MBA Innovation, Digitalization & Entrepreneurship

ACADEMY FOR CONTINUING EDUCATION

Strategic Capability Redeployment in Conditions of War in Ukraine

A Master's Thesis submitted for the degree of
“Master of Business Administration”

supervised by
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Vienna, 20.09.2024

Affidavit

I, **OLENA KUKHTINA**, hereby declare

1. that I am the sole author of the present Master's Thesis, "STRATEGIC CAPABILITY REDEPLOYMENT IN CONDITIONS OF WAR IN UKRAINE", 69 pages, bound, and that I have not used any source or tool other than those referenced or any other illicit aid or tool, and
2. that I have not prior to this date submitted this Master's Thesis as an examination paper in any form in Austria or abroad.

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1. Introduction

In war-torn Ukraine, small and medium-sized enterprises (SMEs) are facing an unprecedented challenge. They must maintain profitability and fight for their survival. Unlike large corporations with abundant resources, these SMEs rely on swift adaptability and resilience to endure the chaos around them. Amid this volatility, a critical question emerges: how can these businesses continue operating and even find ways to thrive?

The concept of strategic capability redeployment presents a promising solution. This strategic management approach is centered on businesses reallocating and optimizing their resources, skills, and competencies to not only respond to external threats but also to seize new opportunities. It's not just about survival—it's about empowering companies to pivot swiftly, maintain their competitive edge, and carve out a path to future growth in unpredictable environments. This potential for growth, even in the midst of a crisis, is a testament to the resilience and adaptability of SMEs.

As the war in Ukraine persists, the importance of strategic capability redeployment becomes increasingly evident. SMEs are not just facing market pressures; they are grappling with supply chain disruptions, physical destruction, and geopolitical instability that affect every decision they make. These firms must prepare for both the immediate impacts of war and the long-term recovery ahead. Achieving this requires an agile approach to managing resources, one that leverages existing strengths while adapting to rapidly changing conditions.

Despite its critical importance, the topic of strategic capability redeployment in conflict zones, particularly in the context of SMEs, remains largely unexplored in academic literature. While existing studies delve into strategic management and crisis response, they often overlook the distinct challenges that small businesses face in extreme environments such as Ukraine. This gap in the literature underscores the urgency for a more comprehensive investigation, making this study not only timely but also essential for understanding and addressing the needs of SMEs in war-torn regions.

This research seeks to answer a vital question: how do Ukrainian SMEs redeploy their capabilities in response to the ongoing conflict, and what are the outcomes regarding resilience and performance? By exploring how these businesses identify critical resources, adapt to new realities, and implement innovative strategies,

this study sheds light on the process and impact of strategic capability redeployment in war-torn environments.

Key focus areas include how SMEs assess their tangible and intangible assets, reconfigure operations, embrace new technologies, and retrain staff to remain competitive. Financial assistance from the international community has played a crucial role in helping these businesses maintain liquidity, support employees, and invest in the technologies necessary for adaptation. This financial lifeline enables SMEs to focus on redeployment strategies rather than merely surviving.

Technology has also been indispensable, allowing businesses to respond quickly to disruptions in an increasingly digital world. This study explores how technological innovation has facilitated strategic redeployment, improved communication, streamlined operations, and enabled remote work.

The study addresses the challenges SMEs face, such as logistical difficulties, financial constraints, and workforce limitations, and how they overcome these obstacles through innovation, collaboration, and strategic alliances. The goal is to assess whether strategic capability redeployment helps SMEs survive the immediate crisis and lays the groundwork for future success.

This research utilizes qualitative methodology to gather insights from SMEs in Ukraine through interviews and case studies. It provides practical examples of how strategic redeployment is implemented in real-world situations. The findings will contribute to both academic literature and practical management strategies, offering valuable lessons for businesses operating in similar conflict-affected regions.

The primary focus of this study goes beyond mere survival; it delves into ways to prosper in the midst of significant adversity. Through providing a structured approach for handling crises, the knowledge acquired from this research will steer small and medium enterprises (SMEs) in Ukraine—and beyond—towards resilience and resurgence.

2. The Theory of Strategic Capability Redeployment in Times of War

Strategic capability redeployment has undergone significant transformation over the past few decades, influenced by the increasing complexity of global conflicts and crises (Penrose, 1959; Barney, 1991). Historically, the concept primarily involved the physical relocation or reallocation of resources—such as moving production facilities to safer locations or redirecting supply chains to bypass conflict zones. This was the predominant focus in earlier conflicts where physical assets were the primary concern. This evolution underscores the need for businesses to adopt a more holistic approach, integrating both tangible and intangible assets into their redeployment strategies.

As conflicts have become more multifaceted, involving both physical and cyber and economic dimensions, the approach to strategic capability redeployment has evolved (Brynjolfsson & McAfee, 2014; Nissen, 2015). In the modern era, businesses are required to think beyond just physical assets. Integrating digital infrastructure and cybersecurity measures has become a crucial part of strategic redeployment. For instance, during the ongoing conflict in Ukraine, businesses have had to rapidly enhance their cybersecurity frameworks to protect against increased cyber threats, which are now as significant as physical threats to their operations. This evolution signifies a shift in the paradigm of strategic capability redeployment, where digital asset protection and efficient management are now just as critical as physical ones.

The concept has expanded to include the relocation of resources and the reconfiguration of business processes and strategies. Companies now need to consider how their entire operational structure can be redeployed to adapt to new realities brought about by conflicts. This includes everything from supply chain adjustments to changes in market strategies, highlighting a more comprehensive and integrated approach to capability redeployment.

Decision-making during times of war or conflict represents one of the most challenging aspects of strategic capability redeployment. Traditional strategic planning frameworks, which often rely on stable and predictable environments, fall short in the face of the extreme uncertainty that characterizes war zones. The unpredictable nature of such environments, where conditions can change rapidly and without warning, necessitates a different approach to decision-making.

In stable environments, Contingency Theory has guided businesses to tailor their strategies based on the specific circumstances they face. For example, a

multinational corporation might adopt a different strategy in emerging markets compared to mature markets, considering the varying levels of economic development, regulatory environments, and consumer behavior (Lawrence & Lorsch, 1967).

In conflict zones, the application of Contingency Theory underscores the need for extreme flexibility and rapid decision-making. Strategies that might be effective in one part of a country may be entirely unfeasible in another due to differing levels of conflict intensity. This theory's emphasis on tailoring strategies to specific circumstances becomes even more critical as businesses must navigate not just market conditions but also immediate threats to safety and survival. This is evident in Ukraine, where businesses must adapt their strategies dynamically, reflecting the ever-changing landscape of war-torn regions.

Recent advances in behavioral economics and organizational psychology have shed light on how companies can improve decision-making under such conditions. One key insight is the importance of adaptive and iterative decision-making processes. Unlike traditional methods that might involve setting and sticking to a long-term strategy, adaptive decision-making involves continuously revisiting and revising strategies as new information becomes available. This approach is essential in a war context where yesterday's strategy might no longer be viable today.

