



Adaptive Organizational Intelligence Capability: A Dynamic Capability Perspective on Employee Adaptability

Miranda Tsintskiladze^{1*}

¹Assistant Professor at Caucasus University, School of Business, 0162, Georgia

Abstract. This study aims to conceptualize Adaptive Organizational Intelligence Capability (AOIC) as a higher-order dynamic capability that enables organizations to continuously interpret environmental changes, integrate strategic knowledge, and facilitate adaptive employee behavior. A qualitative multiple-case study was conducted across organizations undergoing digital transformation in the technology, financial services, manufacturing, and professional service sectors. Data were collected through semi-structured interviews with senior managers, human resource directors, team leaders, and employees, complemented by organizational documents, internal training materials, and workplace observations. The findings reveal that Adaptive Organizational Intelligence Capability consists of four interrelated dimensions namely environmental intelligence sensing, which continuously identifies technological and market changes; collective knowledge integration, which transforms distributed organizational knowledge into strategic insights; adaptive decision-making capability, which enables rapid and evidence-based organizational responses; and continuous learning orchestration, which promotes ongoing employee learning, experimentation, and behavioral adjustment. These dimensions collectively strengthen employees' cognitive flexibility, proactive problem-solving, resilience, and readiness to embrace organizational change. The study extends Dynamic Capability Theory by introducing Adaptive Organizational Intelligence Capability as a novel organizational capability that bridges strategic intelligence and employee adaptability within digitally transforming organizations. The proposed framework provides theoretical contributions to strategic management and organizational behavior literature while offering practical guidance for leaders seeking to cultivate adaptive workforces capable of sustaining organizational competitiveness in increasingly dynamic business environments.

Keywords: Adaptive Organizational Intelligence Capability; Dynamic Capability Theory; Employee Adaptability; Organizational Intelligence; Organizational Behavior; Digital Transformation

1. Introduction

The accelerating pace of digital transformation, artificial intelligence (AI), automation, and continuous market disruption has fundamentally reshaped the

*Corresponding author's email: mtsintskiladze@cu.edu.ge, Telp.: +995322377777



capabilities required for organizational survival and sustainable competitiveness (Ercantan et al., 2024; Souto, 2022; Zaki Dajani, 2022). Rocco (2024) and Wise et al. (2020) found that organizations are increasingly expected not only to respond efficiently to environmental turbulence but also to anticipate future changes and continuously reconfigure internal resources. In this context, employee adaptability has emerged as one of the most critical organizational assets because adaptive employees demonstrate greater flexibility, learning agility, resilience, and proactive responses to changing work demands. The growing importance of adaptability aligns with the dynamic capability perspective, which argues that organizations achieve long-term competitiveness through their ability to sense environmental opportunities, seize emerging possibilities, and reconfigure organizational resources accordingly (Teece et al., 1997). Consequently, organizations require strategic capabilities that extend beyond conventional knowledge management systems to develop organizational intelligence capable of facilitating continuous adaptation among employees operating in increasingly uncertain digital environments.

The concept of organizational intelligence has received considerable scholarly attention as organizations become increasingly knowledge-intensive and digitally interconnected. Early studies conceptualized organizational intelligence as an organization's collective ability to acquire, interpret, store, and utilize information for strategic decision-making (Atalla et al., 2024; Hamad, 2019; Meher et al., 2025). More recently, the emergence of digital platforms, big data analytics, and artificial intelligence has expanded this concept by enabling organizations to process complex information more rapidly and accurately than ever before. Parallel to these developments, organizational behavior scholars have emphasized employee adaptability as a multidimensional behavioral capability involving cognitive flexibility, behavioral adjustment, learning orientation, and openness to organizational change (Cheng et al., 2022; Kwia, 2023; Rothenberg & Emanuel, 2022). These parallel streams of research suggest that organizational intelligence and employee adaptability are closely connected; however, the mechanisms through which intelligence capabilities translate into adaptive employee behavior remain insufficiently understood.

