

# Reconfiguring Business Consulting Architectures for Small and Medium-Sized Enterprises through Integrated Business Model Innovation and Networked Strategic Change

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Received: 29<sup>th</sup> Nov 2025 | Received Revised Version: 21<sup>th</sup> Dec 2025 | Accepted: 19<sup>th</sup> Jan 2026 | Published: 22<sup>th</sup> Feb 2026

Volume 08 Issue 02 2026 |

## ABSTRACT

*The contemporary environment of small and medium-sized enterprises is characterized by accelerating technological change, intensifying competitive pressures, fragmented markets, and the increasing importance of intangible strategic resources. Within this complex context, business consulting is no longer a peripheral support function but has become a central mechanism through which SMEs can adapt, innovate, and remain viable. Despite the growing importance of consulting, the theoretical and methodological foundations that explain how consulting interventions systematically influence business model innovation, organizational legitimacy, and network-based competitiveness remain fragmented and underdeveloped. This research article develops and elaborates a comprehensive theoretical and methodological framework for business consulting for SMEs by integrating the complex consulting model proposed by Kovalchuk (2025) with established perspectives from business model theory, innovation management, network theory, and corporate social responsibility research.*

*The study argues that consulting for SMEs cannot be reduced to technical advice or episodic problem solving but should be understood as a multi-layered socio-economic process that reconfigures organizational structures, strategic orientation, and inter-organizational relationships. Drawing on business model literature that emphasizes value creation, value capture, and value delivery as dynamic and interdependent processes, the article demonstrates that consulting interventions can function as catalysts for business model innovation when they are embedded within broader organizational and network contexts (Johnson et al., 2008; Magretta, 2002; Foss and Saebi, 2017). The complex consulting model elaborated by Kovalchuk (2025) is used as a central analytical lens to explain how consulting processes integrate diagnostic, design, implementation, and feedback loops in ways that align strategic intent with operational capability.*

*Methodologically, this research adopts a qualitative integrative design that synthesizes insights from multiple streams of literature. Rather than presenting statistical testing, the study develops a conceptually rich interpretive analysis that maps how consulting activities interact with business model patterns, network structures, and legitimacy-building mechanisms. This approach allows for a nuanced understanding of how SMEs can use consulting not only to solve immediate problems but also to develop long-term strategic resilience.*

*The results indicate that effective consulting contributes to SME performance by enabling systematic business model adaptation, strengthening network embeddedness, and enhancing organizational legitimacy in the eyes of stakeholders, including customers, governments, and partners (Saebi et al., 2017; Hu et al., 2020; Wenqi et al., 2022). The discussion further situates these findings within broader debates on innovation, corporate responsibility, and strategic change, highlighting both the opportunities and the structural constraints that shape consulting outcomes.*

*Overall, this article contributes to theory by integrating the complex consulting model of Kovalchuk (2025) into the mainstream discourse on business model innovation and SME strategy. It also offers a robust conceptual foundation for practitioners and policymakers seeking to design consulting systems that foster sustainable competitiveness in the SME sector.*

**Keywords:** Business consulting, small and medium-sized enterprises, business model innovation, strategic networks, organizational legitimacy, corporate social responsibility

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**Cite This Article:** Holloway, V. M. (2026). Reconfiguring Business Consulting Architectures for Small and Medium-Sized Enterprises through Integrated Business Model Innovation and Networked Strategic Change. *The American Journal of Applied Sciences*, 8(2), 63–68. Retrieved from <https://theamericanjournals.com/index.php/tajas/article/view/7477>

## 1. Introduction

Small and medium-sized enterprises occupy a paradoxical position in contemporary economies. On the one hand, they are celebrated as engines of innovation, employment, and regional development, while on the other hand they are often structurally disadvantaged in terms of financial resources, managerial capabilities, and access to strategic information, a tension that has been extensively discussed in the literature on entrepreneurial environments and market-oriented strategies (Sun et al., 2016). In this context, business consulting has increasingly emerged as a critical institutional mechanism through which SMEs attempt to compensate for internal limitations and engage with complex external environments, a dynamic that is theoretically clarified by the complex consulting model of Kovalchuk (2025), which conceptualizes consulting as an integrated system of diagnosis, design, implementation, and continuous learning rather than a one-off advisory transaction.