Companies operating in conflict zones must also rely heavily on real-time data analysis to inform their decisions. The ability to quickly gather, interpret, and act on data can make the difference between success and failure. This includes scenario planning to anticipate various potential outcomes and preparing flexible responses for each (Schoemaker, 1995). Based on current data and conditions, the capacity for rapid adaptation and decision-making is increasingly recognized as a cornerstone of strategic capability redeployment in uncertain environments.

The psychological resilience of decision-makers is crucial. Leaders in war-torn areas must be able to make high-stakes decisions under pressure, often with incomplete or conflicting information. This requires a high level of mental fortitude and the ability to remain calm and focused in the face of crisis. The combination of psychological resilience, real-time data analysis, and adaptive planning forms the bedrock of effective strategic decision-making in times of war.

In peacetime, strategic decision-making follows a linear process—companies assess the market, evaluate internal capabilities, and develop a strategy over a

defined period. However, during wartime, this process becomes highly nonlinear and iterative. Decisions must be revisited and revised frequently as the external environment changes rapidly. While still valuable, traditional models like SWOT analysis or Porter's Five Forces may be less effective in such volatile contexts. Instead, businesses operating in conflict zones rely on real-time data, scenario planning, and contingency strategies for immediate response and adaptation. This approach shifts the focus from long-term planning to short-term survival, with an eye on long-term recovery and growth (Mintzberg, 1994; Eisenhardt & Martin, 2000).

Leadership is always critical in strategic management, but its importance is magnified in times of crisis. Influential leaders can be the deciding factor in whether a company successfully redeploys its capabilities during a conflict. Leadership in these situations extends beyond just making decisions; it involves inspiring and maintaining the workforce's morale, fostering a culture of resilience, and ensuring organizational cohesion despite the chaos of war.

Transformational leadership, in particular, has been identified as a key factor in successful strategic capability redeployment. Transformational leaders can articulate a clear vision for the future, even in the most uncertain times, and can motivate their teams to strive toward that vision despite the challenges they face. They can also inspire trust and confidence, which is crucial when employees are facing personal and professional crises simultaneously.

Leadership agility is another critical aspect. In war, traditional command structures may be disrupted, and leaders may need to make quick decisions without the usual support systems. Agile leaders can adapt their leadership style to the demands of the situation, shifting from a directive approach when quick decisions are needed to a more participative style when input from the team is crucial. This ability to pivot in leadership style as needed is a key determinant of a company's ability to redeploy its capabilities during a conflict successfully.

Leaders in such environments need to be both strategic and empathetic. They must balance the need for tough, strategic decisions with the necessity of supporting their teams emotionally. This dual focus helps maintain the workforce's commitment and productivity, which is essential for the success of any redeployment strategy.

Strategic capability redeployment is not a one-size-fits-all approach; different industries must adapt their strategies based on their unique challenges and resource configurations. For instance, manufacturing companies might focus heavily on

securing alternative supply chains and adjusting their production lines to new conditions. This could involve shifting to local suppliers or retooling production facilities to produce different goods more in demand during the conflict.

On the other hand, service-oriented businesses might prioritize the digital transformation of their service delivery models. For example, companies in the IT sector may focus on enhancing their remote work capabilities and ensuring robust cybersecurity measures to continue delivering services without interruption. The approach to redeployment in these cases is more about maintaining service quality and continuity in a disrupted environment.

By comparing how different industries approach strategic capability redeployment, we can gain a more nuanced understanding of the most effective strategies in various contexts. In Ukraine, for example, while manufacturing firms might have focused on physical asset protection and supply chain reconfiguration, IT firms concentrated on digital resilience and maintaining client trust through secure, uninterrupted service delivery.

Such cross-industry comparisons highlight the flexibility and adaptability required in strategic capability redeployment. They show that while the overarching goals may be similar—maintaining operations, protecting assets, and supporting employees—the specific strategies employed can vary widely depending on the nature of the business.

Technology plays an increasingly central role in strategic capability redeployment, particularly in the context of modern conflicts where digital threats are as significant as physical ones. Integrating advanced technologies such as artificial intelligence (AI), machine learning, and big data analytics has transformed how companies approach redeployment.

These technologies allow for more precise disruption predictions and more efficient resource allocation. For instance, AI-driven analytics can help companies anticipate supply chain disruptions by analyzing global trade and transport patterns. Machine learning algorithms can optimize logistics and inventory management, ensuring that resources are allocated where needed most.

Digital platforms have become essential for maintaining communication and coordination during a conflict. Cloud-based solutions enable companies to manage operations remotely, while secure communication platforms ensure that teams can

collaborate effectively even when dispersed. In the context of war, these technologies are not just tools—they are lifelines that enable businesses to continue operating despite the chaos around them.

The integration of these technologies into strategic capability redeployment strategies reflects a broader trend towards more intelligent, data-driven decision-making in crisis management. It highlights the importance of rapidly adapting to changing conditions, not just through physical resource redeployment but through the intelligent use of technology to maintain operational continuity.

While much of the focus on strategic capability redeployment is understandably on immediate survival and adaptation, it is crucial also to consider the long-term implications of these strategies. Companies that successfully redeploy their capabilities during a crisis often emerge stronger and more resilient from the conflict.

Redeployment can lead to the development of more efficient processes, the creation of more flexible and resilient organizational structures, and the strengthening of core capabilities. For example, a company that has had to adapt its supply chain during a conflict rapidly may emerge with a more diversified and resilient supply chain that is better able to withstand future disruptions.

The lessons learned during the strategic capability redeployment can inform future strategic planning. Companies that have successfully navigated a crisis are often better prepared for future challenges, having developed a deeper understanding of their strengths and weaknesses and having built a culture of resilience and adaptability.

In this sense, strategic capability redeployment is not just about surviving the present crisis—it is also about building a foundation for future success. Companies that approach redeployment with this long-term perspective are likely to emerge from crises not just intact but stronger and more competitive in the global marketplace.

Strategic decision-making during wartime in various historical contexts provides deep insights into how companies navigate crises. Let us explore three key examples:

During World War II, British industries faced the immense challenge of converting peacetime production to support the war effort. Factories that once produced consumer goods had to swiftly switch to manufacturing military supplies, such as weapons, ammunition, and aircraft. This shift required technical retooling and strategic decision-making under severe constraints. For instance, the British

automotive industry, known for producing cars, quickly adapted its assembly lines to produce military vehicles and aircraft. Leaders within these companies had to make quick decisions regarding resource allocation, workforce management, and production priorities. The government's role was also critical, as it coordinated efforts through centralized bodies like the Ministry of Supply, which dictated production targets and resource distribution. Companies that thrived during this period could rapidly innovate and pivot their operations, demonstrating extraordinary flexibility and resilience.

