme 6: Succession Planning is Largely Absent or Avoided

This study looked at succession planning with a focus on long-term continuity. Succession was widely seen by the participants as important but often delayed. Several owners were unsure about the future of their business after retirement, reflecting Irish research that succession in family companies is often reactive rather than planned (McCarthy, 1997; McKenna, 2022; DCU National Centre for Family Business, 2024). When successors were identified early, owners were more likely to invest in systems, process improvements and digital tools. Where succession was uncertain, investment was often postponed.

From a resource-based view, founder knowledge, networks and reputation are valuable and hard to replace. Poorly managed transitions risk losing these assets, weakening competitive advantage (Barney, 1991). Díaz Moriana et al. (2018) found that innovation in family companies is more likely when continuity is secure and that legacy is just as important as profit. Succession readiness, seen as a capability, involves capturing key knowledge, supporting delegated decisions and practising leadership handover before it's forced thought illness or exit (Teece, 2018). Interviews showed a feedback loop: For example, lack of succession planning discouraged investment and underinvestment made the company less attractive to potential successors. The mechanism for breaking this cycle includes starting early conversations, pairing founders with external mentors and offering incentives to encourage planning, especially in rural companies with few options for sale.

5.8 Theme 7: Community and Regional Embeddedness

While not part of the research, the interviewed showed that rural, family-owned manufacturing SMEs play a role in their communities. Participants saw their businesses as important to the local community, providing jobs and support. They value trust-based relationships with customers and suppliers. They felt a deep sense of responsibility toward their staff and the wider community. National and various international research name SMEs as vital in regional growth and social connection (DCU National Centre for Family Business, 2023). Being local brought clear benefits in the form of loyalty, informal problem-solving and reputational strength. Which helped companies manage challenges and maintain stability. It was also noted that these close ties could also limit strategic options. Owners were often reluctant to hire from outside, relocate or bring in external partners if it risked losing local control or affecting jobs.

In this way, embeddedness is both a strength and a limitation in that it supports resilience but can also lead to inward thinking. Strategically, community relationships should be seen as part of building capability and not as a reason to avoid change. Steps included open interaction that links automation to QC and safety; local training to keep opportunities in the region; collaboration between companies.

Section 5.9 - Theme 8: Pride in Independence and Resilience

Although not part of the original research focus, the theme of pride in independence and resilience came through strongly in interviews. Highlighting its importance to their strategic identity. Owners often expressed pride in staying independent and overcoming challenges through their own efforts. This identity, well established in Irish SME research, is closely linked to founder control and responsibility (McCarthy, 1997). Their independence allows them to make quick decisions and helps them stay focused on their aims. From an RBV maintaining control over assets such as knowledge, reputation, etc., can support long-term advantages (Barney, 1991). However, this strong preference for independence can also limit openness to outside external leadership or partnerships that could improve of the business. Research shows that continuity and innovation can work together when governance allows for challenge and renewal by the next generation (Díaz Moriana et al., 2018). The findings suggest that independence supports resilience in tough times but can also hold back renewal if it keeps companies tied to familiar ways and limits investment or collaboration. The strategic challenge is not to give up independence, but to define its limits so that targeted external support or partnerships are possible, especially when internal capacity is stretched.

5.10 Scope and Contextual Limitations

The findings across several thematic areas highlight consistent limitations in generalisability due to the study's small, region-specific sample. Despite offering valuable insights into how independence shapes strategy, how crisis experiences influence decision-making and how implementation challenges manifest in founder-led SMEs, the narrow scope of the research constrains its broader applicability. There are various recommendations for future research in this area discussed in Chapter 6.0.

Some takeaways include: The importance of making crisis learning more visible to prevent stagnation. The need for SMEs to develop light-touch structures that support strategic agility and succession. The potential benefits of shared talent pipelines and flexible training models in addressing workforce constraints. The role of internal capability-building and peer support in enabling digital adoption. The impact of community inclusion on strategic direction, were found to be significant but context dependent. These insights should be taken with caution when considering their relevance to other regions or sectors.

