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RESEARCH INSIGHTS

UNPACKING STRATEGIC AGILITY IN SMES FROM TRANSITIONAL PERIPHERY ECONOMIES: EXPLORING ITS MANIFESTATIONS AND MECHANISMS

AUTHORS

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EXECUTIVE SUMMARY

Small and medium-sized enterprises (SMEs) in transitional periphery economies face persistent turbulence stemming from economic volatility, institutional voids and geopolitical shocks. This study aims to investigate how SMEs develop and enact strategic agility (SA) in such environments, with a focus on Kazakhstan.

Drawing on 31 in-depth interviews with owners, directors and senior managers from 16 SMEs, the authors adopt an exploratory qualitative research design with grounded-theory coding techniques to inductively develop a framework of the enablers, mechanisms and manifestations of SA.

The findings reveal that SA is fostered through multi-level enablers – environmental, network, firm and individual – that interact to shape organizational responses. These enablers operate via three mechanisms: sensing (detecting and interpreting turbulence), coping (absorbing shocks and ensuring survival) and adapting (reconfiguring resources and strategies). The authors show how coping replaces the canonical “seizing” stage in dynamic capability theory, reflecting the survival imperative in resource-constrained, institutionally fragile contexts. SA is manifested across four functional domains: marketing, human resources, product and service offerings and relational ties.

By demonstrating how SMEs in Kazakhstan re-sequence and operationalize SA under conditions of scarcity and instability, this study refines dynamic capability theory, extends the literature on SME agility in transition economies and offers practical insights for managers seeking to sustain competitiveness in turbulent environments.



KEYWORDS

- Strategic agility
- Mechanisms of agility
- SMEs
- Transitional periphery economy
- Kazakhstan

RESEARCH RELEVANCE

- Strategic agility in transitional periphery economies is driven by multi-level enablers — environmental turbulence, network embeddedness, firm-level routines and individual managerial cognition — which interact to shape adaptive responses.
- SMEs in Kazakhstan enact agility through a re-sequenced dynamic capability mechanism, where sensing → coping → adapting replaces the canonical sensing → seizing → reconfiguring pathway due to survival pressures and resource scarcity.
- Coping emerges as a distinctive mechanism of agility, enabling firms to absorb shocks, maintain continuity and preserve strategic options under institutional fragility and geopolitical volatility.
- Agility manifests across four functional domains — marketing, HR, product/service innovation and relational ties — illustrating how SMEs operationalize agility in day-to-day strategic and operational decisions.
- The study refines dynamic capability theory for periphery contexts, showing how SMEs reconfigure agility processes under chronic uncertainty, thereby extending IB and SME agility scholarship.

BIBLIOGRAPHIC INFORMATION

Demirbag M, Nurgabdeshev A, Golgeci I, Nair SR, Khan Z, Pillai KG, Zahoor N (2026), "Unpacking strategic agility in SMEs from transitional periphery economies: exploring its manifestations and mechanisms". *Multinational Business Review*. Advance online publication. <https://doi.org/10.1108/MBR-04-2025-0119>

"In turbulent periphery economies, agility is not about bold strategic leaps but about sensing early, coping wisely and adapting continuously to survive and compete"

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