In the United States, the strategic decision-making process during World War II was heavily influenced by the government and private sector partnerships. The War Production Board (WPB) was established to oversee the conversion of industries from civilian to military production. This collaboration meant companies had to align their strategic goals with national objectives. For example, the automotive industry, led by giants like General Motors and Ford, transitioned from producing cars to manufacturing tanks, aircraft, and other military vehicles. This transition was not just about changing what was produced but also about optimizing processes to meet the massive scale required by the war. Strategic decisions included reallocating labor, securing raw materials, and innovating production techniques. The success of these efforts resulted from government guidance and corporate agility, with companies making bold decisions to suspend their usual operations in favor of wartime production. This period also saw the emergence of a new workforce, including women and minorities, who were crucial in maintaining production levels.

During the Vietnam War, U.S. defense contractors such as Lockheed Martin and Northrop Grumman faced strategic decisions regarding innovation in a rapidly evolving conflict. Unlike previous wars, the Vietnam War demanded technological advancements and warfare tactics, leading companies to focus on research and development. Strategic decisions were made to invest heavily in developing new technologies, such as precision-guided munitions and advanced reconnaissance aircraft. These companies had to navigate the challenges of developing cutting-edge technology under tight deadlines and in response to the changing nature of warfare. The pressure to innovate quickly led to significant advancements in military technology, some of which laid the groundwork for modern defense systems. However, the strategic decisions during this time also involved ethical considerations, as companies grappled with the implications of their innovations on the war's human cost.

In the more recent conflicts in Iraq and Afghanistan, private military contractors and logistics companies faced unique strategic decision-making challenges. Companies like Halliburton and Blackwater operated in extremely volatile environments where traditional business strategies often fell short. These companies had to make quick decisions about risk management, resource allocation, and operational security. One of the most significant challenges was ensuring the safety of employees while maintaining service delivery in hostile territories. Strategic decisions involved hiring local security forces, investing in advanced protective technologies, and navigating complex local politics. These companies also had to consider the long-term implications of their operations, including the impact on their reputations and the ethical considerations of their work in conflict zones.

During the Cold War, the strategic decision-making process in defense industries was heavily influenced by the arms race between the United States and the Soviet Union. Companies like Boeing and Raytheon were at the forefront of developing nuclear weapons, intercontinental ballistic missiles (ICBMs), and advanced aircraft. The strategic decisions made during this period were driven by the need to outpace the Soviet Union in technological advancements. This led to significant investments in research and development, often with government contracts providing the necessary funding and direction. The pressure to innovate under the looming threat of nuclear war created an environment where rapid decision-making was crucial. These companies not only had to deliver on complex projects but also had to navigate the political landscape, as their work was directly tied to national security. The legacy of these strategic decisions is still evident today, as many of the technologies developed during the Cold War have continued to evolve and shape modern defense strategies.

These historical examples demonstrate that strategic decision-making during wartime is a multifaceted challenge, requiring companies to adapt quickly, innovate under pressure, and balance immediate needs with long-term consequences.

Traditionally, strategic decision-making theories like the Resource-Based View (RBV) and Dynamic Capabilities have been applied in stable or growth-oriented contexts, where firms focus on leveraging unique resources or adapting to market changes over time. In wartime, however, the application of these theories shifts dramatically. RBV's emphasis on valuable, rare, inimitable, and non-substitutable resources takes on new meaning as companies must identify and protect these resources in the face of immediate physical and economic threats. Dynamic

Capabilities theory also gains a new dimension as companies must not only adapt to change but do so under extreme pressure and uncertainty, often with limited information and resources (Teece, Pisano, & Shuen, 1997). The application of these theories in conflict zones highlights the need for flexibility, speed, and resilience, challenging traditional strategic frameworks to evolve in response to the unique demands of wartime business operations (Barney, 1991; Teece, Pisano, & Shuen, 1997; Lawrence & Lorsch, 1967).

In the heart of conflict-ridden Ukraine, businesses face unprecedented challenges. Small and medium-sized enterprises (SMEs), which once thrived in a stable environment, now grapple with survival in a war zone. The story of their struggle and resilience is a powerful example of how companies can adapt to extreme adversity. This adaptation is not random but is grounded in strategic capability redeployment—a process that allows businesses to reallocate and optimize their resources to maintain operational continuity and build resilience during crises.

The need for businesses to adapt their resources to changing environments has long been recognized in strategic management literature. One of the earliest and most influential works in this area is Edith Penrose's The Theory of the Firm (1959), which introduced the idea that a firm's growth is intrinsically linked to its management of internal resources. Penrose's insights laid the foundation for understanding that a company's survival and success depend not just on the resources it possesses but on how effectively it utilizes these assets. Her work set the stage for developing more focused theories on resource management and strategic capability redeployment.

Building on Penrose's foundation, the Resource-Based View (RBV) emerged in the 1980s and 1990s, significantly shaped by scholars like Jay Barney.

In stable environments, the Resource-Based View (RBV) aids companies in leveraging unique resources—those that are valuable, rare, inimitable, and non-substitutable (VRIN)—to create sustainable competitive advantages. However, in conflict zones, the application of RBV shifts dramatically. The emphasis moves from merely sustaining a competitive advantage to ensuring the company's survival. Identifying and safeguarding critical resources, such as secure supply chains, skilled personnel, and key technologies, becomes vital in maintaining operations during a crisis.

The ongoing conflict in Ukraine offers a modern-day parallel to these historical examples. Ukrainian SMEs have had to quickly adapt their strategies to cope with the

rapidly changing realities of war. This includes shifting production priorities, securing alternative supply chains, and leveraging digital technologies to maintain operations. The lessons from past conflicts are being applied in real time as Ukrainian businesses navigate the complexities of operating in a war zone. For example, companies are using AI to monitor and predict supply chain disruptions, similar to how British and American firms adjusted their production processes during World War II. These contemporary applications underscore the timeless relevance of strategic capability redeployment theories, demonstrating how businesses can draw on historical lessons to inform their current strategies.

RBV posits that a firm's unique resources—valuable, rare, difficult to imitate, and non-substitutable—are the keys to sustained competitive advantage (Barney, 1991). In a war-torn region, the strategic redeployment of these resources becomes essential for a firm's survival.

Traditionally, the Resource-Based View (RBV) has been applied in stable business environments where the primary focus is on leveraging unique resources to achieve and sustain a competitive advantage. In such settings, companies invest in developing and protecting assets that are valuable, rare, inimitable, and non-substitutable (VRIN). However, in conflict zones, the application of RBV shifts dramatically. The emphasis moves from long-term competitive advantage to immediate survival, where the protection, preservation, and reallocation of critical resources become paramount. Companies must rapidly identify which of their resources are most critical to their continued operation and focus on safeguarding these assets against potential threats, such as physical destruction, looting, or cyber-attacks. This shift in focus underscores the flexibility of RBV as a theoretical framework, adapting to the specific challenges posed by extreme environments like war.

For instance, consider a small Ukrainian factory producing electronic components. Before the conflict, its strengths lay in advanced machinery and a skilled workforce. However, as the war escalated, the factory needed to reassess how it utilized these resources. Could the machinery be moved to safer locations? Is it possible to retrain workers to produce urgently needed items like medical supplies? These questions highlight the essence of strategic capability redeployment, demonstrating how RBV principles guide firms in reallocating their resources to respond to new challenges.

