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Survival of Small and Micro Architectural Design Enterprises in Industry Downturns

—A Case Study from the Relational Resilience Perspective

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Abstract

Since 2021, China's real estate industry has entered a period of profound adjustment. As a closely related sector, the architectural design industry has suffered severe impacts, leaving numerous small and micro architectural design enterprises facing unprecedented survival crises. This paper takes Shanxi Z Architectural Design Company as the research object and adopts a longitudinal single-case study method. Using the five-dimensional framework of organizational resilience as the analytical tool, it conducts semi-structured interviews with 13 respondents. Combined with the company's six-year financial data and contract ledgers of 47 projects, this study systematically diagnoses the organizational resilience of Company Z amid the industry downturn by applying the three-level coding approach of procedural grounded theory. The results show that Company Z demonstrates weak capital resilience and strategic resilience, moderate cultural resilience, and differentiated learning resilience characterized by "strong individual capacity yet moderate organizational capacity". Relational resilience stands out as the most prominent dimension among the five. Further analysis reveals that the formation of relational resilience is associated with relational trust accumulated from the founder's responsible behaviors over the firm's development. Such personalized trust constitutes a vital component of the firm's organizational resilience to some extent. When the enterprise encounters difficulties, it translates into employee retention, business continuity, and financial buffer, serving as a critical pillar for the firm's survival. Focusing on the formation mechanism of relational resilience within the five-dimensional framework, this study identifies the characteristics of the formation mechanism of relational resilience in small and micro enterprises built upon personalized trust. It provides references and practical implications for similar small and micro enterprises in crisis response and organizational resilience development.

Keywords

Industry Downturn, Small and Micro Enterprises, Organizational Resilience, Relational Resilience, Responsible Behavior, Personalized Trust

1. Introduction

In the second half of 2021, the debt default by Evergrande Group, combined with the previously introduced "Three Red Lines" policy for real estate financing, marked a fundamental shift in the development logic of China's real estate industry. According to data released by the National Bureau of Statistics, national commercial housing sales area declined year by year from 1.794 billion square meters in 2021 to 881 million square meters in 2025—a drop exceeding 50 percent. Growth in real estate development investment turned from 4.4 percent in 2021 to negative 17.2 percent in 2025, plunging the industry into a period of profound adjustment (National Bureau of Statistics, 2022, 2026). During the same period, the construction industry's share of GDP slid steadily, and the pillar industry structure changed markedly (China Construction Industry Association, 2026). This sharp contraction quickly impacted the architectural design sector. According to the Ministry of Housing and Urban-Rural Development (2026), by 2025 there were 26,010 national engineering survey and design firms, a year-on-year decline of 8.5 percent. By the end of 2025, the industry employed 4.329 million people, down 5.4 percent from 2024; designers numbered 954,000, down 6.3 percent. Guo (2024) noted that from 2022 to 2023, national architectural design revenue declined consecutively, falling to 167.72 billion CNY in 2023, a 5.2 percent year-on-year decrease over 2022. Meanwhile, the number of architectural design firms rose rather than fell, yet the average design revenue per firm dropped from 27.9 million to 26.07 million CNY—clearly reflecting a "too many monks, too little porridge" dynamic. Compounding this, numerous real estate firms defaulted one after another, development projects plummeted, and collection of large design fees became indefinitely delayed, pushing architectural design firms into a severe survival crisis. Li (2024) argues that the downturn in the construction industry is a structural crisis, not merely a cyclical fluctuation; the architectural design sector has shifted from a knowledge-intensive to a labor-intensive industry, and the vast majority of firms are grappling with salary cuts and layoffs—a viewpoint that sharply highlights the universality of the survival adversity facing small and micro architectural design enterprises.

This impact was particularly acute for small and micro architectural design enterprises, due to the structural characteristics of the industry. Three distinguishing features stand out: first, it is human-capital-intensive (Li, 2024), where core assets of design firms are talent and design capability; second, the market is highly fragmented (Guo, 2024), dominated by a vast number of small and micro firms; third, business

is highly dependent on fluctuations in the real estate market (Hu & Zhang, 2024), rendering impacts particularly direct. Against the backdrop of an industry downturn, the survival of small and micro architectural design enterprises is especially precarious. Compared to large design institutes, they have limited resource reserves, single financing channels, and weak risk resistance. During interviews, both firm founders and partner enterprises noted that a significant proportion of small and micro architectural design firms in their region have exited traditional architectural design business. Yet some firms continue to operate under extreme hardship. What enables these firms to survive? What are their resilience sources? This question holds substantial research value.

Organizational resilience refers to the dynamic capability of an organization to integrate resources, adjust strategies, actively build teams, and seek learning and innovation modes when facing adversity, thereby maintaining normal operations and pursuing transformative recovery (Duchek, 2020). Most existing studies focus on large enterprises (Zhang et al., 2020; Zhao et al., 2024), yet insufficient attention has been paid to the resilience of resource-constrained small and micro enterprises, particularly lacking systematic research on professional-service small and micro enterprises such as architectural design firms. Against this backdrop, this paper takes Z Architectural Design Company (hereinafter Company Z) as a case, adopts the five-dimensional framework of organizational resilience proposed by Liu et al. (2023) as an analytical tool, systematically diagnoses its resilience performance during the industry downturn, and extracts the formation mechanism of the core resilience dimension to summarize the elements enabling small and micro architectural design enterprises to survive.

Addressing gaps in existing research, this paper attempts three contributions. First, theoretically, it identifies the importance of relational resilience for small and micro architectural design enterprises: when capital resilience and strategic resilience prove ineffective, relational resilience becomes a critical resilience pillar, and its formation path can be summarized as "responsible behavior-trust-resilience." This finding complements the mainstream view in existing research that "firms must have sufficient resource reserves to withstand shocks" (Duchek, 2020), by identifying a resilience pathway that substitutes relational resources for material resources under resource constraints. Second, in terms of industry context, this paper extends organizational resilience research to small and micro firms in the architectural design sector for the first time, complementing the focus on manufacturing and tourism industries in existing literature and providing an industry reference for resilience research on human-capital-intensive professional-service small and micro enterprises. Third, regarding theoretical frameworks, this paper tests the applicability of Liu et al.'s (2023) five-dimensional framework in professional-service small and micro enterprises, finding that the coding density of the relational dimension is significantly higher than that of other dimensions, which provides a basis for improving and optimizing the framework's application in specific contexts.

2. Literature Review and Theoretical Foundation

2.1. Conceptual Evolution and Dimensional Division of Organizational Resilience

The concept of organizational resilience traces back to Holling's (1973) ecological research, where it was initially defined as an ecosystem's ability to return to its original state after disturbance. Meyer (1982) first introduced the resilience concept into management studies, observing that differences in strategy, structure, and resource redundancy across organizations produce differences in adaptive capacity. Thereafter, the academic understanding of organizational resilience gradually shifted from recovery toward proactive transcendence. Vogus and Sutcliffe (2007) defined organizational resilience as "the ability to maintain proactive adjustment under challenging conditions, making the organization stronger and more resourceful." Hamel and Välikangas (2003) proposed the concept of "strategic resilience," while Duchek (2020) further redefined resilience as "anticipation-response-adaptation."

Regarding dimensional division, the academic community has proposed various frameworks. Lengnick-Hall et al. (2011) argue that organizational resilience comprises three dimensions: cognitive, behavioral, and contextual. Zhang and Teng (2021) developed a localized measurement scale covering adaptive capacity, anticipatory capacity, and situational awareness. Cao (2020), through multiple case comparisons, synthesized a five-dimensional framework consisting of strategic resilience, capital resilience, relational resilience, leadership resilience, and cultural resilience. Liu et al. (2023), using grounded theory, replaced the leadership dimension with learning resilience, ultimately forming a five-dimensional framework covering relational resilience, strategic resilience, capital resilience, cultural resilience, and learning resilience. Among them, capital resilience refers to a firm's ability to maintain capital chain stability and ensure cash flow security under adversity, manifesting as the adequacy of capital reserves and diversification of financing channels. Strategic resilience refers to the capacity to anticipate environmental changes and promptly adjust business directions and resource allocation, primarily reflected in the clarity of strategic focus and the proactiveness of transformation. Cultural resilience refers to organizational culture's ability to coalesce employees and maintain organizational identification during crises, expressed through consistency of values and employees' sense of community. Relational resilience refers to a firm's capacity to mobilize resources and withstand shocks through its stakeholder network, embodied by the breadth of reciprocal relationships and depth of accumulated trust. Learning resilience refers to an organization's ability to acquire new knowledge and reconstruct capabilities through continuous learning to adapt to change, primarily measured by the effectiveness of individual learning, team learning, and organizational learning mechanisms.

This paper adopts Liu et al.'s (2023) five-dimensional framework as the analyt-

ical tool for three reasons. First, this framework was constructed based on grounded theory in a Chinese context, making it suitable for case studies of small and micro architectural design enterprises. Second, the five dimensions provide a systematic framework for enterprise research and can comprehensively reflect firm operating conditions. Third, for single-case study papers, this framework standard can help identify analytical entry points for the enterprise more clearly and precisely.

2.2. Current Status of Research on Organizational Resilience in Small and Micro Enterprises

Through literature review and analysis, we find three typical characteristics of organizational resilience in small and micro enterprises. First, resilience of small and micro enterprises is highly dependent on the founder's personal capabilities. Organizational resilience is closely related to the founder's leadership, resource integration ability, and social network. Zhao et al. (2021) found that entrepreneurial leadership has a positive effect on new venture performance, with the core mechanism being that leaders drive organizational resilience through vision shaping and resource mobilization. Feng et al.'s (2025) single-case study discovered that entrepreneurship can drive the evolution of organizational resilience through resource orchestration. Wang et al. (2023), based on case studies of 10 small and micro enterprises in Tongxiang City, further pointed out that direction selection, business strategy, and even personnel performance in small and micro enterprises are all decided unilaterally by the business owner, displaying a highly centralized patriarchal leadership characteristic; the founder's personal traits directly determine firm resilience. Liu's (2025) grounded study on real estate cooperative development projects also shows that leadership, organizational DNA, and external synergy are key dimensions of organizational resilience in real estate firms, resonating with research on the role of founders and relational resilience in small and micro architectural design enterprises. Second, lacking scale advantages and brand barriers, small and micro enterprises rely on relational networks as important resilience sources—for example, key resources such as customer relationships, industry connections, and social capital. Wu's (2023) empirical study on tourism small and micro enterprises shows that relational networks provide information, capital, and emotional support for firms in crisis situations and are the core key to resilience formation. Ozanne et al. (2022), based on multi-country SME samples, found that social capital and dynamic capabilities constitute key mechanisms for small and micro enterprises to withstand pandemic shocks and cultivate resilience. Third, creative resource integration under resource constraints is a typical approach for small and micro enterprises to build resilience. They typically compensate for resource deficiencies through approaches such as "relations substituting capital, flexibility substituting fixity, culture substituting institutions." Baker and Nelson's (2005) bricolage theory provides theoretical support for this phenomenon, pointing out that firms' improvisational creation using

existing resources is an effective path to break through resource constraints. Chen and Si (2026b), in their study of tourism small and micro enterprises, found that the dual-wheel drive of dynamic capabilities and bricolage jointly shapes organizational resilience. Zhang et al.'s (2024) case study also mentioned that small and micro manufacturing firms maintained organizational resilience through resource integration and strategic adjustment under uncertainty shocks. Zhang and Yang's (2024) empirical study further shows that by focusing on the relational dimension, small firms can promote their own growth through ambidextrous learning and organizational routine updates, thereby enhancing organizational resilience. These three characteristics indicate that resilience formation in small and micro enterprises has clear features of resource constraint and relational dependence, which also provides the literature basis for introducing the theoretical system of this paper.

