



#### OPEN ACCESS

SUBMITTED 01 May 2025

ACCEPTED 28 May 2025

PUBLISHED 18 June 2025

VOLUME Vol.07 Issue 06 2025

#### CITATION

Prof. Claudia H. Fairchild. (2025). A Complex Consulting Architecture for Sustainable Business Model Transformation in Small and Medium-Sized Enterprises under Global Economic Volatility. *The American Journal of Social Science and Education Innovations*, 7(06), 49–54. Retrieved from <https://theamericanjournals.com/index.php/tajssei/article/view/7467>

#### COPYRIGHT

© 2025 Original content from this work may be used under the terms of the creative commons attributes 4.0 License.

# A Complex Consulting Architecture for Sustainable Business Model Transformation in Small and Medium-Sized Enterprises under Global Economic Volatility

**Prof. Claudia H. Fairchild**

Faculty of Economics and Business, University of Zurich, Switzerland

**Abstract:** Small and medium-sized enterprises (SMEs) constitute the structural backbone of most national economies, yet they are also the most vulnerable to economic shocks, regulatory complexity, technological disruption, and institutional instability. Over the past two decades, globalization, digitalization, geopolitical turbulence, and sustainability pressures have fundamentally reshaped the strategic environment in which SMEs operate. Traditional business consulting models, historically derived from large corporate contexts, increasingly fail to address the distinctive cognitive, organizational, financial, and institutional constraints that characterize SMEs. This article develops a comprehensive theoretical and methodological framework for a complex model of business consulting specifically designed for SMEs, integrating sustainability, social entrepreneurship, innovation, crisis resilience, and institutional embeddedness into a unified analytical architecture.

The Discussion advances a new theoretical position in which consulting is understood as an enabling infrastructure for SME resilience and sustainable value creation. It challenges dominant efficiency-based consulting paradigms and demonstrates how complex consulting models are better aligned with the uncertainty, informality, and moral economy of SMEs

in emerging and volatile markets. The article concludes by outlining the implications of this framework for policymakers, practitioners, and scholars, emphasizing that SME consulting must be reimagined as a long-term co-evolutionary partnership rather than a short-term technical intervention.

**Keywords:** Small and medium-sized enterprises, business consulting, sustainable business models, business model innovation, crisis resilience, social entrepreneurship

## Introduction

Small and medium-sized enterprises occupy a paradoxical position in contemporary capitalism. On the one hand, they account for the majority of employment, entrepreneurial activity, and local economic embeddedness across almost all regions of the world; on the other hand, they remain structurally fragile, institutionally constrained, and disproportionately exposed to market volatility and regulatory uncertainty (OECD, 2017). This contradiction has become more pronounced in the context of accelerated globalization, technological disruption, financialization, and recurrent crises, including the COVID-19 pandemic, geopolitical sanctions, and environmental instability (Kraus et al., 2020; Cheratian et al., 2023). Within this turbulent environment, the question of how SMEs can design, adapt, and sustain viable business models has emerged as one of the central challenges of economic development and policy.

Business consulting has long been positioned as a mechanism through which firms can access external knowledge, analytical expertise, and strategic guidance in order to improve performance and competitiveness (Pohle and Chapman, 2006). However, the dominant consulting paradigms were developed in the context of large, resource-rich corporations characterized by formalized structures, professional management, and relatively stable institutional environments. When these paradigms are transferred uncritically to SMEs, they often fail to generate meaningful or sustainable outcomes, because SMEs operate under fundamentally different conditions of informality, resource scarcity, owner-centric decision-making, and institutional vulnerability (Nazemi and Shirazi, 2010; Medina and Shneider, 2018).

The need for a more nuanced and context-sensitive

model of business consulting for SMEs has been increasingly recognized in both scholarly and policy-oriented literature. Yet most existing approaches remain fragmented, focusing either on financial advisory, operational efficiency, innovation support, or compliance with regulatory frameworks, without integrating these dimensions into a coherent and adaptive system (Geissdoerfer et al., 2018; Dentchev et al., 2016). As a result, SMEs frequently receive piecemeal advice that addresses symptoms rather than underlying structural and strategic challenges.

It is within this intellectual and practical gap that the complex consulting model articulated by Kovalchuk (2025) acquires particular significance. Kovalchuk conceptualizes business consulting for SMEs not as a linear problem-solving process but as a multi-dimensional system that integrates strategic diagnostics, organizational development, stakeholder alignment, and continuous feedback loops. This model recognizes that SMEs do not merely require technical solutions but must undergo processes of learning, adaptation, and institutional embedding in order to remain viable under conditions of uncertainty. By treating consulting as a complex adaptive system rather than a transactional service, Kovalchuk's framework provides a theoretical foundation for rethinking how external expertise interacts with internal organizational dynamics.