In traditional business contexts, strategic capability redeployment has been predominantly about optimizing resources to maintain or improve competitive advantage under stable conditions. Companies typically focus on reallocating resources based on market analysis, consumer behavior, and long-term strategic planning. However, in conflict zones, the unpredictability and immediacy of threats require a more flexible approach. Companies must not only optimize resources but also quickly reallocate them in response to sudden changes in the operational environment, such as infrastructure damage or supply chain disruptions. This heightened need for agility makes strategic capability redeployment a dynamic process rather than a static strategy, emphasizing the need for real-time decision-making and continuous reassessment of resource allocation (Barney, 1991; Teece, Pisano, & Shuen, 1997).

While RBV emphasizes the importance of leveraging existing resources, the Dynamic Capabilities Theory focuses on a firm's ability to adapt to rapidly changing environments. Introduced by Teece, Pisano, and Shuen (1997), this theory highlights the importance of sensing opportunities and threats, seizing them effectively, and transforming organizational processes to maintain competitiveness.

Dynamic Capabilities Theory emphasizes the importance of an organization's ability to adapt, integrate, and reconfigure internal and external competencies to address rapidly changing environments. Traditionally, this theory has been applied to understand how firms innovate and evolve in competitive markets. In the context of wartime, however, the stakes are significantly higher. Companies must not only sense opportunities and threats but do so under extreme pressure, where decisions often need to be made in real-time with limited information. The ability to seize these opportunities—such as shifting production lines to meet new wartime demands—and to transform organizational processes quickly is crucial. In conflict zones, dynamic capabilities are tested to their limits, as firms must continuously adapt to sudden and often violent changes in their operating environment, making the theory even more relevant.

The evolution of strategic management theories has provided a richer framework for understanding capability redeployment in conflict conditions. While the Resource-Based View (RBV) focuses on leveraging unique resources to gain a competitive advantage, Dynamic Capabilities Theory emphasizes the need for companies to rapidly adapt to changing environments. However, these theories must be contextualized within the realities of modern conflict zones.

In conflict conditions, the application of these theories requires a focus on both tangible and intangible resources. For instance, intellectual property, brand reputation, and human capital become key resources that require strategic redeployment alongside physical assets. This holistic approach ensures that companies are not just moving assets but rethinking how they can leverage their unique capabilities to navigate and survive in conflict environments.

Returning to the Ukrainian factory example, the demand for electronic components may have decreased as the need for essential household items or medical supplies surged as the war progressed. The factory's ability to retool its production lines and retrain its workforce to meet this new demand reflects its dynamic capabilities. This capacity to sense, seize, and transform is crucial for businesses operating in volatile environments, ensuring they can pivot quickly and effectively.

Leadership within such companies must answer critical questions: How can existing strengths be harnessed in this new reality? What new competencies are required? Which operational changes are necessary for survival? Dynamic capabilities provide a framework for navigating these challenges, guiding firms through turbulent times by enabling them to adapt quickly to environmental changes.

Recognizing that strategies effective for one firm may not suit another, Contingency Theory offers additional insights. Developed by Paul Lawrence and Jay Lorsch (1967), this theory asserts that there is no one-size-fits-all strategy; instead, optimal approaches depend on specific contextual factors.

Consider two Ukrainian companies: one near active conflict zones and another in a relatively safe area. The former might prioritize relocating assets and ensuring employee safety, possibly even considering temporary shutdowns. The latter, in contrast, might focus on market expansion, capitalizing on reduced competition in areas less affected by the conflict. Despite operating within the same national context, their strategies diverge due to differing circumstances, underscoring the importance of context-specific strategy formulation as emphasized by Contingency Theory.

This theory underscores the necessity of flexible, tailored strategies that align with unique challenges and opportunities. In wartime, continuous environmental assessment and strategic adjustments are paramount to ensuring firms' survival and potential growth.

As the conflict in Ukraine continues, strategic capability redeployment becomes even more critical. It is a meticulous dance requiring both careful consideration and swift execution. Initially, firms must rapidly assess their resources, identifying those that are valuable, rare, and difficult to replace. This step is crucial in conflict situations where timely decisions can distinguish between survival and failure. Prioritizing the redeployment of VRIN resources, as highlighted by Barney (1991), is essential to maintain operational effectiveness.

Once the assessment is complete, the planning phase begins. Unlike peacetime strategic planning, which often has long-term horizons, wartime planning demands flexibility. Plans must be adaptable and ready to evolve as new information emerges or as ground realities shift. This flexibility ensures that businesses remain agile and capable of responding to the rapid changes that characterize a conflict environment.

The execution phase involves taking actionable steps to reallocate resources—relocating assets to safer locations, redirecting efforts to critical business areas, or establishing new supply chains in response to disruptions. For example, if key personnel are displaced, firms might need to retrain the remaining staff to take on multiple roles, ensuring that essential operations continue.

The process of strategic capability redeployment does not end with execution. Continuous monitoring and strategy refinement are necessary, resonating with the principles of Dynamic Capabilities Theory (Teece et al., 1997). This vigilance ensures that redeployment efforts remain relevant and practical as wartime conditions evolve. Companies that can maintain this level of adaptability are better positioned to survive and, eventually, thrive in a post-conflict environment.

Technology plays a pivotal role in this process. As physical infrastructures face damage in Ukraine, many companies have turned to digital tools to sustain operations. Cloud computing, for instance, facilitates remote data access, while artificial intelligence enhances decision-making processes. Advanced manufacturing technologies allow for continued production despite limited resources. The importance of technological adoption in maintaining operational flexibility cannot be overstated, as emphasized by Brynjolfsson and McAfee (2014).

Beyond technology, the concept of resilience is paramount. Resilience, defined as a firm's ability to rebound from disruptions and thrive amidst adversity, embodies the integration of leveraging resources effectively (RBV), adapting swiftly to change (Dynamic Capabilities), and formulating context-specific strategies (Contingency

Theory). Lengnick-Hall and Beck (2005) emphasize that resilience is cultivated through dynamic and adaptable strategies, which are essential for businesses operating in conflict zones.

The narrative of strategic capability redeployment in Ukraine transcends mere survival. It is a story of resilience and adaptation, where companies react to wartime challenges and proactively transform and position themselves for future success. This process illustrates that strategic management principles remain relevant and crucial for guiding businesses through crises, even in the most challenging circumstances.

The Ukrainian conflict poignantly reminds us that business strategies must be dynamic, evolving in response to external pressures. The frameworks of RBV (Barney, 1991), Dynamic Capabilities (Teece et al., 1997), and Contingency Theory (Lawrence & Lorsch, 1967) provide comprehensive roadmaps for navigating such challenges. Strategic capability redeployment operationalizes these theories, guiding firms to understand their assets, optimize their utilization, and remain agile in strategy formulation.