2.3. Theoretical Foundation

This paper's theoretical framework is composed of the Resource-Based View, Social Capital Theory, and Stakeholder Theory. These three theories correspond to different links of this paper's core proposition: "responsible behavior-trust generation-relational resilience-resilience transformation." Among them, the connection between relational resilience and Social Capital Theory is particularly prominent, so it will be elaborated first before the theoretical integration.

The connection between relational resilience and Social Capital Theory manifests in two aspects: dimensional status and mechanism of action. At the level of dimensional status, Liu et al.'s (2023) five-dimensional framework lists relational resilience as an independent dimension of organizational resilience, emphasizing a firm's capacity to mobilize resources and withstand shocks through its relational network. Guan et al. (2024), based on grounded analysis, categorized organizational resilience resource composition into four types—elements, relationships, products, and structures—among which relational resources constitute one of the core components, arguing for the independent status of relational resilience from a resource-based perspective. From the perspective of action mechanism, two aspects are relevant:

First, trust is the core bond through which relational networks mobilize resources. The key to a relational network's ability to mobilize resources lies not in contractual constraints but in the trust accumulated within the network. Chowdhury et al. (2025) further empirically found an inverted U-shaped relationship between relational capital and organizational resilience, indicating that the effect of the relational dimension on resilience has boundary conditions and needs to work synergistically with elements such as human capital. At the level of social capital and resilience, Coleman (1988) and Putnam (1993) defined social networks and trust as accumulative forms of capital. Nahapiet and Ghoshal (1998) directly linked them to organizational knowledge creation and competitive advantage, providing a theoretical basis for social capital to transform into resilience re-

sources. Ozanne et al. (2022) have confirmed social capital's promotion of organizational resilience in small and micro enterprises. Yang et al. (2026), taking tourism small enterprises in Xijiang Miao Village, Guizhou as a case, further discovered that social capital and psychological capital jointly act on organizational resilience of small enterprises. Edafioghor et al. (2026) showed that employee social capital significantly enhances SME organizational resilience through knowledge sharing.

Second, when elaborating Social Capital Theory, it is necessary to specifically explain an important concept in this paper—personalized trust. Trust in small and micro enterprises has personalized characteristics: unlike system trust built by large enterprises relying on institutions and contracts, trust in small and micro enterprises originates more from individuals than from institutions. Zhou and Yang (2011), from the perspective of trust origin, defined trust based on identification with people and tied to individuals rather than institutions as personalized trust, distinguishing it from impersonal trust dependent on institutional media. They pointed out that personalized trust established by Chinese people based on the principle of sympathy has unique advantages in authenticity, scope, and intensity. Chen and Li (2026a) further defined this trust centered on people and tied to individuals rather than institutions as personalized trust, distinguishing it from system trust based on abstract regulations, with its formation relying on three mechanisms: identity shaping, spatial performance, and emotional interaction. This provides a conceptual reference for understanding the personalized nature of trust in small and micro enterprises and constitutes the theoretical fulcrum of "responsible behavior-trust generation."

After clarifying the relationship between relational resilience and Social Capital Theory, we now conceptually explain the three theories.

1) Resource-Based View. Wernerfelt (1984) and Barney (1991) argue that a firm is essentially an integration of various resources, and competitive advantage comes from resource differentiation. From this theory, we can see that Company Z lacks resources and cannot rely on capital reserves to withstand shocks like large enterprises. Therefore, its resilience source must differ from conventional resources—this characteristic is precisely the foundational premise of the entire paper's analysis.

2) Social Capital Theory. Scholars such as Coleman (1988) and Putnam (1993) consider social networks and relationships as valuable forms of capital. Nahapiet and Ghoshal (1998) divided social capital into relational, structural, and cognitive dimensions, and argued that trust in the relational dimension is the most core form of capital. Company Z relies on relational networks with customers, employees, and banks to survive—essentially mobilizing social capital to withstand adversity, with trust serving as the key bond in this process. Ozanne et al.'s (2022) empirical analysis similarly verifies that social capital can promote organizational resilience in small and micro enterprises. Liang et al.'s (2025) review on family firm resilience also elaborates that social capital and relational networks are the

core source of family firm resilience; continuous relationship accumulation under long-term orientation is precisely what distinguishes their resilience from that of non-family firms.

3) Stakeholder Theory. Freeman (1984) argues that a firm's survival and development depend on its relationships with various stakeholders. Company Z's ability to maintain survival under extreme hardship precisely stems from the founder's responsible behaviors—such as guaranteeing employee livelihood, delivering quality work to clients, and repaying bank loans on schedule—which maintain the trust of key stakeholders and enable survival.

The three theories above correspond to different links of this paper's core proposition: the Resource-Based View explains "why small and micro enterprises can have resilience"—under conditions of heterogeneous resource scarcity, their resilience sources must differ from conventional resource reserves; Social Capital Theory explains "why relational networks can transform into resilience resources"—trust, as relational social capital, can transform into actual resources under adversity; Stakeholder Theory explains "why responsible behaviors generate trust"—fulfilling responsibilities toward multiple stakeholders essentially maintains relational networks. Together they support the mechanism of "responsible behavior-trust generation-relational resilience-resilience transformation" and correspond to the five-dimensional framework as shown in Table 1.

Table 1. Correspondence between theoretical foundations and five-dimensional resilience.

Theory	Corresponding Dimension	Theoretical Role
Resource-Based View	Capital Resilience, Strategic Resilience	Defines the resource-constrained context; explains the structural deficiency of capital and strategic resilience
Social Capital Theory	Relational Resilience	Elaborates the resilience significance of trust: trust constitutes the core element of relational resilience
Stakeholder Theory	Relational Resilience, Cultural Resilience	Explains the resilience value of responsible behavior: maintains multi-stakeholder relationships and interests

2.4. Research Commentary

Overall, existing literature has accumulated rich research results on the conceptual evolution of organizational resilience, the characteristics of small and micro enterprise resilience, and the relationship between social capital and resilience. However, several gaps remain: First, research subjects mostly focus on manufacturing and tourism industries, with limited attention to professional-service small and micro enterprises such as architectural design firms. Second, quantitative empirical research dominates the methodology, while case studies are relatively insufficient; the process and micro-mechanism of resilience formation have not been deeply revealed. Although Sun (2024) proposed that SME resilience

under severe adversity consists of three dimensions—anticipation, response, and recovery—with formation paths determined by management attention driving strategic renewal, and Shi (2024) extracted a formation path of "resilience foundation-risk identification-resilience activation-strategic adjustment," neither addresses the micro-mechanism of responsible behavior and trust generation. Third, the applicability of existing dimensional frameworks to knowledge-intensive professional-service small and micro enterprises requires further testing. This paper, taking Company Z as a case, both supplements the industry scope of small and micro enterprise resilience research and tests the applicability of the five-dimensional framework in small and micro professional-service enterprises.

3. Research Design

3.1. Research Method

This paper adopts a retrospective longitudinal single-case study design. "Longitudinal" here means that the study covers the period from 2020 to 2025, identifying problems through the temporal sequence based on six years of financial data and the content of 47 project contract records, rather than conducting multi-year real-time tracking of the same group of respondents (see Section 3.3). A single case is chosen because this study focuses on the process-oriented question of "how small and micro enterprises sustain survival in extreme adversity," and single-case research is well suited to providing in-depth description and mechanism revelation of phenomena (Yin, 2018). The selection of Company Z conforms to the "extreme case" selection strategy (Yin, 2018): the enterprise maintained operations despite an extreme adversity involving a revenue decline of approximately 82% from 2020 to 2025, and it has been in existence for more than 30 years. Such an extreme case can isolate the influence of survival factors such as scale advantages and resource reserves, allowing the resilience mechanism to emerge more clearly, which facilitates the identification and extraction of core mechanisms.

3.2. Case Selection

Company Z was selected as a case for three reasons. First, firm condition fit: maintaining operations with approximately 82 percent revenue decline, satisfying the extreme case selection principle. Second, industry representativeness: Company Z is a small and micro architectural design firm with typical industry characteristics such as intelligence-intensive and small-scale operations. Third, data accessibility: the researcher established a trust relationship with the firm, facilitating access to financial data, project contract ledgers, and interview opportunities.

3.3. Data Collection

To achieve triangulation, this paper collects data from multiple channels (Yin, 2018). Xing's (2024) case study on private real estate H Construction Group sim-

ilarly employed semi-structured interviews and triangulation, providing an industry reference for this paper's methodological choices. The data sources include three categories:

1) Semi-structured interviews. Six in-depth interviews with Company Z's founder (cumulative approximately 8 hours), covering firm development history, financial conditions, business transformation, personnel management, responsible behaviors, and trust relationships. Semi-structured interviews were conducted with 13 respondents: 6 internal personnel (founder, technical lead, project manager, finance staff, senior designer, new employee) and 7 external personnel (departed key staff, long-term customer, developer representative, rendering partner, external consultant, former partner customer, bank credit officer).

2) Internal documentary data. Collected contract ledgers for 47 projects from 2020 to 2025, a six-year financial data summary table (including annual revenue, receivables, employee count, project count, etc.), employee roster, and salary records.

3) External public data. Mainly industry policy documents, industry research reports, and news reports.

