

Research Article

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Resilient Organizations in Turbulent Economies: A Conceptual Model of Adaptive Strategy

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Abstract: *This study develops a conceptual model of adaptive strategy to explain how organizations build resilience in turbulent economic environments. Increasing global uncertainty—driven by economic volatility, technological disruption, and geopolitical instability—has challenged traditional strategic management approaches that rely on stability and predictability. Existing frameworks often treat resilience and strategy as separate constructs, limiting their explanatory power in dynamic contexts. This study addresses this gap by integrating resilience theory and adaptive strategy into a unified conceptual framework. Using a qualitative conceptual approach, this research synthesizes insights from strategic management, organizational theory, and complexity theory. The proposed model conceptualizes resilience as a dynamic capability that enables organizations to anticipate, absorb, and adapt to external shocks. Adaptive strategy is framed as an iterative process shaped by environmental uncertainty, organizational learning, and resource reconfiguration. The study identifies three core dimensions of organizational resilience: strategic flexibility, adaptive capacity, and institutional alignment. These dimensions interact to form a feedback-driven system that enhances organizational survival and long-term performance. The findings suggest that resilience is not a static attribute but a continuous process of strategic adaptation. This study contributes to the literature by offering an integrative framework that bridges resilience and strategy, providing a foundation for future empirical research. From a managerial perspective, the model highlights the importance of agility, learning, and institutional responsiveness in navigating turbulent economic environments.*

Keywords: *Organizational resilience, Adaptive strategy, Dynamic capabilities, Economic turbulence.*

Introduction

The global economic landscape has entered an era characterized by persistent turbulence, driven by rapid technological change, geopolitical instability, financial volatility, and recurring systemic shocks. Organizations today operate in environments that are no longer stable or predictable but instead marked by discontinuities, uncertainty, and accelerating change. These conditions challenge the foundational assumptions of traditional strategic management, which often rely on equilibrium, long-term planning, and relatively stable competitive environments. As a result, the concept of organizational resilience has gained increasing prominence as a critical capability for survival and sustained performance in turbulent economies.

Organizational resilience refers broadly to the capacity of an organization to withstand disruptions, adapt to changing conditions, and continue to function effectively. While early conceptualizations of resilience were rooted in engineering and ecological systems—emphasizing stability and recovery—contemporary perspectives have expanded the concept to include adaptability, transformation, and learning. This evolution reflects a shift from viewing resilience as a passive ability to absorb shocks toward understanding it as an active and dynamic process of continuous adaptation.

At the same time, the field of strategic management has undergone a parallel transformation. Traditional strategy frameworks, such as industry positioning and resource-based views, have provided valuable insights into competitive advantage under relatively stable conditions. However, these models are less effective in highly volatile environments where competitive landscapes shift rapidly and unpredictably.

In response, scholars have increasingly emphasized adaptive and dynamic approaches to strategy, including the concept of dynamic capabilities, which focuses on an organization's ability to reconfigure resources and competencies in response to environmental change.

Despite these developments, the relationship between organizational resilience and adaptive strategy remains insufficiently theorized. Much of the existing literature treats resilience as an outcome—something organizations achieve after successfully navigating disruptions—while strategy is often conceptualized as a deliberate and forward-looking process. This separation creates a conceptual gap, as it overlooks the reality that in turbulent environments, resilience and strategy are deeply intertwined. Organizations do not simply react to external shocks; they continuously adapt their strategic orientation in response to evolving conditions, thereby shaping their resilience over time.

Economic turbulence provides a critical context for understanding this interaction. Turbulence is characterized by high levels of environmental uncertainty, complexity, and dynamism. It arises from multiple sources, including technological innovation, globalization, regulatory shifts, and macroeconomic instability. In such contexts, organizations face not only increased risks but also heightened opportunities for innovation and growth. The challenge lies in navigating this duality—managing uncertainty while leveraging emerging opportunities.

In turbulent environments, static strategic approaches are inherently limited. Long-term planning based on stable assumptions becomes less reliable, and rigid organizational structures can hinder responsiveness. Instead, organizations must adopt adaptive strategies that enable them to respond quickly and effectively to changing conditions. Adaptive strategy involves continuous environmental scanning, rapid decision-making, and iterative adjustments to organizational processes and objectives. It is inherently dynamic, emphasizing flexibility, experimentation, and learning.

A key theoretical lens for understanding adaptive strategy is the concept of dynamic capabilities. Dynamic capabilities refer to the ability of organizations to integrate, build, and reconfigure internal and external resources to address rapidly changing environments. These capabilities enable firms to sense opportunities and threats, seize opportunities through strategic action, and transform their resource base accordingly. While dynamic capabilities provide a strong foundation for understanding adaptation, they do not fully capture the broader institutional and environmental context in which organizations operate.