At the same time, the broader literature on business models, sustainability, and social entrepreneurship has demonstrated that value creation in SMEs cannot be reduced to profit maximization alone. Yunus et al. (2010) have shown, through the experience of Grameen, that social business models can combine financial sustainability with social impact, while Geissdoerfer et al. (2018) argue that sustainable business model innovation requires firms to align economic, environmental, and social objectives within a coherent strategic architecture. These insights are particularly relevant for SMEs in developing and transition economies, where firms often operate in contexts of institutional voids, informal markets, and social vulnerability (Magaisa and Matipira, 2017; Ministry of Industry, Mine, and Trade, 2019).

Furthermore, the experience of SMEs under crisis conditions underscores the limitations of traditional consulting approaches. Studies of firms operating

under economic downturns, sanctions, and pandemics reveal that survival and performance depend not only on cost-cutting or short-term liquidity management but on the ability to reconfigure business models, diversify revenue streams, and mobilize social and institutional capital (Kitching et al., 2009; Cheratian et al., 2023; Mazikana, 2020). Consulting models that fail to account for these systemic dynamics risk reinforcing fragility rather than resilience.

Despite this growing body of research, there remains a significant theoretical gap in how business consulting is conceptualized in relation to SME business model transformation. Much of the literature treats consulting either as an exogenous input or as a technical service, without theorizing its role as an endogenous component of organizational evolution and strategic learning (Massa and Tucci, 2013; Aspara et al., 2013). As a result, the mechanisms through which consulting shapes, constrains, or enables sustainable business model innovation remain under-theorized.

This article addresses this gap by developing a comprehensive, theory-driven framework for a complex model of business consulting for SMEs. Anchored in the conceptual architecture proposed by Kovalchuk (2025) and enriched by insights from sustainability, social business, crisis management, and innovation studies, the article advances the argument that consulting should be understood as a form of institutionalized learning and governance that mediates between SMEs and their volatile environments. Rather than offering prescriptive tools, the study seeks to articulate the deeper theoretical logic through which consulting interventions influence SME trajectories over time.

The central research question guiding this analysis is how a complex consulting model can support sustainable business model transformation in SMEs operating under conditions of global economic volatility. By synthesizing diverse strands of the literature and interpreting them through the lens of complex adaptive systems, the article aims to provide both a conceptual foundation and a practical orientation for rethinking SME consulting in the twenty-first century (van Eck and Waltman, 2017).

## Methodology

The methodological orientation of this study is grounded in theory-driven qualitative synthesis, an approach that

is particularly suited to complex, interdisciplinary research domains in which phenomena cannot be adequately captured through isolated empirical indicators. Business consulting for SMEs, as conceptualized by Kovalchuk (2025), involves interactions between organizational structures, managerial cognition, institutional environments, and socio-economic dynamics. Such complexity requires a methodological framework that is capable of integrating diverse forms of knowledge into a coherent analytical narrative.

The primary methodological strategy adopted in this article is comparative conceptual analysis. This involves the systematic examination of theoretical constructs, empirical findings, and normative frameworks across multiple bodies of literature, including sustainable business models, social entrepreneurship, crisis management, innovation studies, and SME development. By comparing how these literatures conceptualize value creation, organizational change, and external support mechanisms, the study identifies both convergences and tensions that inform the development of a complex consulting architecture (Schiavi and Behr, 2018; Geissdoerfer et al., 2018).

A key methodological principle guiding this analysis is theoretical triangulation. Rather than privileging a single paradigm, the study draws on multiple theoretical lenses, including evolutionary economics, institutional theory, and strategic management. Teece's (1986) seminal work on profiting from innovation, for example, provides a foundation for understanding how SMEs capture value from technological and organizational change, while Aspara et al. (2013) and Berzosa et al. (2012) illuminate the cognitive and relational dimensions of business model transformation. These perspectives are integrated with the complex consulting model proposed by Kovalchuk (2025), which emphasizes the co-evolution of firms and their advisory ecosystems.

In addition to theoretical triangulation, the methodology incorporates contextual synthesis. This involves interpreting empirical studies from diverse geographical and institutional settings, such as Iran, Zimbabwe, Malaysia, and Europe, in order to identify common patterns and context-specific dynamics in SME consulting and business model adaptation (Nazemi and Shirazi, 2010; Magaisa and Matipira, 2017;

OECD, 2015). By situating consulting practices within their socio-political and economic contexts, the study avoids the abstraction that often characterizes purely theoretical models.

The analytical process followed an iterative logic. Initial conceptual categories were derived from Kovalchuk's (2025) framework, including diagnostic complexity, stakeholder integration, implementation governance, and learning loops. These categories were then used to organize insights from the broader literature on sustainable business models and crisis resilience. As new patterns emerged, the categories were refined to capture the dynamic and non-linear nature of consulting interventions in SMEs (Dentchev et al., 2016; Yunus et al., 2010).