Interview outlines follow the principle of "framework orientation + role differentiation." First, based on the five-dimensional framework of organizational resilience, interview questions were developed for each dimension to ensure coverage of all content. Second, differentiated outlines were designed based on respondent roles. Founder interviews covered all five dimensions, emphasizing development history, decision processes, and responsible behaviors. Internal employee interviews focused on internal perceptions of cultural resilience and learning resilience. External partner interviews emphasized external verification of relational resilience. Interviews adopted a semi-structured format, using open-ended questions to guide respondents to describe real experiences, avoiding leading questions, and conducting follow-up questions based on interview progress to obtain rich process data. The interview outline was designed based on Liu et al.'s (2023) five-dimensional framework; core question examples for each dimension are shown in Table 2, and respondents and their corresponding interview content are shown in Table 3.

Table 2. Core question examples from interview outline.

Dimension	Core Questions
Capital Resilience	What is the firm's financial condition during the industry downturn? How does it address delayed wages and collection difficulties?
Strategic Resilience	How did the firm adjust its business direction? Was it proactive or reactive? When did it recognize the industry inflection point?
Cultural Resilience	Why did employees choose to stay despite delayed wages? What is the firm's management philosophy?
Relational Resilience	How are relationships with customers, banks, and employees maintained? What responsible behaviors has the founder exhibited?
Learning Resilience	How does the founder acquire new knowledge? What are the team's learning methods? Are there organizational-level learning mechanisms?

Table 3. Respondents and interview content.

ID	Category	Identity	Duration	Core Content
R1	Internal	Founder	6 rounds/~8 hours	Development history, finance, strategy, responsible behaviors
R2	Internal	Technical Lead	~1 hour	Technical management, team learning, culture
R3	Internal	Project Manager	~1 hour	Business conditions, customer relationships
R4	Internal	Finance Staff	~40 minutes	Funding status, loans, collections
R5	Internal	Senior Designer	~1 hour	Reasons for staying, trust in founder
R6	Internal	New Employee	~40 minutes	Reasons for joining, work status
R7	External	Departed Key Staff	~1 hour	Reasons for leaving, company issues
R8	External	Long-term Customer	~40 minutes	Evaluation of cooperation, trust foundation
R9	External	Developer Representative	~30 minutes	Strategic partnership, collection status
R10	External	Rendering Partner	~30 minutes	Long-term cooperation, collaboration trust
R11	External	External Consultant	~30 minutes	Professional evaluation, cooperation model
R12	External	Former Partner Customer	~30 minutes	Service evaluation, professional capability
R13	External	Bank Credit Officer	~20 minutes	Good tax record, normal repayments

The founder (R1) was interviewed in 6 rounds, totaling approximately 8 hours, while each of the remaining 12 interviewees was interviewed once. The multiple rounds of interviews with the founder were intended to cross-check the timing and details of early events across different rounds. It should be noted that this study is a retrospective longitudinal design: key events from 2021 to 2025 were recalled by interviewees during the interviews, while six years of financial data and 47 project contract records were used to determine the timing and sequence of events (e.g., the revenue inflection point occurred in 2021, design fee arrears became routine from 2018 onward, a bank loan was obtained in 2023, and the project type shifted toward fire protection renovation after 2022). The combination of these two sources forms the chain of research evidence integrating the timeline and the interview line.

3.4. Data Analysis Process

3.4.1. Division of Development Stages of the Enterprise

Based on the founder interviews and existing materials, the development history of Company Z is divided into three stages. The first stage (1994-2009) is the growth period, during which the founder operated state-owned enterprise design business under a contracting system, formally registered the company in 2005, and obtained a Grade C qualification. The second stage (2010-2021) is the maturity period, during which the company upgraded to a Grade B qualification in 2010, employed 20 - 25 staff, and achieved a maximum annual revenue of 8 million yuan. The third stage (2021 to present) is the industry downturn period, during which revenue plummeted from 3.2223 million yuan to 591,600 yuan and the workforce shrank from 25 to 11 employees. This paper takes 2020 as the starting

point and, supported by the data from the third stage, investigates the organizational resilience of the enterprise. The timing of stage boundaries was determined based on financial data and contract records, while the event processes within each stage were retrospectively reconstructed based on the interviews.

3.4.2. Three-Level Coding Analysis

The data analysis in this study combines "deduction using the five-dimension framework" with "data induction." Specifically, it consists of two levels: first, the coding procedure follows the three-level process of open coding-axial coding-selective coding proposed by Strauss and Corbin (1998); second, the hierarchical naming and presentation of coding results draw on the "first-order concepts-second-order themes-aggregate dimensions" data structure of Gioia et al. (2013). These two levels correspond respectively to the analytical process and the presentation of results, and are not two parallel analytical methods. It should be noted that, because the interview outline was designed based on the five-dimension framework (see Section 3.3), the five dimensions mainly served as a heuristic reference during the interview and initial coding stages. Therefore, this study is not a purely inductive grounded theory study but rather adopts a research method combining deduction and induction: the framework provides direction, concepts and themes are induced from the data, and finally the results are compared with and tested against the framework.

First, open coding. The interview texts were annotated sentence by sentence and paragraph by paragraph, expressions related to organizational resilience were conceptualized, and first-order concepts (initial concepts) were extracted. A total of 143 first-order concepts were extracted in this study.

Second, axial coding. First-order concepts with similar meanings or mutual associations were merged and aggregated to refine second-order themes. A total of 26 second-order themes were formed in this study.

Third, selective coding. In the open coding and axial coding stages, coding only required concepts and themes to be close to the original statements, without forcing them into a particular dimension. On this basis, a two-step "theoretical dialogue" was conducted. In the first step, the researcher matched the 26 second-order themes one by one to the five-dimension framework of Liu et al. (2023), made judgments on the attribution of each theme, and recorded the basis for each judgment. To reduce the subjectivity of a single coder, the correspondence results were reviewed by colleagues, and disputed points were discussed and revised. In the second step, themes that could not be assigned to existing dimensions were listed separately to examine whether the framework had insufficient coverage. The results showed that all 26 second-order themes could be assigned to the five dimensions, and no themes requiring new dimensions emerged. Among them, themes such as "customer trust generation", "bank institutional trust", and "collaborator trust generation" became important clues for the study of relational resilience.

The data structure of this study is shown in **Table 4**.

Table 4. Data structure: three-level categorization of concepts, themes, and dimensions.

Aggregate dimension	Second-order theme	First-order concepts (selected)	Typical evidence citation
Capital resilience	Capital depletion	Book balance of only a few thousand yuan; at the worst point, funds on hand could support only one month; wages could not be paid on time; employees experienced wage arrears to varying degrees; maximum wage arrears reached six months; cash flow sustained mainly by payments from earlier projects	"The account balance was just a few thousand yuan, and there were times when wages could not be paid" (R1)
Capital resilience	Collection difficulties	Client arrears in design fees became routine from 2018; the arrears ratio remained high; the longest collection cycle was five years; bad debts could not be recovered over the long term; developers' payment cycles kept lengthening	"Arrears from a single developer remained unpaid for years" (R1)
Capital resilience	Selling assets to supplement funds	Selling personal real estate to supplement operating capital; borrowing funds from a cooperating developer	"Sold personal real estate to supplement funds" (R1)
Capital resilience	Cost compression	Reducing office space to lower rent; compressing travel expenses (switching from direct flights to connecting flights); compressing entertainment expenses; shifting outsourcing from dispersed to fixed arrangements; compressing labor costs through multi-role staffing; using self-owned property rent-free; fixed monthly expenditure of approximately 70,000 yuan	"Travel was compressed too, switching from direct flights to connecting flights" (R1)
Capital resilience	Differentiated compensation	On-time payment for key positions and new employees; wage arrears for non-key positions and senior employees; performance pay based on workload; wage arrears without salary reduction; social insurance paid on time and in full	"Wages for new employees and key-position employees were still paid on time, while senior employees experienced varying degrees of wage arrears" (R1)
Capital resilience	Single financing channel	Banks were the main external financing channel; loan qualifications were good and applications relatively easy; banks still granted credit lines; the founder voluntarily gave up loans and relied on self-funded circulation; eligible to apply for "tax-based loans"	"Performance was good in previous years, loan qualifications were good, and applications were relatively easy" (R4)
Strategic resilience	Strategic passivity	No proactive strategic adjustment, following client demand; lack of independent market research and strategic functions; the founder was consumed by daily operations with no time for forward planning; business highly dependent on real estate prosperity	"I personally did not make proactive adjustments; I just followed developers' demands" (R1)
Strategic resilience	Lagging inflection-point judgment	Slow response to the 2021 industry inflection point; inaccurate expectations and judgments; crisis clearly perceived only in 2023; missed the 2021-2022 window for early transformation	"It was slow; I only felt it in 2023" (R1)
Strategic resilience	Passive business transformation	Shifting from residential and commercial to fire protection renovation; shifting to sports architecture; shifting to feasibility reports and consulting services; shifting to affordable housing design; shifting to urban renewal and facade renovation; shifting to preliminary schemes for cultural tourism hotels; shifting to pastoral complexes; designs completed but developers did not proceed with construction; business aligned	"The design was completed, but the developer had not started construction" (R1)

		with national policy directions; non-real-estate business share rose to approximately 60%; 80% of peers had exited traditional design	
Strategic resilience	Strategic constraints	Single qualification, difficult to upgrade to Grade A; talent reserve could not keep up; insufficient business diversification	"Our qualification is single" (R1)
Cultural resilience	Inheritance of state-owned enterprise institutions	Social insurance paid on time with no interruptions; accumulated overtime pay and triple wages on holidays; standardized employee benefits; humanistic management; standardized operations and meticulous signature procedures; encouraging employees to obtain certifications and remain with the company	"Social insurance has always been paid to employees on time; this is a tradition from our state-owned enterprise background" (R1)
Cultural resilience	Flexible private-enterprise mechanisms	Flexible work arrangements; employee autonomy; multi-role staffing and flexible employment; easier than state-owned enterprises and more humane than private enterprises; scoring-based management	"Neither as rigid as state-owned enterprises nor as disorderly as private enterprises" (R7)
Cultural resilience	Simple trust-based motivation	Employees have emotional attachment to the company; those who have stayed 20 years remain; employees understand even amid wage arrears; harmonious team relations; the founder's design pursuit serves as a learning model	"I have been with the company for 20 years and have emotional attachment; I don't want to leave" (R5)
Cultural resilience	Dual integration but not systematized	Both formal and humane; team atmosphere turned depressed and initiative declined due to wage arrears; no systematic corporate culture statement or inheritance mechanism	"The enterprise has never focused on sorting out and building corporate culture over the years" (R1)
Relational resilience	Responsible behavior toward employees	Social insurance paid on time; priority payment for key positions; no centralized layoffs; wage arrears without salary reduction; accumulated overtime pay and triple wages; sustaining employee confidence	"Social insurance has always been paid to employees on time; from 2020 to 2025 the workforce decreased by 14, all through natural attrition and voluntary resignation, with no centralized layoffs" (R1/R7)
Relational resilience	Responsible behavior toward clients	Guaranteed quality delivery and serious attitude; free preliminary services; hands-on involvement; repeated revisions until client satisfaction; strong professional design capability; early and specialized development in niche fields	"Intellectuals who take a serious attitude toward projects" (R8)
Relational resilience	Responsible behavior toward banks	Repaying loans on schedule; maintaining good credit records	"Basically able to repay on schedule" (R13)
Relational resilience	Employee trust generation	Remaining despite wage arrears; unwilling to leave; proactive in work; emotional attachment to the company; regarding the founder as a learning model	"Stayed for 20 years, have emotional attachment to the company, don't want to leave" (R5)
Relational resilience	Customer trust generation	Long-term sustained cooperation; proactively referring projects; strategic partners; smooth communication and mutual consultation; lending money to the company in difficult times; clients proactively helping	"Proactively introduced projects" (R8)
Relational	Bank institutional	Credit lines maintained without withdrawal; good loan	"Good tax payment records,