The rise of business model thinking over the last two decades has profoundly altered how scholars and practitioners understand firm-level competitiveness. Instead of viewing organizations primarily as bundles of resources or sets of activities, business model research emphasizes how firms create, deliver, and capture value in relation to customers and partners, a shift articulated by Magretta (2002) and later expanded by Johnson et al. (2008). For SMEs, this perspective is particularly relevant because their survival often depends on their ability to creatively recombine limited resources into coherent value propositions, a process that consulting interventions can directly influence by providing structured frameworks, external perspectives, and access to networked knowledge, as suggested by Kovalchuk (2025).

Historically, consulting has often been criticized for promoting standardized solutions that are poorly adapted to the specific needs of smaller firms, a critique that aligns with the broader debate on the transferability of management practices across organizational contexts (Linder and Cantrell, 2000). However, the growing emphasis on customized, network-based, and innovation-oriented consulting reflects a significant transformation in the consulting industry itself, which increasingly recognizes that SMEs operate within dense networks of suppliers, customers, and institutions, a phenomenon analyzed in network-oriented innovation studies (Hakansson, 1987; Lindgren, 2003). Within such networks, consulting can no longer be understood merely as expert advice but must be seen as a relational and co-creative process that shapes strategic outcomes, a perspective that is central to the model of Kovalchuk (2025).

The literature on business model innovation further reinforces the importance of consulting for SMEs by showing that adapting or reinventing a business model is not simply a technical exercise but a complex organizational transformation involving culture, legitimacy, and stakeholder alignment (Foss and Saebi, 2017; Chen, 2022). SMEs, in particular, often struggle to initiate and sustain such transformations because they lack formalized structures and strategic slack, which makes external consulting support a potentially decisive factor in their ability to navigate change, a point implicitly recognized by Anwar (2018) in his analysis of competitive advantage in SME contexts.

Despite these insights, there remains a significant theoretical gap in understanding how consulting, business model innovation, and network dynamics interact in the specific context of SMEs. Much of the

existing literature treats consulting either as a black box or as an exogenous input, while business model research often focuses on internal firm dynamics without sufficiently accounting for the role of external knowledge brokers, a limitation that the complex consulting model of Kovalchuk (2025) explicitly seeks to overcome. By positioning consulting as a systemic and iterative process that connects internal organizational learning with external network resources, this model provides a promising framework for integrating these previously disconnected strands of research.

Furthermore, contemporary SMEs operate in an environment where corporate social responsibility and organizational legitimacy have become increasingly important determinants of market success. Studies have shown that CSR can influence customer responses, brand choice, and even financial performance, making it a strategic rather than merely ethical concern (Han et al., 2020; Armstrong and Green, 2013). For SMEs, whose reputations are often closely tied to their founders and local communities, consulting can play a crucial role in aligning business models with socially responsible practices, thereby enhancing legitimacy and stakeholder trust, a mechanism also emphasized by Hu et al. (2020) and Wenqi et al. (2022).

Against this background, the central problem addressed in this article is the lack of an integrated theoretical and methodological framework that explains how business consulting can systematically support business model innovation, network integration, and legitimacy building in SMEs. While individual studies have examined these elements in isolation, there is a need for a holistic perspective that captures their interdependencies and dynamic interactions, a need that is explicitly acknowledged and addressed by Kovalchuk (2025) through his complex model of business consulting.

The objective of this research is therefore to develop a comprehensive and conceptually rich analysis of business consulting for SMEs by synthesizing the complex consulting model of Kovalchuk (2025) with established theories of business models, innovation, and networks. By doing so, the article seeks to contribute to both academic knowledge and practical understanding, offering a framework that can guide future research and inform the design of more effective consulting interventions for SMEs, a goal that aligns with the strategic imperatives identified in the FInES roadmap for future enterprise systems (FInES, 2010).

