

Beyond Dynamic Capabilities: Reconceptualizing Organizational Resilience as a Recursive Governance Mechanism in Hypervolatile Competitive Landscapes

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Abstract. Organizational resilience has been predominantly theorized as an adaptive response capacity embedded within dynamic capabilities frameworks; however, this conceptualization insufficiently accounts for the recursive, self-referential governance structures that sustain competitive advantage under systemic environmental turbulence. Drawing on a longitudinal mixed-methods dataset encompassing 214 multinational enterprises across nine industries (2019–2024), this study employs structural equation modeling and fuzzy-set qualitative comparative analysis to interrogate the boundary conditions of resilience-as-capability. The findings reveal that resilience operates not merely as a second-order capability but as a recursive governance mechanism—iteratively reconfiguring institutional logics, resource orchestration protocols, and stakeholder alignment processes. These results compel a fundamental paradigm revision in strategic management theory, with direct implications for board-level governance design and meta-strategic planning.

Keywords: organizational resilience, dynamic capabilities reconceptualization, recursive governance mechanisms, hypervolatile environments, meta-strategic planning, fuzzy-set qualitative comparative analysis, institutional logics, stakeholder alignment, competitive advantage sustainability

Introduction

The prevailing orthodoxy within strategic management scholarship has long positioned organizational resilience as a derivative construct—a subset of dynamic capabilities that enables firms to absorb exogenous shocks, adapt internal resource configurations, and restore operational equilibria following periods of acute environmental disruption (Teece, Pisano & Shuen, 1997; Eisenhardt & Martin, 2000). This conceptual subordination of resilience to the dynamic capabilities framework, while analytically convenient, has engendered a theoretical blind spot of considerable consequence: it presupposes that resilience is fundamentally reactive and episodic rather than constitutive and recursive. In an era defined by compounding systemic crises—including geopolitical fractures, climate-induced supply chain dislocations, the accelerating diffusion of generative artificial intelligence, and the post-pandemic restructuring of global labor markets—such a characterization is no longer empirically or theoretically tenable. By 2024, strategic management scholars and practitioners alike have been confronted with the inadequacy of existing resilience taxonomies. The World Economic Forum's Global Risks Report (2024) identifies polycrisis conditions—wherein multiple systemic risks interact nonlinearly—as the defining strategic challenge for multinational enterprises over the forthcoming decade. Under these conditions, firms that rely exclusively on adaptive capacity as a resilience mechanism systematically underperform relative to those that embed resilience functions directly within governance architectures and institutional decision-making logics (Duchek, 2020; Williams et al., 2017). This empirical divergence signals not a refinement problem but a paradigmatic inadequacy within the extant theoretical canon. The conceptual argument advanced in this paper is threefold. First, we contend that organizational resilience must be disentangled from the dynamic capabilities construct and theorized as an autonomous, recursive governance mechanism—one that continuously regenerates its own operational parameters through iterative feedback between institutional logics, stakeholder coalitions, and resource orchestration protocols. Second, we posit that this recursive property is not incidental but is, in fact, the primary source of sustained competitive advantage under hypervolatile competitive conditions. Third, and most critically, we argue that existing board-level governance models are structurally misaligned with recursive resilience demands, necessitating a fundamental redesign of meta-strategic planning architectures. To substantiate these propositions, this paper proceeds as follows. Section 2 provides a systematic review of the organizational resilience literature, delineating its conceptual evolution and identifying the theoretical lacunae that motivate this study. Section 3 develops the recursive governance mechanism framework, integrating institutional theory, resource orchestration perspectives, and complexity-adaptive systems theory. Section 4 details the longitudinal mixed-methods research design, including sampling criteria, measurement operationalization, and analytical procedures. Section 5 presents the findings from structural equation modeling and fsQCA, with emphasis on configurational resilience pathways across industry contexts. Section 6 discusses theoretical

contributions, governance implications, and boundary conditions. Section 7 concludes with a research agenda for future inquiry.

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