resilience	trust	qualifications and easy application; basically able to repay on schedule; legal-person credit recognized by banks; good tax payment records; good legal-person credit; no violation records for the company or legal person	decent legal-person credit, no violation records" (R4)
Relational resilience	Collaborator trust generation	More than a decade of long-term collaboration; efficient and smooth cooperation; 15 years of full technical support; negotiable deferred payment; cooperation unaffected by the industry downturn	"More than a decade of cooperation, efficient and smooth" (R10)
Learning resilience	Individual learning continuity	The founder's 30 years of continuous learning; at least one hour of learning per day; obtaining industry dynamics through the internet; proactively understanding the direction of industry transformation; attention to new policies and standards; clear judgment that real estate is no longer a pillar industry; comprehensive professional expertise; self-awareness of insufficient forward-looking vision	"Real estate is no longer a pillar industry" (R1)
Learning resilience	Embedded team learning	The team learns through projects; professional capabilities continuously improved; frequent technical exchange across disciplines; technical standard training; mentoring and senior staff guiding newcomers; newcomers able to handle projects independently in about three years; meeting minutes properly retained; project documents and drawings archived; project reviews and summaries; strong team learning atmosphere	"The team learns through projects" (R2)
Learning resilience	Insufficient organizational learning	Middle-management 梯队 not yet formed (middle-management pipeline not yet formed); no institutionalized knowledge-sharing mechanism; no standardized design documents or case library; organizational training almost stalled in recent years; risk of experience loss due to core employee departures; no exposure to experience in large-scale, super-high-rise, or industrial projects; insufficient mastery of new standards; learning outcomes difficult to convert into organizational capability	"The middle-management pipeline has not yet been formed" (R1/R7)
Learning resilience	Emotional regulation and morale maintenance	Stabilizing team confidence and not giving up on anyone; arranging concrete work to keep employees busy; contacting new business to give hope; paying key positions to reassure	"Stabilize the team, always on the move, never giving up" (R1)
Learning resilience	Positive cognition and transformation consensus	Guiding all staff to recognize the industry transformation trend; abandoning the mindset of big orders and accepting small orders; shifting to new businesses such as urban renewal; pushing all staff to face the industry reality	"Let go of the big-order mindset and accept small orders" (R1/R3)

The left side of **Table 4** presents the aggregate dimensions (corresponding to the five-dimension framework of organizational resilience), the middle presents the second-order themes (aggregated from first-order concepts), and the right side presents the first-order concepts and typical evidence citations. The classification format of this table draws on Gioia et al. (2013), while the coding procedure follows the Strauss-Corbin three-level coding. **Table 4** presents the refinement process from original statements to theoretical dimensions, which ensures the

traceability of the data. Among the dimensions, relational resilience contains 7 second-order themes and 37 first-order concepts, exceeding the other dimensions in number (learning resilience: 5 themes/34 concepts; capital resilience: 6 themes/31 concepts; strategic resilience: 4 themes/22 concepts; cultural resilience: 4 themes/19 concepts). This difference is influenced by the role division in the interview outline and serves only as a descriptive reference.

To improve accuracy, two measures were adopted: first, original evidence citation—each first-order concept is accompanied by typical original interview statements; second, multi-party cross-validation—judgments on the same phenomenon simultaneously reference interviews with the founder, current employees, departed employees, and partners, avoiding bias from a single perspective.

3.5. Resilience Level Judgment Method

This study uses "dimension-differentiated criteria" as the primary basis for judgment and "code counts and evidence sources" as descriptive references to assess the resilience level of each dimension. In particular, code counts only reflect the degree of coverage of a given dimension in the data and are affected by the interview guide design, interviewee role differentiation, and question ordering; they cannot be directly equated with the strength of resilience. Therefore, the determination of resilience ratings is based on observable behavioral criteria, while code counts are used only to indicate the richness and distributional differences of the evidence.

First, dimension-differentiated criteria. Based on the connotations of each dimension and Company Z's actual performance, measurement criteria were set for each dimension: capital resilience is assessed by whether the capital chain has broken down, the duration of wage arrears, and financing capacity—a broken capital chain or prolonged wage arrears indicates weak resilience; financial strain without a break indicates moderate resilience; and ample capital with reserves indicates strong resilience. Strategic resilience is assessed by proactive transformation willingness and the ability to identify inflection points—passive following with ineffective transformation indicates weak resilience; passive transformation with some effectiveness indicates moderate resilience; and proactive planning with effective transformation indicates strong resilience. Cultural resilience is assessed by team cohesion and core employee retention rate (core employee retention rate = number of employees on duty in 2025 with 3 or more years of tenure/number of employees on duty in 2020 with 3 or more years of tenure, see 4.5)—massive employee turnover indicates weak resilience; employee retention without a systematic culture indicates moderate resilience; and a systematized culture with strong cohesion indicates strong resilience. Relational resilience is assessed by the degree of trust among stakeholders and the ability to convert resources—broken trust indicates weak resilience; partially maintained trust relationships indicate moderate resilience; and stable trust with multiple parties that can be converted into actual resources indicates strong resilience. Learning resilience is assessed by the frequency of knowledge updating and the degree of organizational learning—

stagnant learning indicates weak resilience; individual learning without organizational integration indicates moderate resilience; and systematic organizational learning indicates strong resilience. Each dimension is compared item by item against the above criteria, and a judgment of "weak/moderate/strong" or a composite judgment is given.

Second, code counts and evidence sources. The statistical results show that relational resilience has 37 first-order concepts, with evidence from 10 interviewees; capital resilience has 31, strategic resilience 22, cultural resilience 19, and learning resilience 34. However, three points require attention: first, the difference between relational resilience and learning resilience is only 3 concepts, which is insufficient to support the judgment that "relational resilience is significantly stronger"; second, the external interviewees in this study (R7 - R13) were mainly interviewed about customer, collaborator, and bank relationships, so the interview coverage of the relational dimension was naturally broader; third, the number of questions on the five dimensions in the interview guide was uneven. Therefore, differences in code counts partly stem from the research design, and this paper treats them only as descriptive information; the determination of resilience ratings is based on the first criterion.

The basis for the above differentiated criteria includes industry statistical data (National Bureau of Statistics, 2022, 2026; China Construction Industry Association, 2026), the founder's observations of peer conditions, and cross-validation among multiple interviewees. It should be noted that the industry statistical data are used only to define the severity of the external market environment faced by Company Z; the determination results for each dimension of Company Z come from observable behavioral performance during the case study stage, rather than industry averages. In addition, the resilience judgments in this study are relative judgments, used to compare the strength differences among the five dimensions and identify the core supporting dimensions, rather than to provide a quantitative rating of the absolute level of the enterprise's organizational resilience.

4. Diagnosis of Company Z's Organizational Resilience

4.1. Firm Overview

Company Z Architectural Design traces its origins back to 1994, when the founder undertook design work for K Design Company (SOE) in Shanxi Province under a contract system. After the SOE restructuring in 2005, the founder formally registered his own design company, starting with 5 employees. From 1994, Company Z's core team has survived for over 30 years, experiencing at least four cyclical fluctuations in the industry.

Core data from the six years 2020-2025 (see data overview in **Table 5**) show that Company Z was in extreme adversity: operating revenue declined from 3.2223 million CNY in 2020 to 591,600 CNY in 2025, a decline of approximately 82 percent. Receivables remained persistently high, reaching 1.7782 million CNY in 2020. Employee count fell from 25 to 11. The most severe wage delay period

lasted 6 months, with book balance occasionally falling to only a few thousand CNY. Yet by 2025, Company Z still maintained 11 employees on staff, had 4 new projects under progress with high intent and high unit price, and the firm did not enter bankruptcy liquidation. Under extreme hardship, Company Z continued to operate and was beginning to see new business opportunities—forming the empirical foundation for this paper's organizational resilience analysis.

The founder has a background in architectural design. Based on multiple interview records and direct knowledge, he has six characteristics: he is a technical entrepreneur, deeply rooted in the architectural design field for over 30 years, with a good professional reputation in the industry; he maintains a long-term habit of continuous learning, and despite being 60 years old, has strong ability to accept new things and learn new technologies; because of his SOE background, his management integrates both SOE and private enterprise institutional cultures, which has played a role in team stability; he is a sentiment-driven entrepreneur, deeply passionate about architectural design and persistently exploring in his professional field; his business selection tendency has led him, as a leader, to overlook market needs and changes, resulting in obvious strategic deficiencies; he personally dislikes socializing and is not adept at government relationship maintenance—despite having many early government business resources and leads, the company has mainly served the private sector due to lack of proactive cultivation, maintenance, and follow-up. Among these traits, the responsible trait is directly related to relational resilience formation and is the focus of this paper.

4.2. Diagnosis Data Summary and Results

According to the research methods in Chapter 3, we organize the data provided by the firm. In 2024, there was an increase in small firefighting-renovation projects (see Table 5). Table 6 presents the correspondence between second-order themes and first-order concepts under the five-dimensional framework, along with resilience level judgments. Among them, relational resilience contains 7 second-order themes and 37 first-order concepts, with coding density significantly higher than the other four dimensions; it is diagnosed as having strong resilience, making it the focus of this case study.