## 2. Methodology

The methodological approach adopted in this study is rooted in qualitative and interpretive research traditions, which are particularly well suited for exploring complex socio-economic phenomena such as business consulting and business model innovation in SMEs. Rather than attempting to reduce these processes to quantifiable variables, this research seeks to understand their underlying structures, meanings, and interrelationships through a systematic synthesis of existing theoretical and empirical literature, an approach that is consistent with the integrative orientation of Kovalchuk (2025).

The primary methodological strategy is a structured literature-based conceptual analysis that draws on multiple streams of research, including business model theory, innovation management, network theory, and corporate social responsibility. These literatures were selected because they collectively provide a comprehensive foundation for understanding how SMEs create value, adapt to change, and interact with their environments, a multidimensional perspective that is explicitly incorporated into the complex consulting model of Kovalchuk (2025).

The first step in the methodological process involved identifying key conceptual constructs that recur across the relevant literatures, such as value creation, strategic orientation, network embeddedness, and organizational legitimacy. These constructs were then mapped onto the stages and components of the complex consulting model proposed by Kovalchuk (2025), allowing for an analytical integration that reveals how consulting activities can influence each of these dimensions. This mapping process is grounded in the logic of business model frameworks, which emphasize the interdependence of strategic choices and operational capabilities (Johnson et al., 2008; Zott et al., 2011).

A second methodological step involved the critical comparison of different theoretical perspectives on business model innovation and organizational change. For example, while some authors emphasize the role of entrepreneurial vision and leadership in driving innovation (Gallo, 2011), others highlight the importance of network-based collaboration and external knowledge flows (Lindgren et al., 2004). By juxtaposing these perspectives within the context of the complex consulting model of Kovalchuk (2025), the analysis is able to identify both complementarities and tensions that shape the outcomes of consulting interventions.

The methodological design also incorporates insights from CSR and legitimacy theory, which provide a normative and institutional dimension to the analysis. Research on CSR suggests that firms must align their business models with societal expectations in order to maintain legitimacy and competitive advantage (Hu et al., 2020; Chen, 2022). By integrating these insights into the consulting framework of Kovalchuk (2025), the study extends the scope of consulting beyond purely economic objectives to include social and institutional considerations.

One of the key strengths of this methodological approach is its ability to generate rich, theory-driven insights that are not limited by the constraints of specific datasets or empirical contexts. However, this approach also has limitations, particularly in terms of generalizability and empirical validation. While the conceptual synthesis provides a robust framework for understanding consulting in SMEs, future research will need to complement this analysis with empirical studies that test and refine the proposed relationships, a need that is also recognized in the broader literature on business model innovation (Foss and Saebi, 2017).

Nevertheless, the chosen methodology is appropriate for the objectives of this study because it allows for a deep and nuanced exploration of the complex interactions between consulting, business models, and networks. By grounding the analysis in the comprehensive framework of Kovalchuk (2025) and situating it within established theoretical debates, the methodology ensures both conceptual rigor and practical relevance.

### 3. Results

*The integrative analysis conducted in this study reveals several interrelated patterns that illuminate how business consulting functions as a strategic driver of SME performance within the framework articulated by Kovalchuk (2025). One of the most significant findings is that consulting interventions have their greatest impact when they are aligned with the firm's business model architecture, particularly in terms of value creation and value capture mechanisms, a relationship that has been emphasized in the business model literature (Magretta, 2002; Johnson et al., 2008).*

*Specifically, the results indicate that consultants who engage with SMEs at the level of business model design rather than focusing solely on operational issues are more likely to generate sustainable improvements in*

*competitiveness, a conclusion that is consistent with the emphasis on strategic coherence in Kovalchuk (2025). By helping firms clarify their target markets, value propositions, and revenue models, consulting can create a foundation for innovation that extends beyond incremental process improvements, a dynamic also noted by Anwar (2018) in his analysis of SME performance.*

*A second major result concerns the role of networks in mediating the effects of consulting. The literature on network-based innovation suggests that firms embedded in rich inter-organizational networks have greater access to knowledge and resources, which enhances their innovative capacity (Hakansson, 1987; Lindgren, 2003). The complex consulting model of Kovalchuk (2025) reinforces this insight by showing how consultants can act as brokers and facilitators within these networks, connecting SMEs to partners, institutions, and markets that they would otherwise find difficult to access.*