5.11 Conclusion

The discussion shows how strategy in rural, family-owned manufacturing SMEs is shaped by founder experience, past crises, workforce challenges, community ties and a strong preference for independence. These factors support resilience but can slow down renewal, especially in areas like succession and automation. Theoretical frameworks from Chapter 2 help explain these patterns. Showing strategy shows how direction often develops through practice rather than planning (Mintzberg et al., 2005).

The RBV and dynamic capabilities highlight the value of knowledge and the need for routines to adapt resources as conditions change (Barney, 1991; Zahra et al., 2020). National and international research confirms that labour markets and policy support vary by region and SMEs face unique structural challenges (EGFSN, 2022; Solas, 2023. Even though Irish SMEs are very aware of the need to be digitally ready, recent reports show they're still not doing much strategic planning or leadership in that area, especially in parts of the country that aren't urban (PwC, 2024; Microsoft and TCD).

The researcher positionality is relevant in this instance. As a second-generation manager, the researcher had strong access and bond, which helped gain deeper insights but also introduced potential bias. This was addressed using direct quotes, repetitive coding and cross-checking with existing literature (Saunders et al., 2019; Yin, 2018; McLeod, 2024). It must be noted again that the sample is small and region-specific and as such the findings are not intended to be statistically generalised. Instead, the contribution lies in offering insights that can be applied to similar rural manufacturing contexts and in identifying practical actions that reflect how these companies operate in real-world settings.

Chapter Six: Conclusion and Recommendations

This study set out to explore how family-owned manufacturing SMEs in rural Ireland, particularly in the northeast region, approach strategic planning in the face of leadership succession and technological disruption. Drawing on qualitative interviews with six SME owner–founders, the research examined how strategy is formed and implemented, how past crises have shaped business thinking and how companies are responding to challenges in workforce development and digital transformation.

The findings reveal that strategy in these businesses is largely informal and founder-led and that it is shaped by instinct and lived experience rather than formal planning. While some participants had begun to introduce structure, most strategic thinking remained undocumented and reactive. This aligns with the concept of upcoming strategy, where direction evolves through practice rather than design. The impact of past crises especially the 2008 financial crash, was clear in every interview. These events taught them to be cautious and determined. This had a major, long-term impact on their views toward risk and survival. More recent events like Brexit and COVID-19 simply amplified their need to be adaptable and pragmatic.

Strategic execution was found to be heavily dependent on the founder's authority. Across all the interview, it was evident that there was limited delegation and a lack of formal systems. This created bottlenecks and vulnerability, especially in succession. Another dominant concern that came up was labour shortages, with participants reporting difficulties in recruiting and keeping skilled staff. Informal hiring practices of local entities and competition with larger companies worsened these challenges, restricting growth and planning capacity for the businesses.

While automation and AI were recognised as important for future competitiveness, adoption remained very wary and slow. Barriers mentioned throughout the interviews included costs, skills gaps, and cultural resistance. Several participants expressed concern about the perceived local social impact of replacing people with machines.

Succession planning was acknowledged as critical but, in most cases, it has been deferred. Founders cited emotional attachment, uncertainty about future leadership, and lack of family interest as reasons for avoiding the issue. While some considered internal succession or management buyouts, formal planning was largely absent.

Two additional themes appeared from the interviews. First, participants saw their businesses as much more than just places of work. They described them as pillars for local jobs and social impact. Many took great pride in their independence and persistence, viewing their ability to survive through economic crises as a point of honour and a core part of who they are. These values supported continuity but sometimes limited openness to external support or innovation.

Taken together, the findings offer a complex picture of rural Irish SMEs. The companies were deemed to be practical and resilient, closely tied to their founders while yet facing structural challenges in adapting to change. The study contributes to the literature by providing a real-time, founder-led perspective on strategy formation in mature, rural-based family businesses, a group that is often overlooked in academic research. It also showed the need for change in the form of light-touch formalisation, regional training partnerships and staged digital adoption. Are the practical ways to support these companies without undermining their core values.