Recent empirical studies further reinforce the strategic importance of organizational adaptability in digitally transforming workplaces. Studies have demonstrated that digital transformation significantly influences employee learning, organizational resilience, and innovation capability by creating environments that encourage continuous experimentation and knowledge sharing (Verhoef et al., 2021; Vial, 2019). Similarly, research on artificial intelligence adoption indicates that AI technologies increasingly support decision-making, knowledge integration, and organizational learning rather than simply replacing human labor (Jarrahi, 2018; Vemuri, 2014). At the individual level, employee adaptability has consistently been associated with higher job performance, innovation, and organizational commitment, particularly under conditions of uncertainty (Fauziannor et al., 2024; Sony & Mekoth, 2022; Sultan & Hussain, 2025). Nevertheless, most existing studies primarily examine technological adoption or employee adaptability independently, without conceptualizing the organizational capability that strategically integrates intelligence generation with adaptive workforce development.

From the perspective of Dynamic Capability Theory, organizations continuously renew competitive advantage through the integration of sensing, seizing, and reconfiguring capabilities (Nguyen & Le, 2025; Teece et al., 1997). Although numerous studies have applied this framework to digital transformation, innovation management,



and strategic renewal (Warner & Wäger, 2019), relatively few investigations have explored how dynamic capabilities influence employee adaptability through organizational intelligence processes. Existing research frequently operationalizes dynamic capability at the organizational level while overlooking the behavioral outcomes experienced by employees. Conversely, organizational behavior research often explains adaptability using psychological constructs such as learning orientation, self-efficacy, organizational support, or leadership, with limited consideration of strategic organizational capabilities (Parker et al., 2010; Ployhart & Bliese, 2006). This separation between strategic management and organizational behavior has restricted theoretical understanding of how organizational intelligence enables adaptive employee behavior.

Another important limitation within the existing literature concerns the conceptualization of organizational intelligence itself. Previous studies generally describe organizational intelligence as an information-processing function, a knowledge management system, or an organizational learning mechanism (Ellis & Shpielberg, 2003; Nadav et al., 2026; Schechter, 2008; Troshani, 2021). While these perspectives provide valuable insights into information acquisition and organizational learning, they do not adequately explain how organizations dynamically transform intelligence into adaptive behavioral capabilities among employees during periods of technological disruption. Furthermore, recent studies on artificial intelligence and digital workplaces have focused predominantly on AI adoption, digital maturity, or technological readiness rather than examining intelligence as an organizational capability that actively orchestrates adaptation (Raisch & Krakowski, 2021). Consequently, an important theoretical gap remains regarding the capability through which organizations convert environmental intelligence into adaptive workforce behavior.

Addressing this gap, the present study introduces Adaptive Organizational Intelligence Capability (AOIC) as a novel higher-order organizational capability grounded in Dynamic Capability Theory. AOIC is conceptualized as an integrated organizational capability that enables firms to continuously sense environmental changes, integrate distributed organizational knowledge, facilitate adaptive strategic decision-making, and orchestrate continuous learning that strengthens employee adaptability. Unlike traditional organizational intelligence frameworks that emphasize information acquisition or knowledge management, AOIC positions intelligence as an adaptive strategic capability that simultaneously influences organizational processes and employee behavioral responses. By integrating strategic management and organizational behavior perspectives, this study extends Dynamic Capability Theory toward explaining employee adaptability through organizational intelligence mechanisms operating under conditions of digital transformation.

The theoretical significance of this study lies in bridging two major research domains that have traditionally evolved independently: strategic management and organizational behavior. Specifically, this research contributes to Dynamic Capability Theory by introducing Adaptive Organizational Intelligence Capability as a missing organizational mechanism connecting environmental sensing with adaptive employee behavior. Simultaneously, the study contributes to organizational behavior literature by shifting the explanation of employee adaptability beyond individual psychological characteristics toward organizational-level strategic capabilities. Practically, the proposed framework provides organizational leaders with guidance for designing intelligence-driven learning systems, adaptive decision-making processes, and collaborative knowledge integration



practices that enhance workforce adaptability in increasingly volatile and AI-enabled business environments.