Table 5. Financial data overview of Company Z (2020-2025).

Year	Revenue (10 k CNY)	Receivables (10 k CNY)	Employees	Projects
2020	322.23	177.82	25	12
2021	224.91	47.02	22	12
2022	60.16	11	18	7
2023	20.7	0	15	4
2024	114.83	10	12	8
2025	59.16	0	11	4

Table 6. Coding structure and resilience level judgment under the five-dimensional framework.

Dimension	Second-order Themes	Count	Representative First-order Concepts	Concepts	Resilience Level
Capital Resilience	Fund depletion, collection difficulties, asset sale, cost compression, differentiated wages, single financing channel	6	Cash on hand in thousands, 6-month wage delay, persistent arrears, house sold, travel cut, good loan qualification	31	Weak
Strategic Resilience	Strategic passivity, delayed inflection recognition, reactive business transition, strategic constraints	4	Follow developers, only sensed in 2023, 80% peers switched, single qualification	22	Weak
Cultural Resilience	SOE institutional heritage, flexible private mechanisms, plain trust incentives, dual integration but unstructured	4	Social insurance never delayed, people-oriented mgmt, stayed 20+ years	19	Moderate
Relational Resilience	Responsible behaviors to employees/customers/banks, employee trust, customer trust, Institutional trust from banks, partner trust	7	Social insurance on time, quality delivery, loan on time, employee retention, customer referrals, bank credit	37	Strong
Learning Resilience	Continuous individual learning, embedded team learning, insufficient org learning, emotion regulation, proactive cognition	5	Founder learning 30 yrs, team learns in projects, middle management gap	34	Strong Individual/ Moderate Org

Changes in employee size require separate explanation. From 2020 to 2025, Company Z's registered employees decreased from 25 to 11, a cumulative reduction of 14 (including the founder among the 11 on-duty employees). According to the employee roster, payroll records, and an interview with a departed key employee (R7), among those reduced: 5 left voluntarily due to wage arrears and declining income, 7 left for personal or family reasons, and 2 had their labor contracts terminated through negotiation; the company did not implement mass layoffs and did not interrupt social insurance contributions. Of the 11 retained employees, 6 have more than 10 years of tenure, and 3 of them hold key positions such as technical director and project manager. Therefore, the main reason for the reduction in employees was natural attrition and voluntary departure under industry downturn, rather than active downsizing by the company; however, the departures themselves also indicate that wage arrears had some impact on employee trust.

Table 6 presents the correspondence between second-order themes and first-order concepts under the five-dimension framework, as well as the judgments of resilience levels. Among them, the second-order themes and first-order concepts contained in relational resilience have the broadest coverage in the data; however, code counts serve only as a descriptive reference. According to the differentiated criteria in 3.5, relational resilience meets the "strong" standard in both the stability of multi-party trust and the capacity to convert resources, and

is the only dimension rated "strong"; it therefore also becomes the focus of the case study.

4.3. Capital Resilience: Weak

Coding analysis shows that Company Z's capital resilience is at a weak level. A total of 31 first-order concepts and 6 second-order themes were extracted: fund depletion, collection difficulties, asset sale to replenish funds, cost compression, differentiated wages, and single financing channel.

From the funding situation, Company Z's book balance was once only a few thousand CNY, with wage delays lasting up to 6 months. The founder self-reported: "Book balance was only a few thousand CNY; there were wages we couldn't pay." Delayed design fees became the norm since 2018. During interviews, the founder also admitted that when orders were plentiful, he did not plan ahead, paid insufficient attention to company reserves and partner receivables, neglected financial management, and found the situation already very passive by the time he noticed. To maintain operations, the founder sold personal real estate, relocated offices, and compressed travel and entertainment expenses. Regarding wages, the founder adopted a differentiated strategy: "New employees and staff in key positions can still be paid on time; non-key positions or veteran staff have varying degrees of delay," but "social insurance has always been paid for employees."

This shows that Company Z lacks capital reserves and fund planning awareness. As a light-asset industry, its capital resilience is clearly at a weak level. According to Guo's (2023) study of light-asset real estate enterprises, capital resilience is generally weak in the structural dimensions of organizational resilience for light-asset enterprises, with influencing factors spanning organizational, environmental, and individual levels—consistent with the characteristic of architectural design firms as light-asset service firms. Company Z maintained operations not mainly through its own capital reserves but by supplementing operating funds through bank credit, customer collections, and the founder's sale of personal assets. The Ministry of Industry and Information Technology (2024) pointed out that SMEs should establish robust cash flow management and financial planning review systems, effectively avoiding financial risks through cash flow risk assessment and early warning mechanisms. The fundamental reason for Company Z's weak capital resilience is not a lack of financing channels, but rather the absence of proactive fund planning and cash flow management awareness. If a normalized financial planning and cash flow early warning mechanism could be established, it would be possible to fundamentally improve its weak capital resilience.

From the ledgers of 47 project contracts, Company Z completed 47 cumulative projects from 2020 to 2025, of which approximately 70 percent collected on time; overdue items generally had longer aging periods, and 30 percent of projects were not executed as agreed. Regarding customer structure, the top three contract-

value partners were all development enterprises, contributing approximately 70 percent of revenue. Excessive customer concentration led to concentrated collection risk. In terms of contract execution, most projects' collection cycles could not fully follow contract provisions, reflecting the weakened collection capability of design firms and insufficient contract binding power during the industry downturn. These project-level data further confirm Company Z's weak capital resilience. Although the financing channel is single, the company still obtained bank credit during the study sample period, which buffered its cash flow. However, the sustainability of later-stage credit still depends mainly on factors such as the company's recent revenue, tax payment records, and credit status; therefore, Company Z's capital resilience remains very weak.

4.4. Strategic Resilience: Weak

Coding analysis shows that Company Z's strategic resilience is also at a weak level. A total of 22 first-order concepts were extracted, then consolidated into 4 second-order themes: strategic passivity, delayed inflection point recognition, reactive business transition, and strategic constraints. Almost all interview data reflect weakness in this dimension.

From the perspective of strategic proactiveness, Company Z's business direction mainly followed customer demand without proactive planning. The founder admitted: "I didn't proactively adjust; we just followed developers' needs." Regarding inflection point judgment, the founder's response to the industry downturn was clearly delayed: "The market changed, but my response was slow. I was still doing tail-end projects, and my judgment wasn't accurate. I only sensed it in 2023, missing the early transition window of 2021-2022." Regarding business transition, Company Z's business types have gradually shifted from commercial and residential buildings to firefighting renovation, sports facilities, subsidized housing, and consulting services—basically breaking away from traditional real estate projects. In 2025, it began participating in preliminary design bids for pastoral complexes and resort hotels. However, this transition was not the result of proactive strategic planning but rather reactive following of market demand changes. Although Company Z is now working hard on its business transition path, because it started late, even though there are some new businesses and preliminary designs completed, construction has not yet begun, and their number is very small, so there are still few design works to showcase. It is clear that Company Z's strategic resilience is very weak. A substantial body of literature also shows that in the transformation practice of the architectural design industry, proactive strategic adjustment and business diversification are the keys for architectural design firms to cope with the industry downturn (Zhang, 2024).

From the evolution of customer structure in the 47 project ledgers, projects in 2020-2021 mainly focused on commercial and residential buildings, with gradual business transformation starting from 2022-2025. The number of customers has increased compared to earlier periods, but still mainly relies on referrals from old

customers; proactively developed new customers account for less than 20 percent, and the dependency effect on individual customers still exists.

4.5. Cultural Resilience: Moderate

Coding results show that Company Z's cultural resilience is at a moderate level. Open coding extracted 19 first-order concepts, and axial coding aggregated them into 4 second-order themes: SOE institutional heritage, flexible private mechanisms, plain trust incentives, and dual integration but unstructured. Cao (2020) pointed out that a culture of supreme goodness enhances cultural resilience by shaping employees' sense of a community of shared destiny, enabling the organization and its employees to remain committed to each other in times of crisis. This echoes the manifestation that, under Company Z's corporate culture centered on responsible care, some core employees with long tenure still chose to stay despite wage arrears. Company Z's employee retention rate from 2020 to 2025 was 44%, among whom all 6 employees with more than 10 years of tenure remained and 3 key-position employees were not lost; however, overall attrition exceeded half, which is closely related to the industry downturn and also indicates that cultural resilience still needs improvement.

Company Z's cultural resilience has distinctive institutional mixed characteristics, related to its 30-year evolution from SOE contracted operation to private self-founded entrepreneurship. The founder self-reported: "Social insurance has always been paid on time for employees; this is also a tradition from my SOE background. Including employee benefits—overtime must be compensated." Departed employee interviews also confirmed the uniqueness of this culture: "This company is neither as rigidly rule-bound as SOEs, which stifle individual creativity, nor as unstructured and informal as purely private enterprises." Company Z possesses both SOE-style formal systems—such as overtime pay, holiday benefits, insistence on paying social insurance on time even when capital is broken—and private enterprise flexibility, while being more people-oriented than typical private firms.

However, Company Z's cultural resilience has not reached a strong level, because its organizational culture is not yet systematized. Its culture mainly relies on the founder's personal style, but lacks an institutionalized value system and cultural heritage mechanism.

4.6. Relational Resilience: Strong (Core Dimension)

Coding analysis shows that relational resilience is the most prominent dimension among Company Z's five dimensions. A total of 37 first-order concepts and 7 second-order themes were extracted: responsible behaviors to employees, responsible behaviors to customers, responsible behaviors to banks, employee trust generation, customer trust generation, Institutional trust from banks and partner trust generation. Table 7 summarizes representative coding evidence for relational resilience.

Table 7. Representative coding evidence for relational resilience dimension.