While the study offers valuable discoveries, it is important to know its constraints. The sample was small due to the specific nature of the criteria and limited suitable businesses in the Cavan-Monaghan region. The study was also region-specific and the researcher's professional ties to the sector may have introduced bias, despite great efforts to mitigate this through reflexivity and peer review. The study did not account for the perspectives of successors and employees, which may limit the scope of organisational insight.

The recommendations from the study include consideration to concepts such as light formalisation that fit with the SME working styles. Short written goals, a few indicators and clear delegation have the reduce bottlenecks and support succession. Regional skills programmes that bring training into companies and share specialist resources across companies offer realistic solutions to recruitment and retention. Staged automation focused on redeployment rather than job cuts lowers social risk, builds confidence and improves competitiveness over time. These steps are practical while low in administrative burden and high in impact.

This research lays a strong foundation for future exploration and practical action. Future studies could look at how rural SMEs move from informal to more structured strategic planning. They could further examine how these entities document and apply crisis learning, and how governance models balance independence with renewal.

In particular, the researcher recommends a longitudinal study at doctoral level to explore this subject. It is proposed that this research is carried out over a longer duration, across a wider geographical area and involving a greater number of suitable SMEs. The researcher feels that a study of this scale could offer deeper insight into how rural SMEs across Ireland adapt to structural change, and how their strategic behaviours evolve over time.

Another recommendation by the researcher is to investigate how founders can be encouraged to begin succession planning earlier in their carriers, particularly in the instance where a potential family successor is present. Early planning would allow founders to mentor successors, pass on tacit knowledge, and gradually delegate authority. This approach would also allow successors to contribute their unique skills, particularly in areas like automation and digital technology. When the business can best leverage their energy and fresh perspective. This helps close generational gaps, ensuring stability while boosting innovation.

Supporting these SMES requires approaches that respect their identity while allowing evolution, ensuring that resilience is not only preserved, but strengthened for the future.

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Appendices

Appendix A: Heat Map of Thematic Responses

	Participant 1	Participant 2	Participant 3	Participant 4	Participant 5	Participant 6
THEME 1: Strategy is shaped by instinct and experience rather than formal planning	Agree	Agree	Agree	Agree	Disagree	Agree
THEME 2: Past crises instilled caution but also resilience	Agree	Agree	Agree	Agree	Agree	Agree
THEME 3: Strategy implementation remains heavily dependent on the founder	Agree	Agree	Agree	Agree	Agree	Agree
THEME 4: Recruitment and retention challenges dominate strategic concerns	Agree	Disagree	Agree	Agree	Agree	Agree
THEME 5: Automation and AI are recognised but adoption remains limited	Agree	Disagree	Undecided	Undecided	Agree	Agree
THEME 6: Succession planning is largely absent or avoided	Undecided	Agree	Agree	Disagree	Agree	Undecided
THEME 7: Community and regional embeddedness	Not Mentioned	Agree	Agree	Not Mentioned	Not Mentioned	Not Mentioned
THEME 8: Pride in independence and resilience	Agree	Not Mentioned	Not Mentioned	Agree	Agree	Not Mentioned