Based on these theoretical and practical considerations, the objective of this study is to develop a qualitative conceptualization of Adaptive Organizational Intelligence Capability and explain how this capability strengthens employee adaptability from the perspective of Dynamic Capability Theory. Through a qualitative multiple-case study involving organizations undergoing digital transformation, this research seeks to identify the underlying dimensions, processes, and organizational mechanisms that collectively constitute AOIC. Ultimately, the findings are expected to enrich the literature on strategic management and organizational behavior by offering a novel capability-based framework that explains how organizations cultivate adaptive employees capable of sustaining competitiveness in rapidly evolving digital environments.

2. Methods

This study employed a qualitative multiple-case study design to explore how organizations develop Adaptive Organizational Intelligence Capability (AOIC) and how this capability contributes to enhancing employee adaptability in digitally transforming organizations. A qualitative approach was considered appropriate because the study sought to understand complex organizational processes, strategic interactions, and behavioral mechanisms that cannot be adequately captured through quantitative measurement alone (Aspers & Corte, 2019; Lim, 2025; Morgan, 2022). The multiple-case design enabled the comparison of organizational practices across different contexts while facilitating the identification of recurring capability patterns and contextual variations. Following the recommendations of Yin (2018), the research focused on analytical generalization rather than statistical generalization, allowing the development of a theoretically grounded explanation of AOIC within the Dynamic Capability Theory perspective.

The study involved four organizations operating in industries experiencing significant digital transformation, including financial technology, information technology services, digital commerce, and manufacturing. These organizations were selected using purposive sampling based on three criteria: (1) active implementation of digital transformation initiatives involving artificial intelligence or advanced digital technologies, (2) organizational investment in continuous employee learning and capability development, and (3) demonstrated efforts to improve employee adaptability in response to environmental changes. A total of 24 participants were recruited, comprising senior executives, human resource directors, digital transformation managers, department supervisors, and employees directly involved in organizational change initiatives. This diversity of participants enabled the collection of multiple perspectives regarding organizational intelligence processes and employee adaptive behaviors.

Data were collected through semi-structured interviews, organizational document analysis, and non-participant observations over a six-month period. The interviews explored participants' experiences regarding environmental scanning, strategic decision-making, organizational learning, knowledge integration, digital transformation, and adaptive employee behaviors. Each interview lasted approximately 60–90 minutes and was audio-recorded with participants' informed consent before being transcribed verbatim. To strengthen data triangulation, organizational documents including digital transformation strategies, employee development programs, internal policy documents, competency frameworks, and organizational reports were analyzed alongside



observational field notes collected during organizational meetings, training sessions, and collaborative work activities.

The data were analyzed using reflexive thematic analysis following the six-phase procedure proposed by Braun & Clarke (2006). Initially, all interview transcripts, organizational documents, and observation notes were read repeatedly to achieve data familiarization. Open coding was then conducted to identify meaningful statements related to organizational intelligence, strategic capability, learning processes, adaptive decision-making, and employee adaptability. Similar codes were grouped into broader categories through constant comparative analysis (Charmaz & Thornberg, 2021), allowing patterns to emerge both within and across cases. Through iterative discussions among the researchers and continuous refinement of conceptual relationships, four overarching dimensions of Adaptive Organizational Intelligence Capability were identified: environmental intelligence sensing, collective knowledge integration, adaptive decision-making capability, and continuous learning orchestration.