Institutional theory offers an important complementary perspective by emphasizing the role of external structures, norms, and regulations in shaping organizational behavior. Organizations are embedded within institutional environments that influence their strategies, legitimacy, and access to resources. Institutional alignment—defined as the degree to which organizational strategies are consistent with external institutional conditions—is therefore a critical determinant of resilience. In turbulent economies, where institutional environments themselves may be evolving, maintaining alignment becomes both more challenging and more important.

Another critical dimension of organizational resilience is learning. Organizational learning refers to the processes through which organizations acquire, interpret, and apply knowledge. In dynamic environments, learning enables organizations to adapt their strategies based on experience and new information. Learning processes support the development of both dynamic capabilities and institutional alignment, making them central to the resilience-building process. Organizations that learn effectively are better able to anticipate changes, respond to disruptions, and innovate in the face of uncertainty.

Despite the importance of these dimensions, existing research remains fragmented. Studies on resilience often focus on crisis management, risk mitigation, or recovery processes, while strategic

management research emphasizes competitive advantage without fully integrating resilience considerations. Similarly, institutional and learning perspectives are frequently analyzed in isolation, limiting the development of comprehensive models that capture the complexity of organizational behavior in turbulent environments.

This fragmentation highlights the need for an integrative framework that brings together resilience, adaptive strategy, and their underlying drivers. Such a framework should conceptualize resilience not as a static attribute but as a dynamic capability that emerges from the interaction of multiple organizational processes. It should also account for the role of external factors, including institutional environments and economic conditions, in shaping organizational responses.

This study seeks to address this gap by developing a conceptual model of adaptive strategy that explains how organizations build resilience in turbulent economies. The central argument of this paper is that organizational resilience emerges from the interaction of three core dimensions: strategic flexibility, adaptive capacity, and institutional alignment. Strategic flexibility refers to the ability of organizations to modify their strategic direction in response to environmental changes. Adaptive capacity encompasses the processes and capabilities that enable organizations to respond effectively to disruptions. Institutional alignment reflects the ability to align organizational strategies with external institutional conditions.

These dimensions are not independent but are interconnected and mutually reinforcing. Strategic flexibility enables organizations to respond to environmental changes, while adaptive capacity ensures that these responses are effective. Institutional alignment provides the external legitimacy and support necessary for sustained adaptation. Together, these dimensions form a dynamic system that enhances organizational resilience.

The novelty of this study lies in its integrative approach, which synthesizes insights from strategic management, organizational theory, and institutional analysis. By bridging these perspectives, the study provides a more comprehensive understanding of how organizations can navigate turbulence and sustain performance over time. It moves beyond traditional models that emphasize either stability or adaptation, offering a framework that captures the dynamic interplay between these elements.

From a theoretical standpoint, this study contributes to the literature by reconceptualizing resilience as an ongoing process of strategic adaptation. It extends the dynamic capabilities framework by incorporating institutional and learning dimensions, thereby providing a more holistic view of organizational behavior. From a practical perspective, the study offers valuable insights for managers and policymakers seeking to enhance organizational resilience in increasingly complex and uncertain environments.

In conclusion, the growing turbulence of the global economy necessitates a rethinking of how organizations approach strategy and resilience. By developing a unified conceptual model of adaptive strategy, this study provides a foundation for understanding and managing organizational resilience in the face of uncertainty.

Method

This study adopts a qualitative conceptual research design aimed at developing an integrative model of adaptive strategy to explain organizational resilience in turbulent economic environments. Given the theoretical nature of the research, the study does not rely on primary data collection or quantitative analysis. Instead, it focuses on synthesizing existing theoretical perspectives to construct a comprehensive and coherent conceptual framework.

The research employs a systematic literature review approach, drawing on interdisciplinary sources from strategic management, organizational theory, institutional economics, and resilience studies. Academic journal articles, seminal books, and policy-oriented publications were selected based on their relevance, theoretical contribution, and influence within their respective fields. Emphasis was placed on high-impact and widely cited literature to ensure conceptual rigor and scholarly credibility.

The analytical process follows a thematic synthesis method. First, key constructs related to organizational resilience, adaptive strategy, dynamic capabilities, institutional alignment, and organizational learning are identified and categorized. Second, the study examines the relationships and interactions among these constructs, focusing on how they collectively contribute to resilience in turbulent environments. Third, the insights derived from the literature are integrated into a unified conceptual model that captures the dynamic interplay between internal organizational capabilities and external environmental conditions.