For Ukrainian SMEs, this process transcends theoretical constructs; it manifests as a daily imperative to safeguard operations, ensure employee welfare, and sustain business viability. The subsequent chapters will delve into the real-world applications of these theories, drawing insights from Ukrainian companies as they maneuver through the complexities of war. Their experiences, marked by courage and determination, will illuminate the practicalities of strategic capability redeployment, offering valuable lessons for businesses confronting crises globally.

Strategic capability redeployment has undergone significant transformation over the past few decades, influenced by the increasing complexity of global conflicts and crises. Historically, the concept primarily involved the physical relocation or reallocation of resources—such as moving production facilities to safer locations or redirecting supply chains to bypass conflict zones. This was the predominant focus in earlier conflicts where physical assets were the primary concern.

Traditionally, the Resource-Based View (RBV) has been applied to identify and leverage a firm's internal resources and capabilities to gain a competitive advantage. Businesses have used RBV to focus on developing unique assets that are valuable, rare, inimitable, and non-substitutable (VRIN). For instance, in a stable market environment, a tech company might invest heavily in R&D to develop cutting-edge

software that competitors cannot easily replicate, thereby securing a dominant position in the industry (Barney, 1991).

However, in conflict zones like Ukraine, the application of RBV shifts from long-term competitive advantage to immediate survival. Companies must quickly identify and protect their most critical resources. The emphasis is less on developing unique resources for competitive advantage and more on preserving vital assets that ensure operational continuity. The inimitability of resources, such as secure supply chains or critical infrastructure, becomes a matter of survival rather than differentiation.

Strategic capability redeployment has evolved significantly over the past few decades, especially as global conflicts and crises have become increasingly complex. Unlike earlier periods where redeployment focused primarily on physical resources, the modern approach integrates digital transformation and cyber capabilities. In contemporary conflict zones, such as Ukraine, companies are required to adapt not just in terms of physical assets but also in digital infrastructure. For example, rapidly deploying cybersecurity measures has become as critical as securing physical supply chains. This shift represents an evolution in how businesses conceptualize and operationalize strategic capability redeployment in conflict scenarios.

The concept extends beyond the mere relocation of resources to include reconfiguring business processes and strategies. Companies must now consider how their entire operational structure can be redeployed to adapt to new realities brought about by conflicts. This involves everything from supply chain adjustments to changes in market strategies, highlighting a more comprehensive and integrated approach to capability redeployment.

As conflicts have become more multifaceted, involving both physical and cyber and economic dimensions, the approach to strategic capability redeployment has evolved. In the modern era, businesses are required to think beyond just physical assets. Integrating digital infrastructure and cybersecurity measures has become a crucial part of strategic redeployment. For instance, during the ongoing conflict in Ukraine, businesses have had to rapidly enhance their cybersecurity frameworks to protect against increased cyber threats, which are now as significant as physical threats to their operations. This evolution signifies a shift in the paradigm of strategic capability redeployment, where the protection and efficient management of digital assets are now just as critical as physical ones.

Modern companies increasingly rely on technology to facilitate strategic capability redeployment, particularly in digital and cyber domains. Integrating artificial intelligence (AI) and machine learning has transformed how businesses predict disruptions and optimize resources during crises. For instance, AI can analyze vast amounts of data to forecast supply chain vulnerabilities, allowing companies to reroute resources preemptively. Machine learning algorithms can streamline logistics, ensuring that even under duress, operations continue smoothly. These technologies are not just tools for efficiency but are essential for survival in conflict zones, where the ability to adapt quickly to changing conditions can determine a company's fate.

The concept has expanded to include the relocation of resources and the reconfiguration of business processes and strategies. Companies now need to consider how their entire operational structure can be redeployed to adapt to new realities brought about by conflicts. This includes everything from supply chain adjustments to changes in market strategies, highlighting a more comprehensive and integrated approach to capability redeployment.

The Dynamic Capabilities Theory, traditionally applied to help firms adapt to changing market conditions, is particularly relevant in the volatile environments created by war. In peacetime, firms might develop the ability to sense opportunities and threats, seize opportunities, and reconfigure their resources to stay competitive (Teece, Pisano, & Shuen, 1997). For example, a rapidly evolving tech industry company might constantly monitor market trends, innovate in product development, and pivot its strategy to stay ahead of competitors.

However, in conflict zones, this need for dynamic capabilities is amplified where the external environment is volatile and hostile. Businesses must rapidly adapt to unforeseen disruptions, such as attacks on infrastructure or supply chain interruptions. Companies have had to continuously reconfigure their operations, shifting from traditional business models to those that can operate under severe constraints.

Strategic decision-making during wartime in various historical contexts provides deep insights into how companies navigate crises. Let us explore three key examples:

During World War II, British industries faced the immense challenge of converting peacetime production to support the war effort. Factories that once produced consumer goods had to swiftly switch to manufacturing military supplies, such as weapons, ammunition, and aircraft. This shift required technical retooling and

strategic decision-making under severe constraints. For instance, the British automotive industry, known for its production of cars, quickly adapted its assembly lines to produce military vehicles and aircraft. Leaders within these companies had to make quick decisions regarding resource allocation, workforce management, and production priorities. The government's role was also critical, as it coordinated efforts through centralized bodies like the Ministry of Supply, which dictated production targets and resource distribution. Companies that thrived during this period were those that could rapidly innovate and pivot their operations, demonstrating extraordinary flexibility and resilience.

In the United States, the government and private sector partnerships heavily influenced the strategic decision-making process during World War II. The War Production Board (WPB) was established to oversee the conversion of industries from civilian to military production. This collaboration meant that companies had to align their strategic goals with national objectives. For example, the automotive industry, led by giants like General Motors and Ford, transitioned from producing cars to manufacturing tanks, aircraft, and other military vehicles. This transition was about changing what was produced and optimizing processes to meet the massive scale required by the war. Strategic decisions included reallocating labor, securing raw materials, and innovating production techniques. The success of these efforts resulted from government guidance and corporate agility, with companies making bold decisions to suspend their usual operations in favor of wartime production. This period also saw the emergence of a new workforce, including women and minorities, who were crucial in maintaining production levels.

During the Vietnam War, U.S. defense contractors such as Lockheed Martin and Northrop Grumman faced strategic decisions regarding innovation in a rapidly evolving conflict. Unlike previous wars, the Vietnam War demanded advancements in technology and warfare tactics, leading companies to focus on research and development. Strategic decisions were made to invest heavily in the development of new technologies, such as precision-guided munitions and advanced reconnaissance aircraft. These companies had to navigate the challenges of developing cutting-edge technology under tight deadlines and in response to the changing nature of warfare. The pressure to innovate quickly led to significant advancements in military technology, some of which laid the groundwork for modern defense systems. However, the strategic decisions during this time also involved ethical considerations,

as companies grappled with the implications of their innovations on the war's human cost.

In the more recent conflicts in Iraq and Afghanistan, private military contractors and logistics companies faced unique strategic decision-making challenges. Companies like Halliburton and Blackwater operated in highly volatile environments where traditional business strategies often fell short. These companies had to make quick decisions about risk management, resource allocation, and operational security. One of the most significant challenges was ensuring the safety of employees while maintaining service delivery in hostile territories. Strategic decisions involved hiring local security forces, investing in advanced protective technologies, and navigating complex local politics. These companies also had to consider their operations' long-term implications, including their impact on their reputations and the ethical considerations of their work in conflict zones.