The study followed the qualitative quality criteria proposed by Lincoln et al. (1985). Credibility was enhanced through prolonged engagement, member checking, and triangulation across interviews, documents, and observations. Transferability was supported by providing rich contextual descriptions of participating organizations and their digital transformation environments. Dependability was strengthened through an audit trail documenting research decisions, coding procedures, and analytical development, while confirmability was maintained through researcher reflexivity and peer debriefing to minimize interpretive bias. Ethical approval was obtained prior to data collection, all participants provided informed consent, and organizational identities were anonymized to ensure confidentiality and encourage open discussion throughout the research process.

3. Results and Discussion

3.1. Environmental Intelligence Sensing Enables Proactive Employee Adaptability

Environmental Intelligence Sensing (EIS) constitutes the foundational dimension of Adaptive Organizational Intelligence Capability (AOIC). Across all participating organizations, leaders consistently emphasized that employee adaptability begins with an organization's ability to continuously monitor technological developments, market dynamics, customer expectations, regulatory changes, and competitive movements. Rather than reacting to environmental disruptions after they occur, organizations established systematic intelligence mechanisms that translated external information into organizational awareness, allowing employees to anticipate changes before they affected daily operations.

The study revealed that environmental sensing was not solely performed by top management. Instead, organizations encouraged employees at multiple hierarchical levels to participate in collecting market information through customer interactions, digital analytics dashboards, cross-functional meetings, online communities, and competitor monitoring. This decentralized intelligence process fostered collective awareness, enabling employees to recognize emerging challenges and opportunities more rapidly. Participants explained that access to timely environmental information reduced uncertainty and increased confidence when adapting work processes.

One senior digital transformation manager explained:

"We no longer wait for quarterly reports to understand market changes. Every team continuously monitors customer feedback, competitor activities, and technological



developments. Employees become part of the intelligence system, so adaptation happens naturally rather than through emergency responses." (Participant 7)

Employees further reported that continuous exposure to environmental intelligence enhanced their cognitive flexibility and encouraged proactive behavioral adjustments. Instead of perceiving organizational change as disruptive, employees increasingly viewed change as a normal aspect of organizational learning. This finding indicates that environmental intelligence serves as an organizational mechanism that transforms uncertainty into adaptive readiness.

3.2. Collective Knowledge Integration Facilitates Adaptive Decision-Making

The second finding identifies Collective Knowledge Integration (CKI) as the organizational mechanism through which distributed knowledge is transformed into coordinated adaptive action. While organizations collected substantial environmental information, adaptability only improved when diverse knowledge sources were integrated across departments and organizational levels. Participants consistently emphasized that intelligence became strategically valuable only after collaborative interpretation and shared decision-making processes.

The findings revealed that organizations established multiple knowledge integration practices, including interdisciplinary project teams, digital collaboration platforms, organizational learning forums, and AI-supported knowledge repositories. These mechanisms enabled employees from different functional backgrounds to exchange experiences, interpret environmental signals collectively, and develop coordinated responses to emerging organizational challenges. Consequently, organizational intelligence evolved from isolated information into actionable strategic knowledge.

One human resource director described the process as follows:

"Information alone does not improve adaptability. Employees become adaptive when marketing, operations, technology, and HR interpret problems together. Collaboration allows people to understand why change is necessary and how they should respond." (Participant 14)

Employees similarly reported that collaborative knowledge sharing reduced ambiguity and increased confidence in decision-making. Rather than relying solely on managerial directives, employees actively contributed ideas, evaluated alternatives, and collectively solved operational problems. This participatory process strengthened learning orientation while encouraging experimentation and innovation.

The analysis therefore suggests that Collective Knowledge Integration functions as a strategic organizational capability that transforms fragmented information into shared organizational intelligence, thereby facilitating adaptive employee behavior through collaborative decision-making.

3.3. Continuous Learning Orchestration Strengthens Employee Adaptability through Dynamic Capability Reconfiguration

The third finding reveals that Continuous Learning Orchestration (CLO) represents the dynamic mechanism through which organizations sustain employee adaptability over time. Rather than treating learning as periodic training activities, organizations embedded continuous learning into everyday organizational routines. Participants consistently described learning as an ongoing strategic process involving experimentation, reflection, knowledge sharing, digital capability development, and iterative improvement.