Second-order theme	First-order concept	Concept type	Evidence source	Representative evidence quotation
Responsible behavior toward employees	Timely payment of social insurance	Behavior	R1/R4	"Social insurance has always been paid to employees on time—a tradition inherited from a state-owned enterprise background"
Responsible behavior toward employees	Priority salary payment for key positions	Behavior	R1	"New employees in important positions are paid on time; older employees have wage arrears"
Responsible behavior toward employees	Reluctance to lay off employees	Behavior	R1/R5	The core team remained despite wage arrears
Responsible behavior toward employees	Wage arrears without salary cuts	Behavior	R1	"There are wage arrears, but no salary cuts"
Responsible behavior toward employees	Accumulated overtime pay and triple wages	Behavior	R1	"Overtime is paid, with triple wages on statutory holidays"
Responsible behavior toward employees	Maintaining employee confidence	Behavior	R1	"Steady the team, keep moving forward and never give up"
Responsible behavior toward clients	Guaranteed delivery and conscientious attitude	Behavior	R1/R8	"Intellectuals who take projects seriously"
Responsible behavior toward clients	Free preliminary services	Behavior	R1	"Preliminary schemes for cultural tourism hotels are already being done"
Responsible behavior toward clients	Hands-on involvement	Behavior	R12	"The leader is personally involved in everything"
Responsible behavior toward clients	Repeated revisions until the client is satisfied	Behavior	R1	"Many versions were made for the affordable housing project until the client was satisfied"
Responsible behavior toward clients	Strong professional design capability	Capability	R8/R9/R12	"Good design standards; they are a strategic partner"
Responsible behavior toward clients	Early and specialized focus on niche areas	Capability	R8	"River-channel plot projects were done early"
Responsible behavior toward banks	Repaying loans on schedule	Behavior	R1/R4/R13	"Basically able to repay on schedule" (R13)
Responsible behavior toward banks	Maintaining a good credit record	Behavior	R4/R13	"The legal representative's credit is good" (R13)
Employee trust generation	Remaining despite wage arrears	Trust manifestation	R5	"I've been with the company for 20 years; I have feelings for it and don't want to leave"
Employee trust generation	Unwillingness to leave	Trust manifestation	R5	"I've never thought about leaving"
Employee trust generation	Proactive work attitude	Trust manifestation	R1	"Employees are also fairly proactive in their work"
Employee trust generation	Emotional attachment to the company	Trust manifestation	R5	"I have feelings for the company"
Employee trust generation	Regarding the founder as a role model	Trust manifestation	R5	"I take the founder as a role model for learning"

Continued

Client trust generation	Long-term sustained cooperation	Trust manifestation	R8/R9/R12	"More than 20 years, 13 years, and 4 years of cooperation"
Client trust generation	Proactively referring projects	Trust manifestation	R1/R8	"Proactively introduce projects"
Client trust generation	Strategic partnership	Trust manifestation	R9	"They treat us as a strategic partner"
Client trust generation	Smooth communication and consultation	Trust manifestation	R3/R8	"We discuss things together; communication is smooth"
Client trust generation	Lending money to the company in difficult times	Trust manifestation	R1	"Clients lent money to the company in difficult times"
Client trust generation	Clients proactively offering help	Trust manifestation	R1	"Clients proactively help"
Institutional trust from banks	Good tax payment records	Behavior	R13	"Good tax payment records" (R13)
Institutional trust from banks	Good credit standing of the legal representative	Behavior	R13	"The legal representative's personal credit is good" (R13)
Institutional trust from banks	No violation records for the company or legal representative	Behavior	R13	"Neither the legal representative nor the company has any violation records" (R13)
Institutional trust from banks	No credit withdrawal; credit lines granted	Trust manifestation	R1/R4	"The bank still grants a credit line"
Institutional trust from banks	Good loan qualifications; easy to apply	Trust manifestation	R4	"Performance was good in previous years, so loan qualifications were good"
Institutional trust from banks	Basically able to repay on schedule	Trust manifestation	R13	"Basically able to repay on schedule" (R13)
Institutional trust from banks	Legal representative's credit recognized by banks	Trust manifestation	R13	"The legal representative's personal credit is good" (R13)
Collaborator trust generation	More than a decade of long-term collaboration	Trust manifestation	R10/R11	"More than ten years of cooperation"
Collaborator trust generation	Efficient and smooth collaboration	Trust manifestation	R10	"Fairly efficient; cooperation is smooth"
Collaborator trust generation	15 years of full-process technical support	Trust manifestation	R11	"15 years of full-process technical support"
Collaborator trust generation	Negotiable deferred payment	Trust manifestation	R1/R10	"Negotiate deferred payment"
Collaborator trust generation	Cooperation unaffected by the industry downturn	Trust manifestation	R10	"The cooperative relationship was unaffected in difficult times"

As seen from Table 7, the formation of Company Z's relational resilience follows the logic of "responsible behavior-trust generation."

1) Employee trust. During the hardship of wage arrears lasting up to 6 months, some core employees still chose to stay. A senior designer who had worked at Company Z for 20 years mentioned in an interview: "I've been with the company for 20 years and have feelings for it. Although the company is in great difficulty now, I don't want to leave." The technical director believed that Company Z is more humane than private enterprises. It should be noted that during the same period the company's employees decreased from 25 to 11 (see 4.2), and among those who left, some resigned voluntarily while others withdrew for personal or family reasons, indicating that wage arrears did indeed erode employee trust; therefore, the employee trust discussed in this paper is "the selective trust of retained core employees" rather than the general trust of all employees. The behavioral basis of this trust is the founder's responsible behavior, such as always paying social insurance on time, prioritizing salary payments for key positions, not implementing mass layoffs, and adjusting personnel through consultation. From the perspective of stakeholder theory, the founder's responsible behavior toward employees maintained the human resource relationship network on which the enterprise depends for survival; from the perspective of social capital theory, the relational social capital—trust—that the founder accumulated through responsible behavior was converted into team stability in adverse circumstances. The study by Chi et al. (2023) also confirmed that a harmonious labor relations climate has a significant positive effect on organizational resilience, which is consistent with the formation logic of employee trust under Company Z's humane management.

2) Customer trust. Cooperation relationships between Company Z and its major customers did not break during the industry downturn. Long-term customers said, "The founder is reliable, and actively refers projects." A developer representative called Company Z a strategic partner. The behavioral foundation of customer trust was also explained in interviews: even when client payments were delayed, Company Z still delivered quality work; preliminary design services provided before new projects started were all free of charge; and timely revisions earned customer recognition. From Social Capital Theory, the customer relationships accumulated by Company Z over many years are important relational social capital, which transforms into continued project sources and flexible cooperation methods during the industry downturn. It is worth noting that customer trust is directed at the founder as an individual rather than the firm brand, with obvious personalized trust characteristics—in this paper, customer trust stems from personalized trust in the founder. Customer cooperation stability at Company Z can be clearly seen from the statistics of the 47 contract ledgers.

As shown in **Table 8**, among Company Z's projects from 2020 to 2025, only 30 percent of projects were with first-time clients; the clients for all other projects had cooperated at least twice, with some cooperating 6 or more times. Meanwhile, despite the overall industry downturn, the on-time collection rate for repeat-cooperation projects remained higher than for first-time projects.

Table 8. Customer cooperation stability statistics of Company Z (2020-2025, N = 47).

Project Count	Client Cooperation Frequency	Share	On-time Collection Rate
14	First-time Cooperation	29.8%	57.1%
4	2 Times	8.5%	100%
16	3 - 5 Times	34.0%	68.8%
13	6+ Times	27.7%	76.9%

3) Bank trust. Company Z retained a bank credit line amid the overall industry downturn and obtained a loan of 600,000 yuan in 2023. The finance staff confirmed: "There are bank loans. Performance in previous years was good, loan qualifications were good, and bank loans were relatively easy to apply for." The bank credit officer (R13) explained that loan issuance was mainly based on three types of verifiable formal conditions: first, good tax payment records; second, operating performance before 2023 meeting credit requirements; and third, normal credit records of the company's legal representative and the enterprise. It can be seen that the bank's credit decision is mainly based on compliance qualifications such as taxation, performance, and credit records, and constitutes institutional trust (qualification-based trust) rather than trust in the entrepreneur's personality. The founder's on-schedule repayment and credit maintenance constitute performance behavior toward the bank and may play an auxiliary role in loan renewal, but the existing interview evidence is insufficient to prove that the loan originated from trust in the founder personally. Therefore, this paper describes the bank dimension as "institutional trust/external financing availability," distinguishing it from the personalized trust in the employee and customer dimensions; its contribution to resilience lies in providing a liquidity buffer, but it should not be treated as direct evidence of personalized trust.

Taken together, Company Z's relational resilience is mainly manifested in the personalized trust generated among employees and customers by the founder's responsible behavior, while the bank dimension is based on compliance qualifications and performance records and belongs to institutional trust. The two types of trust are jointly converted into human resource retention, business continuity, and breathing room for capital, constituting important support for the enterprise's survival.

4.7. Learning Resilience: Strong Individual/Moderate Organization

Coding analysis shows that Company Z's learning resilience exhibits a differentiated characteristic of "strong individual/moderate organization." Open coding extracted 34 first-order concepts including 30 years of continuous learning by the founder, proactive recognition of industry transformation direction, attention to new policies and regulations, recognition that real estate is no longer a pillar in-

dustry, professional learning by team members, standardized preservation of meeting minutes, detailed signature processes, project document archiving, team learning relying on founder guidance, and insufficient middle management strength. These were ultimately consolidated into 5 second-order themes: continuous individual learning, embedded team learning, insufficient organizational learning, emotion regulation and morale maintenance, and proactive cognition and transformation recognition.

At the founder's individual level, learning resilience is strong. For nearly 30 years, he has had almost no holidays and maintains a daily habit of learning. He proactively pays attention to industry transformation direction. During interviews, he stated that his current awareness has evolved from holding fantasies about a real estate recovery to a clear judgment that real estate is no longer China's pillar industry, firmly choosing the path of transformation. At the team level, core technical staff maintain professional learning habits, continuously improving their capabilities more through project practice. Notably, although Company Z has no formal training system, it conducts embedded learning practices in daily operations—such as standardized preservation of meeting minutes, meticulous signature processes, and procedural archiving of project documents. These daily management norms are good carriers for learning accumulation and ways in which firm learning results are accumulated. In interviews, the technical lead stated that "daily business procedures are relatively standardized among private enterprises," indicating that Company Z's team learning is not a blank slate but exists in an informal, business-process-embedded manner. However, organizational-level learning resilience is insufficient, manifesting as the middle management echelon not yet being formed, team learning mainly relying on individual founder guidance, absence of institutionalized knowledge-sharing mechanisms and training systems, while there is less learning about policies, technical regulations, and market changes, with insufficient market sensitivity. This "individual-driven" learning model makes the firm's learning resilience highly concentrated on individuals within the organization, and the degree of organizational learning needs improvement. In summary, the firm's learning resilience is judged as "strong individual/moderate organization." The number of first-order concepts for learning resilience is close to that for relational resilience, indicating that the coverage of the learning dimension in the data is not low; the judgment that it is "insufficiently organized" derives from the absence of learning mechanisms at the organizational level.