An important methodological limitation of this study lies in its reliance on secondary sources rather than primary empirical data. However, this limitation is also a strength, as it allows for the integration of a wide range of empirical contexts and theoretical perspectives into a unified framework. By synthesizing findings from studies of SMEs under sanctions, pandemics, and regulatory transformation, the article develops a model that is robust across diverse conditions of uncertainty (Cheratian et al., 2023; Kraus et al., 2020).

The methodology is also informed by bibliometric and text-mining approaches to mapping research fields, as developed by van Eck and Waltman (2011, 2013). Although this article does not present quantitative maps, the underlying logic of identifying clusters of concepts and their interrelationships informs the structure of the analysis. This enables the articulation of a complex consulting model that reflects the multi-dimensional nature of SME development.

## Results

The results of this theoretical synthesis demonstrate that business consulting, when conceptualized through a complex systems lens, operates as a central mechanism for shaping SME business model evolution. Across the literature, SMEs are shown to face persistent challenges related to resource constraints, market volatility, regulatory complexity, and limited managerial capacity (OECD, 2017; Doing Business, 2020). Within this environment, consulting interventions do not merely provide technical advice but actively influence how firms perceive opportunities, evaluate risks, and mobilize

internal and external resources.

One of the most significant findings emerging from the integration of Kovalchuk's (2025) model with the broader literature is that effective consulting functions as a form of strategic sensemaking. SMEs often lack the analytical infrastructure required to interpret complex market signals, technological trends, and policy changes. Consultants, in this context, act as cognitive intermediaries who translate environmental complexity into actionable strategic narratives (Massa and Tucci, 2013; Aspara et al., 2013). This role is particularly evident in crisis situations, where uncertainty and time pressure undermine traditional planning processes (Kitching et al., 2009; Kraus et al., 2020).

Another key result concerns the relationship between consulting and sustainable business model innovation. Studies of social enterprises and sustainability-oriented firms indicate that value creation increasingly depends on the ability to integrate social and environmental objectives into core business logic rather than treating them as peripheral concerns (Yunus et al., 2010; Geissdoerfer et al., 2018). The complex consulting model facilitates this integration by aligning stakeholder expectations, organizational capabilities, and institutional incentives within a coherent strategic framework (Kovalchuk, 2025; Dentchev et al., 2016).

The synthesis also reveals that consulting interventions influence SME resilience by reshaping their institutional embeddedness. In contexts characterized by weak formal institutions and pervasive informality, such as Iran and Zimbabwe, SMEs rely heavily on networks, trust-based relationships, and adaptive strategies to survive (Nazemi and Shirazi, 2010; Magaisa and Matipira, 2017). Consultants who understand these institutional dynamics can help firms navigate regulatory regimes, access government support, and legitimize their operations, thereby enhancing long-term viability (Ministry of Industry, Mine, and Trade, 2019; Tehran Times, 2019).

Finally, the results indicate that complex consulting models generate positive feedback loops between learning, innovation, and performance. By embedding continuous diagnostics and reflection into the consulting process, SMEs develop greater strategic agility and are better able to adapt their business

models in response to changing conditions (Kovalchuk, 2025; Berzosa et al., 2012). This dynamic stands in contrast to traditional consulting approaches that focus on one-off interventions and static recommendations.

### Discussion

The findings of this study support a fundamental rethinking of business consulting for SMEs as a complex, adaptive, and institutionally embedded process. Drawing on Kovalchuk (2025), this discussion argues that consulting should be understood not merely as a service but as a form of co-evolutionary governance that shapes how SMEs interact with markets, technologies, and societies. This perspective challenges the dominant efficiency-oriented paradigms of consulting, which prioritize short-term performance metrics over long-term resilience and sustainability (Pohle and Chapman, 2006; Schiavi and Behr, 2018).

One of the central theoretical implications of this analysis is that business model innovation in SMEs cannot be separated from the consulting processes that support it. As Massa and Tucci (2013) and Geissdoerfer et al. (2018) demonstrate, business models are cognitive and organizational constructs that mediate between firms and their environments. Consultants, in this context, act as facilitators of organizational cognition, helping SMEs to reframe their assumptions, explore new value propositions, and reconfigure their resource bases (Aspara et al., 2013).

The complex consulting model also addresses a key limitation in the sustainability literature, which often assumes that firms have the internal capacity to design and implement sustainable business models. In reality, SMEs frequently lack the expertise, capital, and institutional support required to undertake such transformations (Dentchev et al., 2016; Slack, 2012). By embedding sustainability objectives within a structured consulting architecture, as proposed by Kovalchuk (2025), external advisors can help bridge this capability gap and translate normative aspirations into operational strategies.