The findings indicate that organizations systematically aligned learning initiatives with strategic environmental intelligence. Employees were encouraged to acquire new digital competencies, participate in cross-functional projects, experiment with emerging technologies, and continuously evaluate work practices. Importantly, leaders created psychologically safe environments in which employees viewed mistakes as learning opportunities rather than performance failures. Such environments accelerated behavioral adaptation and organizational innovation simultaneously.

A senior organizational development manager explained:

"Adaptability is not achieved through one training program. We continuously expose employees to new situations, encourage experimentation, and allow them to learn from both success and failure. Intelligence becomes capability only when learning never stops." (Participant 20)

Employees consistently reported increased resilience, self-confidence, and willingness to embrace organizational change because continuous learning reduced anxiety associated with technological disruption. Over time, adaptive behaviors became embedded within organizational culture rather than remaining isolated individual competencies.

This finding demonstrates that Continuous Learning Orchestration enables organizations to repeatedly reconfigure employee knowledge, skills, and behaviors in response to evolving environmental conditions. Consequently, Adaptive Organizational Intelligence Capability operates not as a static organizational resource but as a dynamic capability that continuously strengthens employee adaptability, organizational resilience, and long-term competitiveness.

3.4. Adaptive Organizational Intelligence Capability

The findings reveal that Adaptive Organizational Intelligence Capability (AOIC) represents a higher-order organizational capability that enables organizations to continuously transform environmental intelligence into adaptive employee behavior. Rather than functioning as a traditional information management system, AOIC emerged as an integrated strategic capability through which organizations systematically sense environmental changes, interpret strategic knowledge, coordinate adaptive decision-making, and orchestrate continuous organizational learning. Across all participating organizations, participants consistently emphasized that employee adaptability is not merely an individual competency but the outcome of an organizational capability that continuously aligns environmental intelligence with strategic action. Consequently, organizations that effectively institutionalized intelligence processes demonstrated greater workforce flexibility, resilience, and responsiveness during digital transformation.

The analysis indicates that AOIC begins with environmental intelligence sensing, where organizations actively monitor technological developments, market trends, customer expectations, regulatory changes, and competitive movements. Unlike conventional environmental scanning that primarily supports strategic planning, this sensing process was embedded throughout the organization. Employees from different departments actively contributed market information through customer interactions, digital analytics, internal reporting systems, and collaborative discussions. Such distributed intelligence reduced organizational uncertainty and enabled employees to anticipate environmental changes before formal organizational responses were implemented. Participants consistently viewed environmental awareness as the initial condition that stimulates adaptive thinking across organizational levels.



The second organizational mechanism involves collective knowledge integration, whereby environmental information collected from diverse sources is interpreted collaboratively and transformed into strategic organizational knowledge. Participants explained that intelligence alone does not improve adaptability unless employees collectively understand its implications. Organizations therefore established interdisciplinary project teams, digital collaboration platforms, communities of practice, and cross-functional meetings that facilitated knowledge exchange among managers and employees. This collaborative interpretation enabled employees to develop shared understanding regarding organizational priorities, strategic challenges, and appropriate adaptive responses. Consequently, organizational intelligence evolved into collective intelligence that strengthened coordinated decision-making.

The third capability concerns adaptive decision-making, which enables organizations to rapidly convert strategic knowledge into flexible organizational actions. The findings demonstrate that adaptive organizations decentralized decision-making authority, allowing managers and employees to modify work procedures, experiment with digital solutions, and respond quickly to operational challenges without excessive hierarchical approval. Rather than relying exclusively on standardized procedures, participants described adaptive decision-making as an iterative process supported by real-time organizational intelligence. This flexibility accelerated organizational responses while simultaneously encouraging employees to develop greater confidence in managing uncertainty and solving emerging problems independently.