Appendix B: Thematic Mapping of Sub-themes and Theme
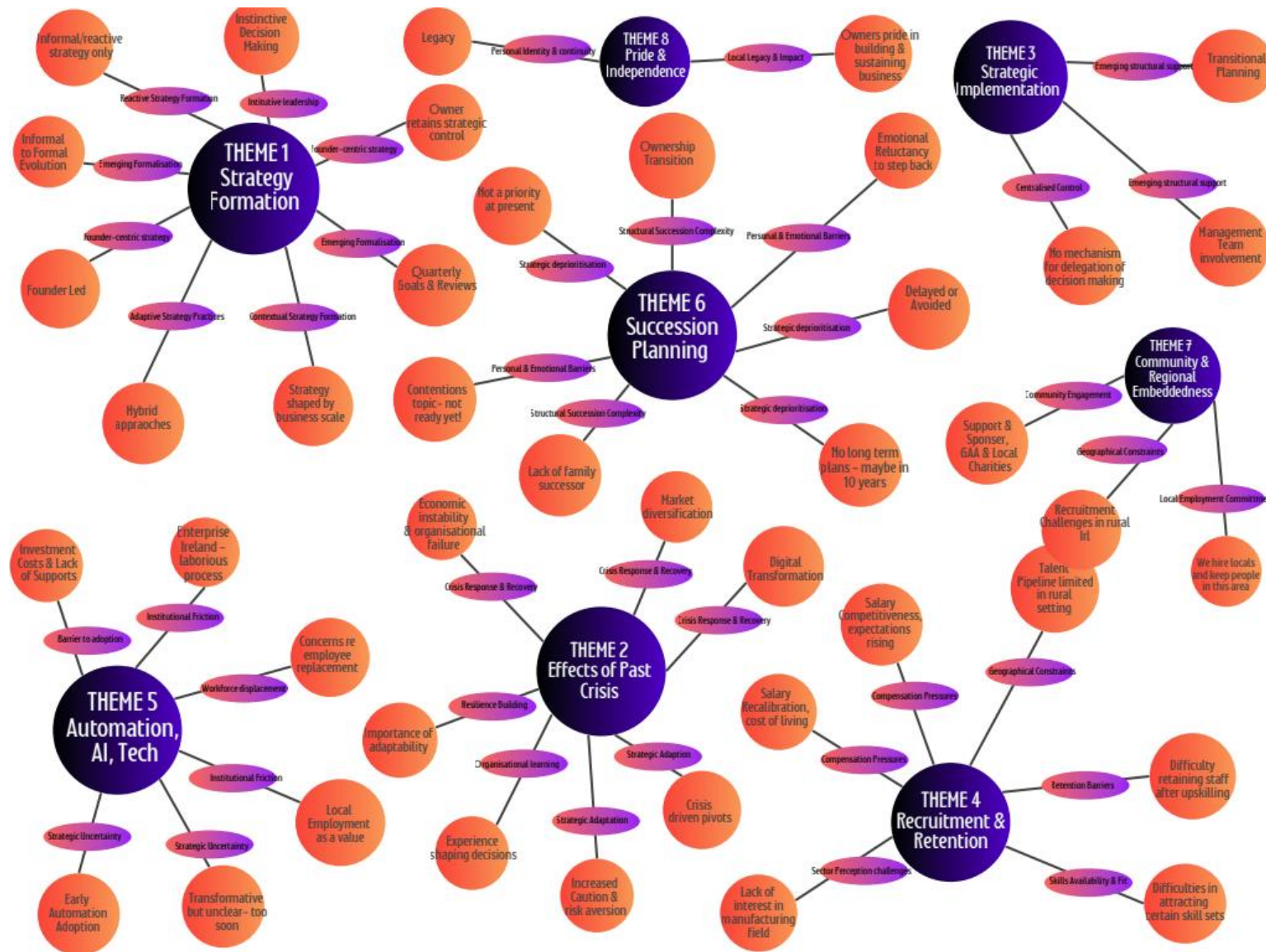
Appendix C: Interview Participant Information Leaflet

Interview Participant Information Leaflet

National College *of* Ireland

What is the study about?
This study is part of an MBA dissertation at the National College of Ireland. It explores succession planning, strategic formation, and the adoption of automation and AI in owner-led manufacturing SMEs in the Northeast region.

What will your participation involve?
You will be asked to participate in a semi-structured interview discussing your experiences and views on the study topics.

How often and how long will you be interviewed for?
You will be interviewed once for approximately 30–40 minutes. The interview can be conducted in person or via video call.

What will happen to the information once collected?
The information will be transcribed and analysed for academic purposes. It will be anonymised and included in the final dissertation.

Where will the information be stored and for how long?
All data will be securely stored on a password-protected device and retained for a maximum of five years, in line with academic research guidelines.

GDPR Policy
Your personal data will be handled in accordance with GDPR regulations. You have the right to access, amend, or request deletion of your data at any time.

Who will have access to the information?
Only the researcher and academic supervisors at the National College of Ireland will have access to the anonymised data.

Is there any consequence if I choose not to be part of the study or if I want to opt out halfway through?
Participation is entirely voluntary. You may decline to participate or withdraw at any time without any consequence.

Will people know I took part in the study?
No. Your identity will remain confidential and will not be disclosed in any part of the dissertation or related publications.

