

Resilience-Seeking: How Leaders Can Expect the Unexpected

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What does it mean for business leaders today to *expect the unexpected*? The everyday reality of leading a business is being shaped by increasing complexity and relentless pressure, as leaders navigate not only an everevolving competitive landscape but also a world of unprecedented challenges and opportunities (Branzei et al., 2025; Simsek et al., 2024). From escalating geopolitical tensions and regulatory unpredictability to the emergence of new technologies, the constant threat of disruption demands that leaders learn to adapt to the unexpected.

Now more than ever, building a successful business requires rethinking how we understand long-term success. Traditionally, research has emphasized strengthening a firm's competitive position and discovering new ways to grow within their markets. While these perspectives remain vital, our research highlights the critical role of resilience-seeking. Resilience-seeking refers to a firm's ability to adapt and

change how it operates by combining new and existing resources in response to crisis-driven adversity (Browder et al., 2024).

Resilience-seeking is not primarily about outperforming rivals but about adapting to a broad range of unexpected challenges that fall outside market competition. Cultivating resilience enables firms to survive and even thrive amid crises such as economic shocks, natural disasters, or systemic disruptions.

Before a crisis occurs, resilience-seeking involves taking proactive steps to enhance a firm's ability to adapt to the possibility of sudden changes. These steps extend beyond crisis management planning which may involve, for example, operational backup plans, IT system redundancy, and overstocking key resources. In addition to contingency and scenario planning, resilience-seeking actions focus on enhancing the firm's ability to adapt when novel, unforeseen types of adversity arise.

Once a crisis arises, resilience-seeking activates how well the firm adapts to disruption of their operating environment. Resilience-seeking prompts a firm to undertake actions that it may never pursue under normal operating conditions. These counterintuitive decisions may include forming temporary alliances with competitors, continuing to pay non-productive employees, utilizing lower-tier suppliers, or extending credit to customers who are unable to pay.

To better understand resilience-seeking strategies, we conducted a study that was published (https://sms.onlinelibrary.wiley.com/doi/full/10.1002/sej. 1483) in *Strategic Entrepreneurship Journal*. Our research examined how two large incumbent firms



engaged in resilience-seeking before, during, and after the onset of the COVID-19 pandemic that disrupted global operations from 2020-2021. Given the central role of digital technologies in both firms' responses, we placed special emphasis on how such technologies promoted the resilience of both firms.

What We Studied

Our study focused on two large firms: *GroceryCo*, a regional grocery store chain, and *SupplyCo*, a national food distributor (names have been changed). The research began as a study of digital transformation in incumbent firms, but when COVID-19 happened resilience-seeking emerged as a major theme in our field study. As the pandemic unfolded, both firms were designated "essential businesses," and we observed how their existing and evolving digital capabilities shaped their response to the crisis. Our multi-year study included extensive field observations and 80 interviews with executives, frontline employees, and customers.

For years after the pandemic, we continued to follow both firms through subsequent disruptions, including a severe winter storm that caused widespread power failures and a prolonged labor shortage. Our analysis uncovered how 72 distinct adaptations the firms made during the first crisis played out across other adverse events. Studying adaptations across different types of crises allowed us to generate practical insights into how firms engage in resilience-seeking before, during, and after disruptive events.

What We Found

How can leaders expect the unexpected? While no firm can fully anticipate every possible crisis-related scenario, our research shows that leaders can significantly improve their firm's ability to adapt. Our study identified four imperatives for business leaders:

Expect novel problems. Some crises (e.g., natural disasters) have predictable aspects that can be addressed through well-established crisis management plans. While crisis management plans are important foundations for responding to anticipated crises, unforeseen crises may be so novel or low probability that firms lack the ability to formulate specific plans beforehand (e.g., COVID-19 supply chain disruptions, and lockdowns). To some extent, all crises are likely to introduce "never-before-seen" problems that fall outside traditional planning scopes. The best way to prepare begins with the ability to handle surprise. Firm leaders

must expect that novel problems will emerge and put in place processes that empower workers to respond effectively.