The fourth capability identified is continuous learning orchestration, which integrates learning into everyday organizational activities rather than limiting it to formal training programs. Participants reported that organizational leaders continuously encouraged experimentation, reflective practice, peer learning, digital competency development, and knowledge sharing. Learning activities were intentionally aligned with environmental intelligence so that employees continuously acquired capabilities relevant to evolving organizational demands. Importantly, organizations cultivated psychologically safe environments where mistakes were interpreted as opportunities for collective learning rather than performance failures. Such learning environments significantly strengthened employee adaptability by reducing resistance to organizational change while increasing willingness to adopt new technologies and work practices.

Beyond identifying these four interrelated capabilities, the findings demonstrate that AOIC operates through a dynamic organizational cycle. Environmental intelligence continuously generates organizational awareness, collective knowledge integration transforms information into shared strategic understanding, adaptive decision-making enables timely organizational responses, and continuous learning institutionalizes adaptive behaviors across the workforce. As organizational members repeatedly experience this cycle, adaptive behavior gradually becomes embedded within organizational culture instead of remaining an individual characteristic. Consequently, employee adaptability develops through repeated organizational interaction rather than isolated personal competence.

Participants consistently reported that organizations possessing stronger AOIC experienced broader organizational benefits extending beyond employee adaptability. Employees demonstrated greater cognitive flexibility, proactive problem-solving, collaborative behavior, digital confidence, and readiness to embrace technological change. At the organizational level, these behavioral improvements strengthened innovation capability, organizational resilience, strategic agility, and responsiveness to customer and



market changes. These findings suggest that employee adaptability functions as the behavioral manifestation of Adaptive Organizational Intelligence Capability, while organizational competitiveness emerges as its long-term strategic outcome.

Overall, the findings conceptualize Adaptive Organizational Intelligence Capability as an integrated dynamic organizational capability comprising four mutually reinforcing dimensions that collectively transform environmental intelligence into adaptive workforce behavior. Unlike previous perspectives that primarily define organizational intelligence as information processing or knowledge management, this study positions AOIC as a higher-order capability that continuously links strategic intelligence, organizational learning, adaptive decision-making, and employee adaptability. This capability extends the Dynamic Capability Theory by demonstrating that sustainable organizational competitiveness depends not only on sensing, seizing, and reconfiguring organizational resources but also on systematically developing adaptive human behavior through organizational intelligence processes.

Table 1 Dimensions of Adaptive Organizational Intelligence Capability

Dimension	Organizational Function	Contribution to Employee Adaptability
Environmental Intelligence Sensing	Continuously identifies technological, market, customer, and regulatory changes through distributed intelligence activities.	Develops environmental awareness, cognitive flexibility, and proactive anticipation of change.
Collective Knowledge Integration	Integrates information from multiple organizational units into shared strategic understanding through collaboration and knowledge sharing.	Enhances collaborative learning, shared problem-solving, and collective interpretation of organizational change.
Adaptive Decision-Making	Enables decentralized, rapid, and evidence-based organizational responses supported by organizational intelligence.	Strengthens decision confidence, behavioral flexibility, and responsiveness under uncertainty.
Continuous Learning Orchestration	Embeds continuous learning, experimentation, reflection, and digital capability development into organizational routines.	Reinforces resilience, continuous skill development, openness to innovation, and long-term adaptability.

Table 1 summarizes the four interconnected dimensions that constitute Adaptive Organizational Intelligence Capability. The findings indicate that these dimensions do not operate independently but form a continuous dynamic capability cycle. Environmental Intelligence Sensing provides strategic awareness of external changes, which is collectively interpreted through Collective Knowledge Integration. The resulting shared understanding supports Adaptive Decision-Making, enabling timely and flexible organizational responses. Finally, Continuous Learning Orchestration institutionalizes these experiences through ongoing learning, experimentation, and capability development, ensuring that adaptive behaviors become embedded within organizational routines. Collectively, these dimensions explain how organizations systematically transform environmental intelligence into employee adaptability, ultimately



strengthening organizational resilience, innovation capability, and sustainable competitive advantage.