Are there any costs from being involved?
There are no costs associated with participating in this study.

What do I do next?
If you are willing to participate, please respond to the invitation email to arrange a suitable time for the interview.

Appendix D: Consent Form

Information and Consent Form for Participants:

The researcher would like to thank you for your time and considering participating in this research project. This document has been created to give you an understanding of what the study is about and what would be expected of you to help you make an informed decision as to whether you would like to participate in the research.

Research (working) Title:

Strategy Formation in Rural Irish Family-Owned SMEs: Succession, Workforce Planning and Digital Disruption.

Informed Consent:

This study has received ethical approval from the Ethics Committee of National College of Ireland and all the research carried out will be in conducted in line with the ethical guidelines We do not foresee any negative outcomes arising from participating in this study however participants may seek clarification at any point on items that arise during the interview. All participants will be asked for their permission for the interview to be recorded however these recordings will not be shared with anyone else. Participants can request that the interview recording be stopped at any time and are not obligated to answer every question if they do not wish to do so.

Consent:

1. I understand the nature and purpose of this research and I consent to being interviewed as part of the study.
2. I understand that my participation is voluntary and that I can decide to opt out of the research during the data collection process.
3. I confirm that I am over the age of 18 years old.
4. I understand that all information gathered about me during this study will be treated with full confidentiality.

I do / do not consent to the interview being recorded.

Signed: _____

Date: _____

Darragh Smith

Master of Science in Business

National College of Ireland, Mayor Street Lower, International Financial Services Centre,

Dublin 1, Co. Dublin

Appendix E: Interview Guide

Interview Guide

Section A – Introduction & Participant Profile

Gather relevant background without revealing identifiable details.

Opening Prompt:

Thank you for agreeing to this interview. To begin, could you give me a brief overview of your role and your business- a general introduction?

Follow-up prompts:

- ➤ How long have you been leading the business, and what roles have you held within it?
- ➤ When was the business established, and by whom? (If family, just state "family member" rather than name)
- ➤ Is it still family-owned? How is ownership and management currently structured?
- ➤ Approximately how many employees do you have, and what are your main product/service areas? (Avoid brand names or uniquely identifying niche details)
- ➤ Has the business always operated in its current sector, or has it changed focus over time? (Keep answers general)

RQ1 – Entrepreneurial Orientation & Strategy Formation

How would you describe yourself as a business leader or entrepreneur?

Prompts:

- ➤ Would you say you're more pragmatic, or more instinctive and opportunistic in your approach?
- ➤ How do you typically develop strategy — is it a formal planning process or more adaptive?
- ➤ Can you give a general example of a major strategic decision and how it came about? (Avoid naming clients, projects, or partners)

RQ2 – Impact of Past Crises & Historical Context

"Thinking about the history of your business, what events or periods stand out as defining moments for your strategic thinking?"

Prompts:

- ➤ How did previous economic downturns or crises affect your decision-making?
- ➤ Have these experiences made you more cautious or more willing to take risks?
- ➤ Can you recall a time when a crisis required a major change in direction? (No client/company names)

RQ3 – Current Strategy Formation & Implementation

"How would you describe your current approach to making and implementing strategy?"

Prompts:

➢ Is there a written plan, or is it more informal?
➢ Who is typically involved in making these decisions? (Keep roles general, e.g., "senior managers," not names)
➢ How often do you review and adjust your strategy?

RQ4 – Human Capital Planning for Automation & AI

"Looking ahead, how do you see automation and AI affecting your business and workforce?"

Prompts:

➢ Are there specific roles or processes you expect to change? (Describe roles generically)
➢ Have you already introduced any new technologies? (Describe function, not product names)
➢ Are you planning workforce training or redeployment in response?

RQ5 – Succession Planning & Leadership Transition

"What are your thoughts on the future leadership of the business?"

Prompts:

➢ Is there a formal succession plan or talent pipeline?
➢ If not, what has made it difficult to put one in place?
➢ How important is it to you that the business remains under family or internal ownership?

Section C – Closing

"Is there anything we haven't discussed that you think is important for understanding your approach to strategy?"