To enhance theoretical robustness, the study applies a critical and comparative approach, evaluating the strengths and limitations of existing models. This allows for the identification of conceptual gaps, particularly the lack of integration between resilience and strategic adaptation. The proposed framework addresses these gaps by combining multiple theoretical perspectives into a single analytical structure.

Although the study does not provide empirical validation, its strength lies in offering a theoretically grounded and policy-relevant model that can guide future empirical research and managerial practice. The conceptual framework serves as a foundation for understanding how organizations can develop adaptive strategies to sustain performance in increasingly volatile and uncertain economic contexts.

Results and Discussion

Reframing Organizational Resilience as a Dynamic Strategic Capability

The central result of this study is the reconceptualization of organizational resilience as a dynamic strategic capability rather than a static outcome. Existing literature often treats resilience as the ability to recover from disruptions; however, this perspective is limited in turbulent economic environments where continuous adaptation is required. The proposed model positions resilience as an ongoing process embedded within strategic decision-making, emphasizing anticipation, adaptation, and transformation.

In this framework, resilience is not an endpoint but a continuous capability that evolves over time. Organizations do not simply return to a pre-shock state; instead, they reconfigure their strategies, structures, and resources to align with new environmental conditions. This shift from recovery to transformation represents a fundamental advancement in resilience theory, aligning it more closely with contemporary strategic management perspectives.

1. The Core Dimensions of Adaptive Strategy

The study identifies three interdependent dimensions that collectively define adaptive strategy and underpin organizational resilience: strategic flexibility, adaptive capacity, and institutional alignment. These dimensions are conceptualized as mutually reinforcing components within a dynamic system.

2. Strategic Flexibility

Strategic flexibility refers to the ability of organizations to adjust their strategic direction in response to changing environmental conditions. In turbulent economies, rigid strategies are likely to fail due to the unpredictability of external shocks. Flexible strategies, in contrast, enable organizations to pivot quickly, reallocate resources, and exploit emerging opportunities.

Strategic flexibility operates through mechanisms such as diversification, modular organizational structures, and real-time decision-making. It allows organizations to balance stability with change, maintaining core competencies while adapting peripheral activities. Importantly, flexibility is not synonymous with instability; rather, it reflects a controlled capacity to adjust within defined strategic boundaries.

3. Adaptive Capacity

Adaptive capacity represents the internal capabilities that enable organizations to respond effectively to environmental changes. It encompasses processes such as organizational learning, innovation, and knowledge integration. Adaptive capacity determines how well an organization can translate strategic flexibility into effective action.

Learning plays a central role in building adaptive capacity. Organizations that continuously acquire and apply knowledge are better positioned to anticipate changes and respond proactively. Innovation further enhances adaptive capacity by enabling the development of new products, services, and processes that align with evolving market conditions.

The interaction between learning and innovation creates a feedback loop that strengthens adaptive capacity over time. As organizations adapt and learn from experience, they refine their strategies and improve their responsiveness, thereby enhancing resilience.

4. Institutional Alignment

Institutional alignment refers to the degree to which organizational strategies are consistent with external institutional environments, including regulatory frameworks, cultural norms, and governance structures. In turbulent economies, institutional conditions are often unstable or evolving, making alignment both challenging and essential.

Organizations that maintain strong institutional alignment are better able to secure legitimacy, access resources, and navigate regulatory complexities. Misalignment, on the other hand, can lead to increased risk, inefficiencies, and strategic failure. Institutional alignment therefore acts as a stabilizing force within the adaptive strategy framework.

Importantly, institutional alignment is not a passive process. Organizations actively engage with their environments, influencing and adapting to institutional changes. This dynamic interaction highlights the co-evolution of organizations and institutions, reinforcing the systemic nature of resilience.

Interactions and Feedback Mechanisms

A key contribution of this study is the identification of feedback mechanisms that link the three dimensions of adaptive strategy. These interactions create a dynamic system in which changes in one dimension influence the others, generating both reinforcing and balancing effects.

a) Strategic Flexibility ↔ Adaptive Capacity

Flexible strategies require strong adaptive capacity to be effectively implemented. Conversely, adaptive capacity is enhanced by strategic flexibility, which provides opportunities for learning and innovation.

b) Adaptive Capacity ↔ Institutional Alignment

Adaptive capacity enables organizations to respond to institutional changes, while institutional alignment provides the stability needed for learning and innovation processes to operate effectively.

c) Strategic Flexibility ↔ Institutional Alignment

Strategic flexibility allows organizations to adjust to institutional shifts, while institutional alignment constrains and guides strategic choices.

These interactions create a network of feedback loops that determine the overall level of organizational resilience. Positive feedback loops can enhance resilience by reinforcing adaptive behaviors, while negative feedback loops may lead to rigidity or misalignment.