3.5. Discussion: Extending Dynamic Capability Theory through Adaptive Organizational Intelligence Capability

The findings demonstrate that Adaptive Organizational Intelligence Capability (AOIC) functions as a higher-order dynamic capability that enables organizations to systematically transform environmental intelligence into adaptive employee behavior. This finding extends Dynamic Capability Theory, which argues that sustainable competitive advantage depends on an organization's ability to sense opportunities, seize them through strategic decisions, and continuously reconfigure organizational resources in response to environmental change (Li et al., 2025). While previous studies have primarily conceptualized dynamic capabilities as strategic processes operating at the organizational level, the present findings suggest that their influence extends to employees by shaping adaptive behaviors through intelligence-driven organizational mechanisms. Thus, employee adaptability should be understood not merely as an individual competency but as a behavioral outcome emerging from organizational capabilities that continuously align environmental information with strategic action.

The first dimension, Environmental Intelligence Sensing, reinforces the sensing component of Dynamic Capability Theory by demonstrating that effective environmental scanning involves distributed organizational participation rather than top-management surveillance alone. Teece (2025) argues that sensing requires organizations to identify technological opportunities, customer needs, and competitive threats before competitors. The present findings support this proposition while extending it by showing that employees actively participate in sensing through customer interactions, digital analytics, and cross-functional communication. This interpretation is consistent with Choo (1996), who emphasizes that organizational intelligence originates from continuous information acquisition and sense-making processes. However, unlike Choo's knowledge-centric perspective, this study reveals that environmental sensing also serves as a behavioral catalyst that prepares employees psychologically and cognitively for organizational change, thereby strengthening adaptability.

The findings concerning Collective Knowledge Integration further enrich the literature on organizational learning and knowledge integration. According to Grant (1996), organizations create strategic advantage by integrating specialized knowledge dispersed across individuals rather than relying solely on individual expertise. Similarly, Nonaka & Takeuchi (1996) explain that organizational knowledge emerges through continuous interaction between tacit and explicit knowledge. The present study confirms these theoretical perspectives but advances them by positioning knowledge integration as an adaptive organizational capability rather than simply a knowledge management activity. The findings demonstrate that collaborative interpretation through interdisciplinary teams, digital collaboration platforms, and communities of practice enables employees to collectively understand environmental change, reducing uncertainty and improving adaptive responses. This suggests that organizational intelligence becomes strategically valuable only when knowledge is socially interpreted and transformed into coordinated organizational action.

The third and fourth dimensions, Adaptive Decision-Making and Continuous Learning Orchestration, further illustrate how AOIC operates through organizational reconfiguration processes. Dynamic Capability Theory emphasizes that competitive



organizations continuously renew their resource base through strategic reconfiguration (Eisenhardt & Martin, 2000). The findings reveal that adaptive decision-making enables decentralized, rapid, and evidence-based responses supported by organizational intelligence, while continuous learning institutionalizes adaptive behaviors through experimentation, reflection, and capability development. These findings align with Argyris & Schön (1997), who argue that organizational learning involves continuous reflection and behavioral modification, as well as with Edmondson (1999), who demonstrates that psychologically safe work environments encourage experimentation and learning. However, this study extends these perspectives by proposing that learning is not an isolated organizational function but an integral component of a broader intelligence capability that systematically sustains employee adaptability.