"If you could give one piece of advice to another SME founder in a similar situation, what would it be?"

Appendix F: Participant No 4. Interview Transcript

Audio file

Interview 5-20250816_132835-Meeting Recording.mp4

Transcript

00:00:22 Speaker 1

OK. Thank you very much for taking the time to agree to be interviewed for my thesis. And I've sent you. I've sent you on the interview guide, which detailed all the questions just to give you a little bit of preparation. Uh, ahead of the interview.

00:00:42 Speaker 1

And now if you don't mind, I'll go through.

The research questions and after just a little brief introduction, if you will. So just to just to start off, if you would like to.

Briefly, introduce yourself, your company keeping the uh, the name and the products. Uh and and and the particular sectors as vague as as possible. Thank you very much.

00:01:12 Speaker 2

Yeah, absolutely. I'm. I'm the founder of the UM, the business and going back I've been leading the business for uh more than more than 30 years. I am the sole shareholder with myself and my wife we own the business in in its entirety.

00:01:33 Speaker 2

The the background of the businesses. It was it, it's involved in the in the packaging industry. So we manufactured products for for the domestic market mostly.

Our customer base at this stage is in sort of FMCG and and and sort of food and beverage. I would say it would would account for.

00:01:51 Speaker 2

Lot of it with small or other industry served also, but but they're the majority and the business was acquired to begin with as part of a management restructuring and and from from from a much larger group at the time.

00:02:05 Speaker 2

Uh, it was. It was a it was a smaller, smaller operation at that time. By the time we got involved, I had been involved in the business in the sales capacity before that and took control of the operation. Today we're, uh, we've got a team of about 100 staff and, uh, a

broad sort of management team of about 8 and I continue to lead the business and we have grown and evolved quite a bit and but we remain, we remain from the same site as as we've always been, which is uh, which is based up in the in the border region and in the northeast.

00:02:40 Speaker 2

Just.

00:02:43 Speaker 2

We've not, sorry, go ahead.

00:02:47 Speaker 1

You know, just to confirm it is is so your business is family owned by yourself and you are a first generation business as such.

00:02:51 Speaker 2

Family owned, yes. Owned by myself and yes.

00:02:55 Speaker 2

1st generation, yeah. So first generation correct, yeah.

00:03:00 Speaker 1

OK. And yeah, so you've the the business has always operated on the on the main on the on the same site and that's that's very, very interesting to see such diverse businesses in, in the region. So just moving on into the the first research question which is.

00:03:20 Speaker 1

About entrepreneurial orientation and strategy formation, and I suppose it came up in a few interviews that just just to confirm, I suppose we were getting mixed up between strategy formation and strategic planning. It's a subtle difference. So strategy formation is the process by which an organisation decides on its direction.

00:03:40 Speaker 1

Priorities and actions for the future. So sort of at its core, it's it's about answering the questions like.

00:03:49 Speaker 1

Where where are we now? Where do we want to be and how will we get there? So it's this. It's this. It can be, I suppose. How?

00:03:58 Speaker 1

You as a founder owner, deal with and ask those questions and answer them and and how how you arrive at that. Is it a deliberate process or or or do you strategy form based on?

00:04:12 Speaker 1

Uh, sort of past experience? And does it emerge over time? We'll say from from your, your, your experiences to this point. So that's just the strategy as opposed to strategic planning which is planning with say a specific goal or a specific task or a specific strategic direction. So in.

00:04:18 Speaker 2

Yeah.

00:04:31

Yeah.

00:04:32 Speaker 1

With. With that in mind, then, how would you describe yourself as a business leader or entrepreneur?

00:04:38 Speaker 2

Yes, I I would, I I think I think the.

00:04:43 Speaker 2

To taking taking the first, taking the first element of that I think my style, uh, my approach would certainly be born of of experience. And I would, I would rely a lot on on on.

00:05:02 Speaker 2

On.

00:05:06 Speaker 2

I rely a lot on on a on experience in terms of in terms of the approach to to how we grow and and develop the business. And I would say we from from a style point of view, I.

00:05:16 Speaker 2

Would say probably more.