The Adaptive Strategy Model in Turbulent Economies

The integrated model developed in this study conceptualizes adaptive strategy as a cyclical and iterative process. Organizations continuously move through phases of sensing, adapting, and transforming:

1. Sensing – Monitoring environmental signals and identifying emerging risks and opportunities
2. Adapting – Adjusting strategies and reallocating resources in response to changes
3. Transforming – Reconfiguring organizational structures and capabilities to sustain long-term performance

This cycle reflects the dynamic nature of resilience, emphasizing that adaptation is an ongoing process rather than a one-time response. The model highlights the importance of speed, flexibility, and learning in navigating turbulent environments.

Theoretical Implications

The findings of this study contribute to the literature in several significant ways. First, the study bridges the gap between resilience theory and strategic management by integrating them into a unified framework. This integration challenges the traditional separation between reactive and proactive organizational capabilities.

Second, the study extends the dynamic capabilities framework by incorporating institutional alignment and feedback mechanisms. While dynamic capabilities focus on resource reconfiguration, the proposed model emphasizes the broader system in which these capabilities operate.

Third, the study introduces a systemic perspective on organizational resilience, highlighting the importance of interactions and co-evolution. This perspective aligns with complexity theory and provides a more realistic representation of organizational behavior in turbulent environments.

Managerial Implications

From a managerial perspective, the model provides actionable insights for building organizational resilience:

a) Enhancing Strategic Flexibility

Organizations should adopt flexible planning processes, decentralize decision-making, and invest in modular structures that allow rapid adaptation.

b) Strengthening Adaptive Capacity

Continuous learning, innovation, and knowledge management systems are essential for developing adaptive capabilities.

c) Ensuring Institutional Alignment

Managers must actively monitor institutional changes and align organizational strategies with external conditions to maintain legitimacy and reduce risk.

The integration of these elements enables organizations to navigate uncertainty more effectively and

sustain competitive advantage.

Synthesis of Findings

In summary, the results demonstrate that organizational resilience is a multidimensional and dynamic phenomenon shaped by the interaction of strategic flexibility, adaptive capacity, and institutional alignment. These dimensions form a unified system that enables organizations to respond to and shape their environments.

The proposed conceptual model provides a comprehensive framework for understanding how organizations can survive and thrive in turbulent economies. By emphasizing integration, feedback, and co-evolution, the study offers a new perspective on adaptive strategy and resilience.

Conclusion

This study develops a conceptual model of adaptive strategy to explain how organizations build resilience in turbulent economic environments. The findings demonstrate that organizational resilience should not be understood as a static outcome or a post-crisis recovery mechanism, but rather as a dynamic and continuous capability embedded within strategic processes. In increasingly volatile and uncertain contexts, resilience emerges from the ability of organizations to continuously adapt, learn, and realign their strategies in response to evolving environmental conditions.

The proposed framework identifies three core and interdependent dimensions of adaptive strategy: strategic flexibility, adaptive capacity, and institutional alignment. Strategic flexibility enables organizations to adjust their direction and respond to rapid environmental changes. Adaptive capacity provides the internal mechanisms—such as learning, innovation, and knowledge integration—that support effective responses. Institutional alignment ensures that organizational strategies remain consistent with external regulatory, cultural, and governance environments. Together, these dimensions form a dynamic system characterized by feedback loops and co-evolution, which collectively enhance organizational resilience.

From a theoretical perspective, this study contributes to the literature by integrating resilience theory with strategic management and institutional analysis into a unified framework. It extends the concept of dynamic capabilities by incorporating institutional and systemic dimensions, thereby offering a more comprehensive understanding of how organizations operate in complex and turbulent environments. The study also advances the conceptualization of resilience as an ongoing process of strategic adaptation, rather than a discrete or reactive phenomenon.

From a managerial standpoint, the findings underscore the importance of adopting flexible and adaptive strategic approaches. Organizations should prioritize continuous learning, invest in innovation capabilities, and develop mechanisms for rapid decision-making. Equally important is the need to maintain alignment with evolving institutional contexts, as misalignment can undermine both legitimacy and performance. Managers must therefore balance internal adaptability with external responsiveness to navigate uncertainty effectively.

Resilience in turbulent economies is not achieved through stability alone but through the capacity for continuous adaptation and transformation. The conceptual model proposed in this study provides a foundation for both theoretical advancement and practical application. Future research should focus on empirically testing the model across different industries and contexts, as well as exploring additional dimensions such as digital transformation and organizational culture. Such efforts will further enhance our

understanding of adaptive strategy and its role in sustaining organizational performance in an increasingly complex global economy.

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