

FOUNDATIONS OF BUSINESS TRANSFORMATION DURING VUCA TIMES: THE ROLE OF ORGANIZATIONAL LEARNING

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EXECUTIVE SUMMARY

This study examines how organisational learning fosters dynamic capabilities (DCs) enabling business transformation under volatility, uncertainty, complexity, and ambiguity (VUCA). Drawing on qualitative evidence from 18 UK-based organisations, we explore how organisational context, leadership, structure, systems, and culture, shapes firms' capacity to recognise, absorb, and apply new knowledge for strategic adaptation. Using the Market Intelligence Accumulation and Transformation Model (MIATM) as an integrative framework, we identify three phases: recognition, sense-making and cognitive shifts, and deployment and reconfiguration. MIATM extends sense-seize-transform schemas by foregrounding how contextual levers shape learning routines that convert market intelligence into capability change. Feedback loops, cognitive shifts, and transactive memory systems serve as micro-foundations for dynamic capability development. Our findings distinguish dynamic forerunners from non-dynamic laggards, with implications for leadership, organisational design, and empowerment. The study advances organisational learning theory by detailing how VUCA-focused transformation unfolds through context-sensitive learning mechanisms and by providing a diagnostic framework for transformation readiness.



KEYWORDS

- Organisational learning
- Dynamic capabilities
- VUCA
- Business Transformations
- MIATM

RESEARCH RELEVANCE

- Demonstrate how organisations transform market intelligence into dynamic capabilities through three learning phases: recognition, sense-making, and deployment.
- Shows that organisational context, including leadership, culture, structure, and systems, is the critical enabler of learning and business transformation in volatile, uncertain, complex, and ambiguous (VUCA) environments.
- Identifies feedback loops, cognitive shifts, and transactive memory systems as the micro-foundations that enable organisations to continuously adapt and reconfigure capabilities in response to disruption.
- Distinguishes high-performing dynamic forerunners from non-dynamic laggards, providing a practical diagnostic framework to assess organisational readiness for transformation.
- Advances organisational learning and dynamic capabilities theory by opening the black box between environmental change and strategic adaptation, offering actionable guidance for leaders managing AI, digital transformation, and ongoing uncertainty.

BIBLIOGRAPHIC INFORMATION

Atanassova, I., Bednar, P., Khan, H., Khan, Z., Laker, B., & Khalid, A. (2026). Foundations of Business Transformation during VUCA Times: The Role of Organizational Learning. *Journal of Business Research*, 215, Article 116343. Advance online publication. <https://doi.org/10.1016/j.jbusres.2026.116343>

“The organisations that thrive in uncertainty are those that continuously learn, adapt, and transform knowledge into capability”

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