During the Cold War, the strategic decision-making process in defense industries was heavily influenced by the arms race between the United States and the Soviet Union. Companies like Boeing and Raytheon were at the forefront of developing nuclear weapons, intercontinental ballistic missiles (ICBMs), and advanced aircraft. The strategic decisions made during this period were driven by the need to outpace the Soviet Union in technological advancements. This led to significant investments in research and development, often with government contracts providing the necessary funding and direction. The pressure to innovate under the looming threat of nuclear war created an environment where rapid decision-making was crucial. These companies had to deliver on complex projects and navigate the political landscape, as their work was directly tied to national security. The legacy of these strategic decisions is still evident today, as many of the technologies developed during the Cold War have continued to evolve and shape modern defense strategies.

These historical examples demonstrate that strategic decision-making during wartime is a multifaceted challenge, requiring companies to adapt quickly, innovate under pressure, and balance immediate needs with long-term consequences. The lessons learned from these experiences can provide valuable insights for businesses operating in today’s conflict zones, such as Ukraine, where the stakes are equally high.

Historical examples of strategic decision-making during wartime provide valuable lessons for contemporary businesses. For instance, during World War II,

British industries were forced to convert peacetime production lines into wartime factories rapidly. Companies that once produced consumer goods were retooled to manufacture weapons, vehicles, and other military supplies. This required technical adjustments and a complete overhaul of strategic priorities and resource allocation. Similarly, in the United States, the War Production Board coordinated the conversion of civilian industries to military production, demonstrating the importance of government-industry collaboration in times of crisis. These historical cases highlight the necessity of agility, innovation, and strategic alignment in ensuring that businesses can survive and even thrive during periods of extreme disruption.

The challenges SMEs face in conflict zones like Ukraine highlight the need for comprehensive policy support. Governments and international organizations must consider implementing policies that enhance the resilience of these businesses. This could include financial aid packages specifically tailored to SMEs in war-torn regions, investment in digital infrastructure to ensure that businesses can continue operations even when physical infrastructures are compromised, and the development of contingency plans that provide clear guidance on managing and redeploying resources during crises. Fostering public-private partnerships can create a more supportive environment for SMEs, enabling them to leverage government resources and expertise to navigate the complexities of wartime operations. Such policy initiatives are crucial not only for the immediate survival of these businesses but also for their long-term recovery and growth in the post-conflict period.

3. Research Methodology

The research design for this study is both exploratory and descriptive, and it was chosen to uncover the complex realities of strategic capability redeployment among SMEs in the context of wartime Ukraine. An exploratory approach is essential, given the scarcity of prior research on this topic, particularly within conflict settings. Exploratory research allows for the investigation of relatively uncharted territories, offering the opportunity to develop new insights and generate hypotheses that can guide future studies (Stebbins, 2001). In this case, it enables the study to delve into the mechanisms that SMEs employ to reallocate and optimize their resources, skills, and competencies in response to the challenges posed by war, making the study highly relevant and engaging for the audience.

The descriptive aspect of the research is crucial for systematically documenting the strategies, challenges, and outcomes experienced by SMEs. Descriptive research provides a clear and detailed picture of the phenomena under study, which in this case involves the real-world application of strategic capability redeployment during a conflict (Shields & Rangarajan, 2013). By focusing on both the processes and the outcomes, the study aims to create a comprehensive understanding of how SMEs in Ukraine navigate the complexities of their environment.

The decision to employ qualitative methods is driven by the nature of the research questions, which require exploring intricate processes and contextual factors that are often difficult to capture through quantitative approaches. Qualitative research is particularly well-suited for examining the nuanced experiences, strategies, and perceptions of SMEs operating under extreme conditions, such as those caused by war. This approach allows for collecting rich, detailed data, providing a deeper understanding of how firms adapt and manage their resources in rapidly changing and unpredictable environments. By using qualitative methods, the study can offer a more comprehensive and human-centered perspective on strategic capability redeployment, highlighting the resilience and adaptability of SMEs in the face of profound challenges.

This study's focus on SMEs in Ukraine amidst ongoing conflict presents unique challenges that require careful consideration of how data is gathered.

To gather these insights, semi-structured interviews were conducted. This method was selected because it offers a balance between guiding the conversation with specific questions and allowing the participants to express their thoughts and

experiences in their own words. The flexibility of semi-structured interviews was crucial in this study, as it enabled the exploration of unexpected themes and insights that arose during the conversations.

The study focused on key decision-makers within SMEs, such as business owners, managers, and directors, who were directly involved in their companies' strategic decisions and operations during the conflict. These individuals were chosen because of their firsthand experience with the challenges and strategies related to this situation.

The interviews conducted for this study span several months during a continuous evolution in the Ukraine situation. The dynamic nature of the environment demanded a flexible approach to data collection. Some interviews were held in person, while others were conducted via secure online platforms, depending on participant safety and availability. The choice of interview method was guided by prevailing conditions, allowing for a comprehensive exploration of the topics while ensuring the safety of both the researcher and the participants.

Eight individuals were interviewed, each representing different small and medium-sized enterprises (SMEs) across various sectors. The participants comprised business owners, managers, and directors directly involved in making strategic decisions during the conflict. Interviews were conducted in the participant's native language to ensure clarity and ease of communication. Subsequently, all interviews were translated into English for analysis.

The interviews varied from 45 minutes to 2 hours and adhered to a semi-structured format. Across all interviews, the average length was approximately 65 minutes, with the shortest being 45 minutes and the longest lasting 2 hours. This approach sought to strike a delicate balance between guiding the discourse with specific inquiries and allowing participants to articulate their experiences and insights in their vernacular.

Table 1. Quantitative Overview of Data Collection

Data Type	Quantity
Number of Interviews	8
Number of Participants	8
Total Duration of Interviews	520 minutes
Number of Transcript Pages	72 pages

To ensure the precision and dependability of the data, all interviews were meticulously recorded with the participants' explicit consent. These recordings were transcribed verbatim, resulting in a comprehensive and detailed dataset for subsequent analysis. The utilization of verbatim transcripts was deemed indispensable as it preserved the precise language employed by the participants. These encompassing nuanced expressions may be obscured in summarized or paraphrased notations.

The following table presents selected quotes from the interviews categorized by thematic codes to illustrate the themes that emerged from the data.

The codes and themes identified in this study, such as Supply Chain Disruptions and Technological Adaptations, are particularly significant for small and medium-sized enterprises (SMEs) operating in a wartime environment. Wartime conditions create unprecedented business challenges, including disrupted supply chains, resource shortages, and rapidly changing market conditions. These disruptions force SMEs to adapt quickly, often relying on new and innovative strategies to maintain operations and ensure business continuity.