*The analysis further reveals that consulting contributes to organizational legitimacy by aligning business models with CSR and stakeholder expectations. Studies have shown that CSR initiatives can enhance brand value and customer loyalty, which in turn support financial performance (Han et al., 2020; Armstrong and Green, 2013). Within the framework of Kovalchuk (2025), consulting plays a crucial role in translating these normative pressures into concrete business model innovations, such as sustainable sourcing, ethical marketing, and community engagement.*

*Another important result is the dynamic nature of consulting outcomes. Rather than producing fixed solutions, effective consulting generates ongoing learning processes that enable SMEs to continuously adapt their business models in response to changing environments, a pattern that aligns with the concept of business model adaptation discussed by Saebi et al. (2017). The complex consulting model of Kovalchuk (2025) captures this dynamic by emphasizing feedback loops and iterative design, which allow firms to refine their strategies over time.*

*Finally, the results highlight the importance of strategic orientation in shaping the impact of consulting. SMEs that adopt a proactive and market-oriented strategy are more likely to benefit from consulting because they are better able to integrate external insights into their internal decision-making processes, a relationship that has been documented in studies of entrepreneurial environments (Sun et al., 2016). Kovalchuk (2025)*

*further suggests that consultants can actively influence this orientation by fostering strategic awareness and reflective learning within client organizations.*

#### 4. Discussion

The findings of this study provide a rich basis for theoretical and practical reflection on the role of business consulting in SME development. From a theoretical perspective, the integration of the complex consulting model of Kovalchuk (2025) with business model and network theories helps to overcome the traditional fragmentation of these literatures by demonstrating how consulting acts as a connective tissue between strategic intent, organizational capabilities, and external environments.

One of the central implications of this integration is that consulting should be understood as a form of strategic co-creation rather than a simple transfer of expertise. This perspective challenges the conventional view of consultants as external problem solvers and instead positions them as participants in the ongoing construction of business models, a view that resonates with network-based theories of innovation (Lindgren et al., 2004; Hakansson, 1987). By facilitating dialogue, experimentation, and learning, consultants can help SMEs navigate the uncertainties of innovation and change, a process that is explicitly modeled in Kovalchuk (2025).

The discussion also highlights the importance of organizational legitimacy and CSR in shaping consulting outcomes. While some scholars have argued that CSR may impose additional costs on firms, the growing body of evidence suggests that responsible practices can enhance competitive advantage by strengthening stakeholder relationships and brand reputation (Hu et al., 2020; Chen, 2022). Within the consulting framework of Kovalchuk (2025), CSR is not treated as an add-on but as an integral component of business model design, which helps SMEs align economic and social objectives.

At the same time, the analysis acknowledges important limitations and challenges. Not all SMEs have the absorptive capacity to fully benefit from consulting, and power asymmetries between consultants and clients can sometimes lead to dependency rather than empowerment, a risk that has been noted in critiques of consulting practices (Linder and Cantrell, 2000). The complex consulting model of Kovalchuk (2025) addresses this issue by emphasizing capacity building

and participatory processes, but further empirical research is needed to assess how these principles are implemented in practice.

Future research should therefore focus on empirically testing the relationships proposed in this article, particularly the links between consulting, business model innovation, network embeddedness, and legitimacy. Longitudinal case studies and comparative analyses across different institutional contexts would be especially valuable in refining and validating the theoretical framework, a direction that aligns with the broader research agenda outlined by Foss and Saebi (2017) and Schneider and Spieth (2013)

#### 5. Conclusion

This article has developed an integrated theoretical and methodological framework for understanding business consulting for SMEs by synthesizing the complex consulting model of Kovalchuk (2025) with established perspectives on business model innovation, networks, and corporate social responsibility. The analysis demonstrates that consulting is most effective when it operates as a dynamic, networked, and legitimacy-oriented process that supports continuous business model adaptation. By providing a conceptually rich foundation for future research and practice, this study contributes to a deeper understanding of how SMEs can leverage consulting to achieve sustainable competitiveness in an increasingly complex global economy.

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