The findings also contribute to the literature on employee adaptability by shifting the analytical focus from individual psychological characteristics toward organizational-level capabilities. Previous studies have generally associated adaptability with personal traits, self-efficacy, learning orientation, and proactive personality (Edmondson, 1999; Sobaih & Elshaer, 2022; Usher & Morris, 2023). While these individual factors remain important, the present findings indicate that adaptive behavior is significantly influenced by organizational systems that facilitate environmental awareness, collaborative knowledge exchange, adaptive decision-making, and continuous learning. In other words, employees become adaptive because organizations intentionally construct intelligence-driven environments that encourage flexibility, experimentation, and collaborative problem-solving. This capability-based explanation provides an important theoretical bridge between strategic management and organizational behavior, demonstrating that organizational capabilities and employee behavior are mutually reinforcing rather than analytically independent.

This study contributes to the literature by introducing Adaptive Organizational Intelligence Capability as a novel higher-order capability that integrates Dynamic Capability Theory, organizational intelligence, organizational learning, and employee adaptability into a unified conceptual framework. Unlike previous research that examined these concepts independently, the present findings explain the dynamic mechanism through which organizations convert environmental intelligence into adaptive workforce behavior via four interconnected dimensions: environmental intelligence sensing, collective knowledge integration, adaptive decision-making, and continuous learning orchestration. This integrated perspective expands Dynamic Capability Theory beyond organizational resource reconfiguration toward the development of adaptive human capabilities and enriches organizational behavior literature by demonstrating that employee adaptability is embedded within strategic organizational intelligence processes. Consequently, AOIC offers a new theoretical lens for understanding how organizations cultivate resilient, agile, and continuously learning employees capable of sustaining competitiveness in increasingly complex digital environments.

4. Conclusions

This study developed the concept of Adaptive Organizational Intelligence Capability (AOIC) as a higher-order organizational capability that strengthens employee adaptability within digitally transforming organizations. Using a qualitative multiple-case study, the findings identified four interrelated dimensions that constitute AOIC: Environmental Intelligence Sensing, Collective Knowledge Integration, Adaptive Decision-Making, and Continuous Learning Orchestration. These dimensions operate as an integrated



organizational mechanism through which environmental intelligence is continuously acquired, collaboratively interpreted, translated into adaptive decisions, and reinforced through ongoing organizational learning. The findings further demonstrate that employee adaptability is not solely an individual competency but a behavioral outcome emerging from organizational capabilities that systematically align strategic intelligence with organizational action. Consequently, organizations possessing stronger AOIC exhibit greater workforce flexibility, resilience, innovation readiness, and responsiveness to rapidly changing business environments.

The discussion extends Dynamic Capability Theory by demonstrating that organizational intelligence functions as a dynamic capability connecting environmental sensing, resource reconfiguration, and adaptive employee behavior. While previous studies have primarily examined organizational intelligence, organizational learning, and employee adaptability as separate constructs, this research integrates these perspectives into a unified capability-based framework. The study proposes that Adaptive Organizational Intelligence Capability provides the missing organizational mechanism through which environmental intelligence is transformed into adaptive workforce behavior. Accordingly, this research contributes to both strategic management and organizational behavior literature by introducing AOIC as a novel theoretical construct that bridges organizational capabilities with behavioral outcomes. Practically, the findings suggest that organizations should strengthen environmental sensing systems, collaborative knowledge integration, adaptive decision-making processes, and continuous learning cultures to enhance long-term organizational adaptability and competitiveness.

Despite these contributions, the study has several limitations. The qualitative multiple-case design emphasizes theoretical development rather than statistical generalization, and the participating organizations were limited to digitally transforming industries, which may restrict transferability to other organizational contexts. Furthermore, the study focused primarily on organizational-level capability development without examining individual psychological characteristics or cross-cultural influences that may shape employee adaptability. Future research should quantitatively validate the proposed AOIC framework using structural equation modeling across diverse industries and countries, investigate the mediating and moderating mechanisms linking AOIC with organizational performance, resilience, and innovation, and explore how emerging technologies such as generative artificial intelligence influence the evolution of Adaptive Organizational Intelligence Capability over time through longitudinal research designs.

Declaration of conflicting interests

All authors declare that they have no conflicts of interest.

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