For instance, Supply Chain Disruption emerged as a key theme because many SMEs experienced frequent delays, shortages of materials, and the need to find alternative suppliers. The instability caused by the conflict severely impacted logistics and resource management, making this theme critical for understanding the broader operational challenges faced by these businesses.

Similarly, Technological Adaptation became a central theme, as many SMEs turned to digital tools and technologies to overcome the limitations imposed by the conflict. Adopting cloud computing, enhanced cybersecurity measures, and remote work solutions allowed businesses to remain functional in a volatile and uncertain environment. These technologies helped companies adapt to immediate challenges and laid the groundwork for future resilience and flexibility in operations.

Each of these themes represents a critical area where SMEs had to innovate, respond rapidly, and redeploy their strategic capabilities to survive and thrive in the context of war. Understanding these themes is essential for comprehensively analyzing how SMEs navigate such extreme conditions.

Tables 2. Selected Quotes from Interviews Sorted by Key Themes

Code	Interviewee	Quote
Supply Chain Disruption	Supply Chain Director, Novus	"Our supply chain was hit hard. We had to deal with delays and shortages almost daily."
Route Diversification	Logistics Head, Nova Post	"The war forced us to find alternative routes quickly, adding significantly to our operational costs."
Technological Adaptation	CTO, Integrity-Vision	"Technology became our backbone. Cloud computing and cybersecurity were crucial for us to maintain operations."
Employee Support	HR Head, Integrity-Vision	"We introduced mental health support and flexible working hours to help them cope."
Local Sourcing	CFO, Novus	"We diversified our suppliers and started sourcing more locally to mitigate risks."
Customer Engagement	Marketing Director, Novus	"We enhanced our online shopping experience and introduced loyalty programs to retain them."
Employee Financial Support	HR Director, Nova Post	"Supporting our employees through financial assistance and ensuring their safety was our top priority."

The participants were selected through purposive sampling to guarantee that those partaking in the interviews offered significant expertise and insights pertinent to the research inquiries. Adopting this method enabled the study to concentrate on individuals intimately involved in strategic decision-making during the conflict, yielding abundant and germane data. Snowball sampling was employed to expand the pool of participants. Initial interviewees were requested to recommend others with valuable perspectives, thus aiding in the diversification and expansion of the participant cohort.

The research incorporated secondary data sources, such as press articles, company reports, and pertinent websites, in addition to the interviews.

Table 3. Interview Quotes Sorted by Codes

Step	Description	Outcome
Initial Coding	Text segments from interview transcripts were labeled with codes representing specific information related to research questions.	Identification of initial codes relevant to strategic capability redeployment.
Grouping Codes into Themes	Related codes were grouped together to form broader themes.	Development of preliminary themes that encapsulate the data.
Reviewing and Refining Themes	Themes were reviewed, merging similar themes, and refining them into more specific themes.	Final set of distinct themes that accurately represent the data.
Interpretation of Themes	Refined themes were interpreted within the research context.	Insights into companies' strategic actions and outcomes during the war.

These sources provided additional contextual information and validated the data gathered from the interviews. These documents provided insights into Ukraine's broader economic and social landscape during the conflict and specific details regarding the involved companies. The amalgamation of primary and secondary data sources augmented the analysis, ensuring that the conclusions drawn from the study were comprehensive and buttressed by multiple forms of evidence.

4. Case Studies: Analysis of Three Companies

This chapter presents a detailed analysis of three small and medium-sized enterprises (SMEs) in Ukraine that strategically reallocated their resources in response to the ongoing war. The selected companies represent different sectors: retail, logistics, and IT. Through these case studies, we examine how these companies have addressed the challenges of operating during wartime, the strategies they implemented, and the outcomes of their efforts. The companies selected for this analysis are Novus (retail), Nova Post (logistics), and Integrity-Vision (IT).

The thematic codes identified in Chapter 3, such as Supply Chain Disruption, Technological Adaptation, and Human Capital Management, are crucial in understanding how each company navigated the challenges of wartime Ukraine. These themes serve as a framework for analyzing the strategic actions taken by the companies in the following case studies. Novus' approach to local sourcing and supply chain diversification reflects the theme of Supply Chain Disruption, while Integrity-Vision's implementation of cloud computing illustrates Technological Adaptation.

Table 4. Overview of Case Study Companies and Strategic Challenges during Wartime

Company	Sector	Established	Main Activities	Primary Challenges During War	Key Strategic Responses
Novus	Retail	2008	Super-markets, Hyper-markets, Grocery Sales	Supply chain disruptions, employee safety, consumer behavior	Supply chain diversify-cation, digital transfor-mation
Nova Post	Logis-tics	2001	Express delivery, freight forwarding, 3PL	Transportatio n route disruptions, infrastructure damage	Route diversify-cation, lean management
Integrity-Vision	IT	2010	Software development , IT consulting, digital trans-formation	Communicati on disruptions, security risks	Enhanced remote work infra-structure, cybersecurity impro-vements

To streamline the presentation of interview questions and avoid repetition, a single table summarizing the interview questions used across all three companies is provided:

Table 5. Key Interview Questions Linking Strategic Redeployment Themes

Question	Purpose
Can you describe your role and responsibilities?	Understanding the interviewee's position and relevance to the study.
How has the war affected your company's operations?	Identifying the impact of the conflict on business activities.
What immediate challenges did your company face?	Exploring the initial difficulties encountered at the onset of the conflict.
What strategies did your company implement to cope with the disruptions?	Analyzing the specific responses and strategies employed.
How did your company prioritize its strategic responses?	Understanding the decision-making process during the crisis.
How did your company reallocate its resources during the war?	Examining the redistribution of financial and physical assets.
What role did technology play in your strategic redeployment?	Assessing the importance of digital tools and technologies.
What were the key outcomes of your strategic redeployment efforts?	Evaluating the effectiveness of the strategies in sustaining operations.
What lessons has your company learned from navigating this crisis?	Gleaning insights for future strategic planning.

During the war in Ukraine, businesses faced extraordinary challenges that tested their resilience and adaptability. Among these businesses were Novus, Nova Post, and Integrity-Vision, each operating in the retail, logistics, and IT sectors. Through interviews with key personnel from these companies, we see how they strategically reallocated their resources and adapted to survive amid conflict.

Case 1: Novus (Retail)

Novus, a leading retail chain in Ukraine, faced significant disruptions due to the onset of the conflict. Established in 2008, the company has grown into one of the most recognized retailers in the country, operating numerous supermarkets and

hypermarkets across major cities. However, the war brought about severe challenges, including interruptions in the supply chain, heightened security concerns, and dramatic shifts in consumer behavior. Suppliers struggled to meet delivery schedules, leading to shortages, while the safety of employees and customers required the implementation of enhanced security protocols.

Novus' ability to swiftly diversify its supply chain and utilize technological solutions demonstrates how SMEs can effectively redeploy strategic capabilities during wartime. Their actions not only addressed the immediate challenge of Supply Chain Disruption but also laid the foundation for long-term operational resilience, a key finding in the thematic analysis. By sourcing locally, Novus mitigated the risks posed by the disruption of international supply routes, a strategy that emerged as a common approach for many SMEs navigating the unpredictable environment."