4.8. Five-Dimensional Interaction Relationships

Company Z's organizational resilience exhibits an unbalanced structure of "one strong dimension supporting four weak ones" across the five dimensions. This unbalanced structure is not accidental—specific interaction relationships exist among the five dimensions.

First, relational resilience compensates for other dimensions. When capital resilience is weak, relational resilience provides breathing room for capital through

bank credit and safeguards business continuity through customer trust, thereby compensating for the lack of capital reserves. When strategic resilience is weak, relational resilience provides transformation direction for the firm through customer referrals from old clients, alleviating business contraction caused by strategic passivity. When cultural resilience is unstructured, relational resilience maintains team cohesion through the founder's personalized trust, substituting for the cohesive function of a systematic corporate culture. When organizational learning is insufficient, relational resilience provides directional guidance for the firm through the founder's personal learning and judgment. This compensatory mechanism is the core logic enabling Company Z to survive under extreme adversity.

Second, the weakness of the other dimensions highlights the relatively strong position of relational resilience. The weakness of capital resilience and strategic resilience makes it difficult for the enterprise to rely on capital reserves and strategic adjustment to cope with adversity; the insufficiency of cultural resilience and learning resilience leaves it lacking systematic organizational capability support. Among the five dimensions, relational resilience is the only dimension that reaches the "strong" level and therefore plays a leading role in sustaining survival. It should be noted, however, that this does not mean relational resilience is the sole support: the founder's measures such as selling personal property, cutting office and travel costs, and differentiated compensation and social insurance arrangements also played a role in maintaining operations (see 4.3, 4.5). The prominence of relational resilience is an adaptive choice for small and micro enterprises under resource constraints.

Third, there are also mutual constraining relationships among the five dimensions. The personalized nature of relational resilience makes it difficult to effectively drive improvement in other dimensions. The founder's personal trust relationships cannot directly transform into organizational capital accumulation, strategic capability, cultural systems, or learning mechanisms. Meanwhile, the weakness of other dimensions also limits the role of relational resilience: lack of capital reserves constrains the resource-leveraging ability of relational networks, lack of strategic foresight makes relational resources difficult to utilize effectively, and lack of organizational learning makes relational experience difficult to precipitate into organizational capabilities. Viewed from the perspective of resource orchestration theory (Sirmon et al., 2007), the imbalanced state of Company Z's organizational resilience also reflects an imbalance in resource orchestration: the firm relies excessively on the orchestration of relational resources, while the orchestration of capital, strategic, cultural, and learning resources remains insufficient. For Company Z to move from passive survival to resilience building, it needs to shift from single-dimensional relational orchestration to the coordinated orchestration of all five dimensions.

4.9. Relational Resilience Formation Mechanism

Based on the above analysis, this paper constructs a formation mechanism model

for relational resilience in Company Z, divided into five stages. Figure 1 illustrates the process of the formation mechanism, not a causal relationship. The sequence of the five stages is well documented: the year in which revenue began to decline, the year in which design fees began to be in arrears, and the year in which the loan arrived are all taken from financial data and contract ledgers and do not rely on interviewees' recollections. However, the linkages between stages were organized based on the interview content of the respondents. This sequence is logically sound and is corroborated by accounts from multiple interviewees; nevertheless, to rigorously prove causality, more comparative cases or long-term tracking would be needed.

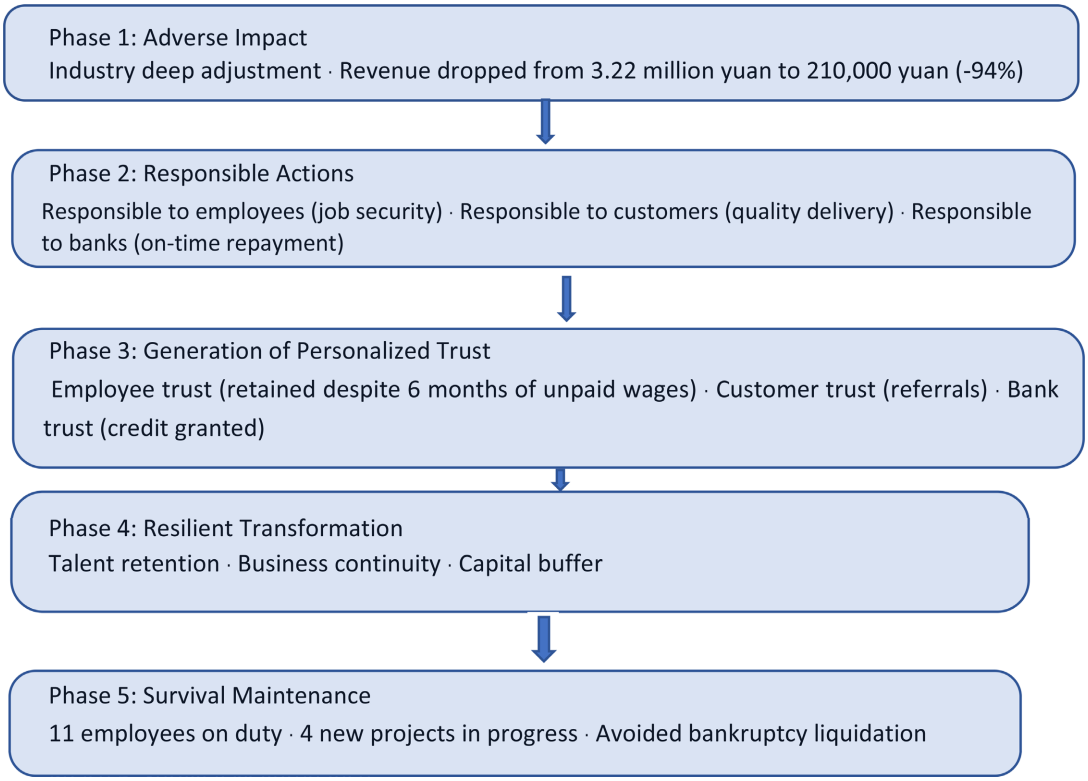


Figure 1. Formation mechanism model of relational resilience in Company Z.

Stage One: Founder's Responsible Behaviors. Company Z's relational resilience originates from a series of responsible behaviors by its founder. Toward employees, these include persistently paying social insurance on time, prioritizing pay for key positions, not readily laying off staff, not cutting wages even when delaying them, maintaining overtime and holiday pay, and stabilizing team confidence. Toward customers, these include delivering quality projects, providing free preliminary services, being personally hands-on, revising repeatedly until clients are satisfied, and demonstrating strong professional capability. Toward banks, these include repaying loans on time, maintaining a good credit record, keeping good tax records, and ensuring the legal person's credit is sound. These responsible behaviors are not the result of formal institutional arrangements but stem from the

founder's personal sense of responsibility and professional ethics—a personal characteristic that has evolved into a stable behavioral pattern over 30 years of development.

Stage Two: Trust Generation. Responsible behaviors generate personalized trust relationships in three directions. First, trust toward employees: founders' responsible behaviors regarding social insurance, wage guarantees, and non-layoffs generate employee trust, manifesting as willingness to stay despite wage delays, emotional attachment to the firm, and proactive work attitudes. Second, trust toward customers: responsible behaviors such as quality delivery and free preliminary services generate customer trust, manifesting as long-term continuous cooperation, proactive project referrals, and strategic partnership recognition. Third, trust toward banks: responsible behaviors such as on-time loan repayment and good credit records generate bank trust, manifesting as maintained credit lines and easy loan applications. At this stage, personalized trust forms the core of relational networks. When formal contracts and market mechanisms struggle to provide normal operational safeguards, personalized trust becomes the core bond maintaining the relationship between the firm and its stakeholders, and also a core element of relational resilience. Chen and Li (2026a) pointed out that personalized trust construction relies on identity shaping, including moral identity characterized by assuming social responsibilities, spatial performance, and emotional interaction. In this paper, the founder's responsible behaviors directly correspond to the moral identity formation process.

Phase 3: Trust Generation. The founder's sustained responsible actions generated personalized trust with both employees and customers, while forming institutional trust with the bank: employees chose to stay despite 6 months of unpaid wages, and long-term customers proactively referred projects; the bank did not withdraw loans during the industry downturn and provided a loan of 600,000 yuan in 2023, but the credit was based on verifiable conditions such as tax records, operating performance, and credit status, which constitutes institutional trust. From the perspective of social capital theory, the founder's responsible actions accumulated relational social capital—trust (Nahapiet & Ghoshal, 1998). When enterprises encounter difficulties, and when formal contracts and market mechanisms are unable to provide normal operational guarantees, personalized trust becomes the core bond maintaining the enterprise's relationships with employees and customers, and is also a core element of relational resilience; institutional trust, meanwhile, ensures the availability of external financing channels, though its role is relatively limited. Chen and Li (2026a) pointed out that the construction of personalized trust relies on identity shaping, which includes a moral identity characterized by undertaking social responsibility, along with the threefold mechanisms of spatial performance and emotional interaction. In this paper, the founder's responsible actions precisely correspond to the process of shaping a moral identity.

Stage Four: Resilience Transformation. This transformation enables Company

Z to maintain 11 employees on staff, advance 4 new projects, and avoid bankruptcy liquidation under extreme adversity—allowing the firm to survive under extreme hardship. If relational resilience were weaker, according to the development trend of small and micro enterprises during the industry downturn, the firm would have suffered employee churn due to a broken capital chain, business cessation, and rapid collapse. What enabled Company Z to withstand these outcomes is precisely the support for firm survival provided by personalized trust generated by the founder's responsible behaviors—transformed into relational resilience. This is also where the significance of this study lies.

Phase 5: Survival Maintenance. The transformation of resilience enabled Company Z to maintain an operational state in extreme adversity: 11 employees remained on duty, 4 new projects were advanced, and the company did not enter bankruptcy liquidation. This study observed only one surviving enterprise and therefore cannot confirm that "if relational resilience were weaker, the enterprise would necessarily fail." Based on the general situation of micro, small, and medium-sized enterprises during an industry downturn, it can be inferred that if the trust of key stakeholders were broken, the enterprise would face risks of capital chain strain, loss of core personnel, and business interruption, and its probability of survival would decline significantly; however, this inference still requires testing through comparative research that includes exit or failure cases. What this paper can confirm is that the personalized trust generated by the founder's responsible actions played a key role in Company Z's survival process. The above mechanism model reveals the internal logic of the formation of relational resilience in small and micro architectural design enterprises. Under conditions of extreme resource scarcity, the founder's responsible actions transformed the relational network into actual resources for the enterprise's survival by generating personalized trust. This mechanism differs from the resilience pathways of large enterprises, which rely on capital reserves, strategic alliances, or institutional guarantees, and reflects the distinctiveness of resilience formation in small and micro enterprises.