Expect shifts in stakeholder needs. Firms depend on internal and external stakeholders (e.g., employees, customers, investors) to ensure operational continuity and financial health. In exchange, firms must reliably meet stakeholder needs (e.g., paying employees, delivering products to customers, financial returns to investors). A crisis can shift stakeholder needs drastically. For instance, customer demand may suddenly increase or decrease in unusual ways. Workers may prioritize personal health and safety over their ability to work routine hours in regular settings. Investors may become more accepting of tradeoffs between short-term profitability and the long-term viability of the firm.

Expect to adapt in creative ways. Adapting to novel problems and changing stakeholder demands requires creative problem-solving. Firms may need to design new operating procedures on the fly to meet emerging needs while maintaining or restoring operations. They may also repurpose underutilized resources that seemed nonessential during routine operations to adapt to the dynamics of adversity. This might involve creating temporary partnerships with competitors to help an industry endure crisis, or temporarily repositioning employees. For large incumbent firms that are known for rigidity and inertia, developing the ability to adapt when needed is vital.

Expect digital capabilities to play an outsized role.

Digital tools do more than streamline operations. Critically, digital capabilities enable firms to adapt when disruptions defy expectations. In our study, previous investments in digital technologies (e.g., data dashboards, remote platforms, and automation tools) enabled the firms to respond with speed and flexibility when disruptions occurred. We found that the more unfamiliar the adversity, the more the firms relied on digital technologies to adapt. In fact, digitally driven adaptations (e.g., reprogrammable algorithms) also resulted in more lasting changes than non-digital adaptations within the firms. In many ways, digital capabilities provide firms with an enhanced ability to adapt to novel, complex problems with efficiency and effectiveness, which is especially beneficial for responding to crises.

Takeaways

Developing a firm's capability to adapt requires intentional efforts from leaders to put resilience-seeking in action. Below are some tips to build resilience-seeking capabilities into your firm's toolkit.

Before a crisis:

- Invest in digital transformation not just for competitive advantage, but for resilience so the firm is better positioned to adapt in the face of crisis.
- Build roles and routines focused on diagnosing shifts in stakeholder needs so the firm can monitor and respond to changing priorities internally and externally when crisis strikes.
- Empower leadership with greater autonomy to make timely, on-the-ground decisions as new challenges arise.

During a crisis:

- Temporarily deprioritize profit and keep "purpose" a priority during crisis, especially when protecting customers, employees, and the firm's long-term well-being.
- Loosen traditional constraints such as rigid budgets, strict hierarchies, and inflexible policies so leaders can act creatively and decisively.
- Encourage bold action beyond the playbook when standard operating procedures no longer apply.

After a crisis:

- Conduct a structured post-crisis review to evaluate what worked, analyze failures, and capture lessons that can inform future responses.
- Retain adaptations that created lasting value, especially those that improved agility, innovation, or competitive positioning.
- Document temporary solutions that proved effective in crisis but are not needed under normal operations, and add these to crisis management repertoires.

Conclusion

Resilience presents leaders with a paradox: While we can see the effects of resilience after a firm overcomes

adversity, resilience must be built by leaders long *before* a crisis strikes. Resilience-seeking is how business leaders navigate this paradox proactively. It is not an outcome observed in hindsight but a proactive process. Like the pursuit of competitive advantage, resilience-seeking is a strategic imperative requiring ongoing investment.

To lead resilient firms that will not only survive but thrive in this age of constant disruption, business leaders must deliberately invest in resources and capabilities that strengthen adaptability, even when doing so may not seem to produce immediate competitive advantages. Enduring success will depend not just on weathering possible disruptions as they come, but also on accepting the inevitability of crisis far beforehand. In an age marked by constant upheaval, firms that thrive will be led by those who not only anticipate competitive threats but actively prepare to turn crisis into opportunity.

Explore the Research

Browder, R. E., Dwyer, S. M., & Koch, H. (2023). Upgrading adaptation: How digital transformation promotes organizational resilience. (https://sms.onlinelibrary.wiley.com/doi/10.1002/sej.148 3) Strategic Entrepreneurship Journal

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