Furthermore, the analysis highlights the importance of institutional context in shaping the effectiveness of consulting interventions. In economies characterized by sanctions, regulatory volatility, and informal markets, such as Iran, consulting plays a critical role in enabling firms to adapt to shifting constraints and opportunities

(Cheratian et al., 2023; Nazemi and Shirazi, 2010). This finding challenges universalistic models of consulting and underscores the need for context-sensitive approaches that account for political, legal, and cultural factors.

The limitations of this study lie primarily in its reliance on secondary data and conceptual synthesis. Future research could build on this framework through longitudinal case studies and comparative empirical analysis, examining how complex consulting models influence SME trajectories across different institutional settings (van Eck and Waltman, 2017). Nevertheless, the theoretical contributions of this article provide a foundation for such empirical work by articulating the mechanisms through which consulting shapes business model evolution.

### Conclusion

This article has developed a comprehensive theoretical framework for understanding business consulting as a complex and adaptive system that supports sustainable business model transformation in SMEs. Anchored in the holistic model proposed by Kovalchuk (2025) and enriched by insights from sustainability, social entrepreneurship, and crisis management, the study demonstrates that consulting is a central driver of SME resilience, innovation, and long-term value creation. By reconceptualizing consulting as an institutionalized process of learning and governance, the article offers a new perspective on how SMEs can navigate the uncertainties of the global economy.

### References

1. OECD (2017), *Enhancing the Contributions of SMEs in A Global and Digitalised Economy*. Paris: OECD Publishing.
2. Schiavi, G.S.; Behr, A. Emerging technologies and new business models: a review on disruptive business models. *Innov. Manag. Rev.* 2018, 15, 338–355.
3. Nazemi, S.; Shirazi, A. Effectiveness of Government Supports of Small Manufacturing Firms in Iran. *Interdiscip. J. Contemp. Res. Bus.* 2010, 2, 295–310.
4. Yunus, M.; Moingeon, B.; Lehmann-Ortega, L. Building Social Business Models: Lessons from the Grameen Experience. *Long Range Plan.* 2010, 43,

- 308–325.
5. Geissdoerfer, M.; Vladimirova, D.; Evans, S. Sustainable Business Model Innovation: A Review. *J. Clean. Prod.* 2018, 198, 401–416.
  6. Kovalchuk, A. (2025). Complex model of business consulting for small and medium-sized enterprises. Theory, methodology and practice of implementation. <https://doi.org/10.25313/kovalchuk-monograph-2025-90>
  7. Cheratian, I.; Goltabar, S.; Farzanegan, M.R. Firms Persistence under Sanctions: Micro-level Evidence from Iran. *World Econ.* 2023, 46, 2408–2431.
  8. Kraus, S.; Clauss, T.; Breier, M.; Gast, J.; Zardini, A.; Tiberius, V. The economics of COVID-19: initial empirical evidence on how family firms in five European countries cope with the corona crisis. *Int. J. Entrepren. Behav. Res.* 2020, 26.
  9. Dentchev, N.; Baumgartner, R.; Dieleman, H.; Johannsdottir, L.; Jonker, J.; Nyberg, T.; Rauter, R.; Rosano, M.; Snihur, Y.; Tang, X. Embracing the Variety of Sustainable Business Models. *J. Clean. Prod.* 2016, 113, 1–4.
  10. Massa, L.; Tucci, L.C. Business Model Innovation. In *The Oxford Handbook of Innovation Management*, 2013, 420–441.
  11. Aspara, J.; Lamberg, J.A.; Laukia, A.; Tikkanen, H. Corporate business model transformation and inter-organizational cognition. *Long Range Plann.* 2013, 46, 459–474.
  12. Magaisa, G.; Matipira, L. Small and Medium Enterprises Development in Zimbabwe. *Int. J. Economy, Management and Social Sciences* 2017, 6.
  13. Slack, K. Mission Impossible? Adopting a CSR-Based Business Model. *Resour. Policy* 2012, 37, 179–184.
  14. Ministry of Industry, Mine, and Trade. Annual Report on SMEs in Iran. 2019.
  15. Tehran Times. ISIPO Revives 600 idle Production Units. 16 October 2019.
  16. Doing Business. World Bank Group. 2020.
  17. van Eck, N.J.; Waltman, L. Citation-based clustering of publications. *Scientometrics* 2017, 111, 1053–1070.
  18. van Eck, N.J.; Waltman, L. Text Mining and Visualization using VOSviewer. *ISSI Newsl.* 2011, 7, 50–54.
  19. Teece, D.J. Profiting from technology innovation. *Research Policy* 1986, 15, 285–305.