The above mechanism model reveals the internal logic of relational resilience formation in small and micro architectural design enterprises. Under conditions of extreme resource scarcity, the founder's responsible behaviors transform relational networks into actual resources for the firm to maintain survival by generating personalized trust. This mechanism differs from the resilience paths of large enterprises relying on capital reserves, strategic alliances, or institutional safeguards, reflecting the uniqueness of small enterprise resilience formation.

5. Conclusion and Discussion

5.1. Research Conclusion

This paper selects Company Z, an architectural design firm, as a case study and uses the five-dimensional framework of organizational resilience as an analytical tool. Through the coding analysis of semi-structured interviews with 13 respond-

ents, six years of financial data, and contract ledgers for 47 projects, it diagnosed the enterprise's resilience performance during an industry downturn. The findings show that Company Z's organizational resilience is unevenly distributed across the five dimensions: capital resilience and strategic resilience are at a weak level, cultural resilience is at a moderate level, learning resilience exhibits a "strong at the individual level—moderate at the organizational level" differentiation, and relational resilience is the only dimension among the five that reaches a "strong" level. The formation of relational resilience did not stem from formal contracts or institutional arrangements, but rather from the founder's responsible actions, which during adversity fostered personalized trust among employees and customers, as well as institutional trust from banks based on compliance qualifications and performance records. This trust was then transformed into employee retention, business continuity, and breathing room for capital, becoming an important support for the enterprise's survival. However, the enterprise's survival also depended on conditions such as the founder's personal asset investment, cost compression, and differentiated compensation; relational resilience was not the sole support. Company Z's relational resilience has a distinct personalized character, manifested as a high degree of dependence on the founder's personal characteristics. This characteristic is somewhat common among small and micro enterprises, but it also entails limitations regarding inheritance and sustainability for the enterprise.

5.2. Theoretical Contributions

First, this study identifies the formation mechanism of "responsible behavior-trust generation-resilience transformation" for relational resilience in small and micro enterprises. Existing resilience research mostly focuses on resilience outcomes or macro-level paths. Hao et al. (2024) found that corporate social responsibility enhances resilience through supplier loyalty, creditor trust, and shareholder support. Guo et al. (2025) confirmed that social responsibility enhances resilience through stakeholder support. Wu (2023) found that entrepreneur psychological resilience plays a leading role in resilience activation. However, none of these studies deeply explored the micro-process through which responsible behaviors generate trust among multiple stakeholders and transform it into survival resources. Taking Company Z as an example, this study examined responsible behaviors such as guaranteeing social insurance, delivering with quality, and repaying loans on schedule under conditions of extreme resource scarcity, which built personalized trust among employees, customers, and banks. This trust was then transformed into talent retention, business continuity, and a capital buffer, providing case evidence from small and micro enterprises in the professional services sector for the "responsible behavior-trust-resilience" mechanism.

Second, this study identifies the two-sided nature of personalized trust elements in relational resilience of small and micro enterprises. Wang et al. (2023) confirmed that small and micro enterprises generally exhibit patriarchal leadership

characteristics. Liang et al. (2025) pointed out that family firm resilience is highly dependent on the founder as an individual. Wu (2025) found that intergenerational succession overall enhances organizational resilience, but succession conflicts weaken this effect. Building on this, this study further finds that personalized trust has low construction cost, strong flexibility, and solid emotional bonds, playing a key buffering role under adversity—but it simultaneously has fundamental limitations of lack of replicability and inheritability. Once the founder departs, existing relational networks and trust foundations may rapidly dissolve. This finding raises a warning regarding the sustainability of small and micro enterprise resilience.

Third, this study tests the applicability of Liu et al.'s (2023) five-dimensional framework in professional-service small and micro enterprises. Dimension-by-dimension comparison shows that the five-dimensional framework has corresponding manifestations in Company Z, but performance differences across dimensions are obvious. This indicates that the five-dimensional framework has basic explanatory power for small and micro enterprises, but requires specific adjustments according to industry and development stage, with particular attention to the core status of relational resilience and the impact of its personalized characteristics on organizational resilience. In addition, this study extends organizational resilience research to small and micro enterprises in the architectural design industry, filling the industry gap where existing research mostly focuses on manufacturing and tourism.

5.3. Practical Implications

The following recommendations are mainly based on findings from this case study, supplemented by existing theoretical literature.

First, for small and micro architectural design enterprises under resource constraints, relational resilience is the most important source of resilience. The founder's responsible behaviors and trust relationships are critical support for the firm to maintain survival under adversity. Small and micro enterprises should value maintaining trust relationships with stakeholders such as employees, customers, and partners, managing trust as an important resilience resource. Specifically, they should establish customer relationship archives, recording each project's collection cycle, customer decision preferences, and performance, and implement regular follow-up mechanisms after project delivery, using stable design quality and continuous communication to maintain old customers, secure referrals, and alleviate pressure from delayed design fees and weakened bargaining power during the industry downturn. Meanwhile, implement tiered customer management: classify customers with long cooperation history, stable collections, and strong referral willingness as Grade A, prioritizing design resources and communication effort; classify customers with unstable collection cycles but large business volume as Grade B, maintaining cooperation while strengthening collection tracking; classify one-time or difficult-to-collect customers as Grade C, con-

trolling investment risk. In addition, proactively maintain bank relationships by regularly providing financial monthly reports and operational status descriptions to credit-granting banks, avoiding information asymmetry that could lead to bank credit withdrawals. Transparent disclosure is especially needed during industry downturns to enhance banks' confidence in renewing credit. Regarding fee collection models, recommend increasing the number of collection nodes during the construction drawing stage to shorten collection cycles and reduce single-collection risk.

Second, relational resilience of small and micro enterprises cannot remain at a personalized level long-term; it should gradually evolve from personal trust to institutional trust, from dependence on the founder as an individual to organized relationship management. This is particularly important when the founder faces retirement or handover. Architectural design firms can start from three aspects: First, gradually cultivate a middle management echelon, with technical leads and project managers sharing customer liaison and quality control responsibilities, shifting customer relationship recognition from the founder to team recognition. Wu's (2025) empirical results show that compared to external hires, internally promoted managers have a stronger promotional effect on the positive relationship between intergenerational succession and organizational resilience; therefore, prioritizing internal cultivation of middle management is a more stable employment strategy. Second, establish standardized business processes and quality control systems, institutionalizing design review, progress tracking, collection follow-up, and other processes into inheritable systems to reduce dependence on the founder's personal style and preferences. Third, formulate a phased founder handover plan, achieving orderly transfer of customer relationships, qualification management, and financial decision-making authority through a 2 - 3 year transition period, avoiding sudden collapse of relational networks and trust foundations caused by founder exit.

Third, small and micro enterprises should focus on strengthening capital resilience. Addressing the characteristics of the architectural design industry—light assets and long collection cycles—firms should establish cash flow early warning (Guo, 2023) and fund planning mechanisms, calculating receivables and rigid expenditures monthly, identifying funding gaps 3 - 6 months in advance, changing the passive situation of "only realizing problems when there's no money in the account." Meanwhile, explore diversified revenue sources—beyond traditional real estate development design, actively undertake urban renewal, existing building renovation, government public service facilities, and other projects to mitigate revenue risk caused by fluctuations in a single industry cycle. Regarding financing channels, explore pledge financing using design qualifications, intellectual property, and other intangible assets to compensate for the shortcoming of light-asset enterprises lacking physical collateral.

Fourth, small and micro enterprises need to enhance organizational learning resilience (Chen & Zhou, 2016). Recommend establishing a project retrospective

system: after each project completion, the founder leads a technical retrospective meeting, reviewing design highlights, technical difficulties, and customer feedback, converting personal experience into organizational knowledge. Meanwhile, establish a design standard template library, organizing common architectural type design parameters, regulatory requirements, and review points into standardized documents to reduce dependence on personal experience. In addition, introduce a monthly technical sharing mechanism where the founder or technical backbone periodically conducts internal training on new industry regulations, technologies, and materials, gradually converting individual learning into team learning, and transitioning from "strong individual/moderate organization" to "strong individual/strong organization."

5.4. Research Limitations

This study has the following limitations: First, the generalizability of the conclusions from a single-case study is limited, and whether the findings regarding Company Z apply to other small and micro architectural design enterprises or to small and micro enterprises in other industries awaits comparative testing through more cases. Second, Company Z is still in the midst of an industry downturn, and this study reveals "how resilience sustains survival"; the research subject does not meet the conditions for studying "how resilience is generated" or "how resilience is surpassed." Third, this study finds that relational resilience is highly dependent on the founder as an individual, and its sustainability requires long-term observation. Fourth, the open coding and thematic induction were completed independently by the researcher, and the correspondence between themes and dimensions was reviewed by colleagues; a full-process, two-person independent coding and intercoder reliability test could not be achieved. Fifth, the research design is a retrospective longitudinal single-case study, with interviews concentrated in 2026; the process from 2021 to 2025 was mainly reconstructed based on respondents' recollections, which may involve post hoc rationalization and memory bias. Although event timing was anchored with financial and contract records and cross-validated through multi-source interviews, the temporal sequence among the founder's responsible actions, the trust thereby generated, and the subsequent resource support obtained still cannot be strictly identified. Sixth, this study observed only one enterprise that survived the industry downturn, which entails survivorship bias; it cannot verify the counterfactual that "the enterprise would have failed if relational resilience had been insufficient," nor can it rule out the role of other supporting factors such as the founder's personal asset investment and cost compression. Future research can test these issues by including exited or failed enterprises and conducting multi-case comparisons.

Author Contributions

Conceptualization, L.P. and C.S.; methodology, L.P. and C.S.; validation, L.P., C.S. and J.W.; formal analysis, L.P.; investigation, L.P.; resources, L.P.; data curation,

L.P.; writing—original draft preparation, L.P.; writing—review and editing, L.P., C.S. and J.W.; visualization, L.P.; supervision, C.S.; project administration, L.P.

Declaration of Generative AI and AI-Assisted Technologies in Manuscript Preparation

During the preparation of this manuscript, ChatGPT was consulted in several sentences to help improve the clarity of manuscript. AI Tools were not used to develop the research context, conduct data analysis, explain research findings or prepare references. The concepts, arguments, scholarly contributions in this paper are entirely original. All AI generated suggestions were carefully revised by the author's own. The author takes full responsibility for the final manuscript.

Conflicts of Interest

The authors declare no conflicts of interest regarding the publication of this paper.

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