00:05:17 Speaker 2

Charismatic in in in style in that our approach has and always always has maintained.

00:05:24 Speaker 2

Appendix G: Participant No.6 Interview Transcript

Interviewer 18:10

Yeah.

Sure.

Participant 6 18:25

That that has to be that has to be thought about now, where would it would have been a a smaller and more nimble theme previously. It's you know its more fomal now and it it has to be given the increase in people and the business itself. Yes

Interviewer 18:38

I think you've you've answered you've answered the second two parts of of of that I had two some questions was you know who who typically is involved in making the decisions and how often do you review and adjust your strategy? So, so basically you're you're saying as your company?

Has evolved. You've added more key personnel into your teams, and so I would say decisions on strategy get fed into the key key stakeholders or decision makers.

Participant 6 19:03

Yes.

Yeah.

Interviewer 19:12

Would you say you review strategy once a year, twice a year annually or or is it sort of more organic?

Participant 6 19:18

Yeah, yeah, I would say I would say so that so where we're coming to is the is the is the structure piece or the the structure of the reviews is is done around quarterly quarterly management meeting. So the strategy is reviewed in detail.

Probably annually I would say in detail and any revisions or refinement then will be will be revisited at that at those quarterly junctures, if there's any changes or I suppose any any departures from what what has has already been agreed and implemented or began to be implemented can comes out of those meetings.

Interviewer 19:43

OK.

Participant 6 19:56

Things and will be fed into the relevant teams at. At that point it.

Interviewer 19:57

So.

And do you think so? Do you think that that the rigidity of this of your your current structure was born out of past experience or is it more to do with the company expanding and having to to facilitate more?
More people and more decisions.

Participant 6 20:22

I would say it was. I'd say more the latter than the former. I would say. I would say it's born out of the the growth in, in the operation itself in, in the, in the number of participants and and the nature and the nature of the work.
Rather than rather than pass the series necessarily, and so we're still, I'm still quite close with my Co shareholder and and founder we would have a close relationship and discuss things informally all of the time and but it's it's more to try and.
Keep and again, this feeds into something that I'm passionate about. Keep the structure and and the process in place so that any flags or anything that might cause us an issue get get, I suppose, reveal themselves sooner rather than later.

Interviewer 21:13

Great. Great. Yeah, that's great. Thank you very much for, for your your, your candour there. And so the second part of the interview is more to do with, we say research questions four or five or more to do with.
AI or excuse me? AI automation. You know how if you have already implemented some some AI technologies or or automations in your business and the human capital planning? So, So really the intersection.
Of introducing AI and how that effects already and how it will affect your your the planning for staffing your business into the future. So looking ahead do you see automation and AI affecting your business and workforce?

We're basically learning by doing as opposed to having having fully fully fledged strategy and how we're going to utilise AI tools going forward and we've we've got a lot of learning to do and we need to do it quickly because because I think the pace of change is one is, is, is something that's that's that's picking up all the time.

Interviewer 24:02

Sure.

Yeah.

And have you engaged? Sorry. Have you engaged with Enterprise Ireland or any of the government initiatives in in the to to help with the implementation or is that something that you're going to look at in the future?

Participant 6 24:13

But we definitely.

Yeah, yeah.

Yes, we we have done. So we we we are a long standing client of enterprise Ireland who have some great supports for for that what we have done initially is to to review what what options we could look at. So there's digital discovery supports and and digital process implementation supports that are there for.

From enterprise Ireland, we've done. We've done the early stage 1, which is basically review and systems and processes that we currently have and looking at what options we we might be able to avail of. So that piece has been done.

The next piece will be the pro, the process optimisation piece which is looking in detail at the process flows and and that's the piece that we have not done yet because we haven't yet. I suppose we haven't yet prioritised the areas that we're that we that we think we can get the most bang for the buck out of.

Interviewer 25:04

Yeah.

Participant 6 25:23

So there's certainly in in the part of the business where I where I spend most of my time there, I would see it. I would see us only at the at the very at the very learning phase. I don't see it as something that we that we've identified clear, obvious obvious wins. What I would say from a strategic standpoint is.