Recognizing the need to adapt quickly to the changing environment, Novus also accelerated its digital transformation. The company launched an online shopping platform supported by efficient delivery services, allowing customers to shop safely from their homes. This move not only sustained the company's operations but also helped maintain customer loyalty during a time of crisis.

Supporting its workforce was another critical priority for Novus. The company introduced flexible work arrangements and provided comprehensive support, including financial assistance and mental health resources. These measures were vital in maintaining high morale and ensuring smooth operations despite the ongoing challenges. Novus' approach to local sourcing and digital transformation illustrates how companies can redeploy their strategic capabilities to overcome supply chain disruptions during a conflict, reflecting the broader themes identified in the qualitative analysis. This strategic focus on flexibility and technological innovation underscores the resilience required to navigate the unpredictable wartime environment.

Throughout the conflict, Novus faced numerous obstacles, including ongoing supply chain disruptions, rising operational costs, and the constant need to ensure safety. However, the company overcame these challenges through strategic thinking and agile decision-making. Novus maintained its market presence, improved customer engagement through digital channels, and ensured operational continuity. The experience underscored the importance of agility, local sourcing, and technological innovation. Looking forward, Novus plans to continue investing in these

areas to remain robust and adaptable, ensuring its resilience and growth in the post-war period.

Case 2: Nova Post (Logistics)

Nova Post, a major logistics provider in Ukraine, found itself grappling with a distinct set of challenges as the conflict unfolded. Established in 2001, the company had built a strong reputation for reliability and innovation in logistics management, offering services that ranged from express delivery and freight forwarding to third-party logistics (3PL). However, the war disrupted transportation routes, damaged infrastructure, and escalated operational costs, forcing the company to rethink its entire operation. The safety of logistics staff became a top concern, and Nova Post had to act quickly to adapt to the new reality.

The company's strategic focus on Route Diversification and Technological Adaptation illustrates how flexibility in logistics and digital infrastructure can safeguard business operations in times of conflict. Nova Post's proactive approach highlights the importance of dynamic capability redeployment in ensuring business continuity, as echoed in the interview data. By expanding its transportation network, Nova Post was able to navigate the constantly shifting conditions brought on by the conflict, a move that many SMEs employed to sustain operations in the face of logistical uncertainty. Recognizing the need for operational efficiency, Nova Post also invested in advanced logistics management systems. These systems optimized the company’s operations, reducing inefficiencies and ensuring that deliveries could continue reliably and efficiently, even under the challenging circumstances of war.

Financial resources were redirected to expand warehousing capabilities and refine routing systems, enabling Nova Post to maintain the flow of goods despite the damaged infrastructure and disrupted routes. But the company's strategy wasn’t solely focused on logistics. The workforce was a critical element in Nova Post's response to the crisis. The company implemented flexible working arrangements, provided financial assistance, and offered comprehensive mental health resources to support its employees during the conflict. These measures were essential in maintaining the morale and productivity of the workforce, ensuring that the company could continue to operate effectively.

Technology played a central role in Nova Post's strategy. The adoption of real-time tracking systems and advanced route planning tools allowed the company to maintain operational efficiency, even in the most challenging circumstances. To maintain customer trust, Nova Post enhanced its communication channels by establishing a customer service hotline, which kept clients informed and reassured during uncertain times. These efforts were crucial in maintaining the company's reputation for reliability, a trait that became increasingly valuable as dependability became scarce during the conflict. Nova Post's ability to adapt through route diversification and logistical innovation underscores the importance of redeploying strategic capabilities in response to wartime disruptions, as identified in the thematic analysis. Their commitment to operational flexibility and the use of advanced technology were key factors in maintaining business continuity in challenging conditions

The challenges Nova Post faced were significant—transportation disruptions, increased costs, and the need to ensure employee safety. However, through swift adaptation and strategic resource management, the company successfully navigated these obstacles. Nova Post emerged from the conflict with its market presence intact, having maintained reliable services and even improved operational efficiency. The experience underscored the importance of technological innovation, strong partnerships, and lean management. As Nova Post looks to the future, it plans to deepen its investment in digital infrastructure and expand its network of carrier partnerships, ensuring it remains resilient in the face of future challenges.

Case 3: Integrity-Vision (IT)

Integrity-Vision, a leading IT company in Ukraine specializing in software development, IT consulting, and digital transformation services, faced a significant test as the conflict unfolded. Founded in 2010, Integrity-Vision has established itself as a trusted provider of innovative solutions across various industries. However, the war brought unprecedented challenges, including severe communication disruptions, project delays, and heightened security risks for both data and personnel.

The conflict threatened the very foundation of Integrity-Vision's operations. Communication channels were disrupted, making it difficult to maintain seamless interactions with clients and between team members. Additionally, the increased risk

of cyber-attacks puts client data at considerable risk, raising concerns among clients and straining their trust in the company's ability to protect sensitive information. Recognizing the gravity of the situation, Integrity-Vision knew it had to act swiftly and decisively to ensure business continuity and maintain client confidence.

The company's response was both comprehensive and strategic. Integrity-Vision's ability to adapt to technological demands during the war, particularly in remote work and cybersecurity, showcases the broader trend of Technological Adaptation among SMEs. Their strategic deployment of technology highlights the critical role of digital solutions in responding to unpredictable environments and maintaining competitive advantage. By leveraging cloud computing and cybersecurity solutions, Integrity-Vision ensured business continuity despite the unpredictable conditions of the war. This move was essential for maintaining productivity and security, reflecting the broader technological adaptations many companies implemented to overcome the constraints of the conflict environment. Integrity-Vision's reliance on technological adaptation and cybersecurity measures highlights the significance of redeploying digital capabilities to maintain operations in volatile environments, aligning with the study's thematic findings. Their strategy of leveraging technology not only ensured business continuity but also safeguarded their reputation in a time of crisis. This involved significant investments in virtual private networks (VPNs) and cloud-based collaboration tools, which provided the technological foundation needed for a smooth transition to remote work. Recognizing the critical importance of data security, the company also implemented advanced cybersecurity measures. These measures were essential in protecting client data from the heightened risks posed by the conflict and in maintaining the trust that clients had placed in the company.

Resource allocation was a key part of Integrity-Vision's strategy. The company directed significant resources towards cloud-based solutions and secure VPNs, ensuring that their remote work environment was both efficient and secure. Continuous investments in cybersecurity further mitigated risks, safeguarding the integrity of client information and reinforcing the company's reputation for reliability.

Integrity-Vision also prioritized supporting employees during this tumultuous time. The company introduced flexible working hours, provided financial assistance, and offered extensive mental health support. These initiatives were crucial in

maintaining morale and productivity, ensuring that employees remained motivated and capable of delivering high-quality services despite the ongoing challenges.

The adoption of cloud computing solutions and agile project management methodologies played a pivotal role in Integrity-Vision's ability to maintain its operations. These technologies facilitated high levels of collaboration and allowed projects to stay on track, even as the external environment became increasingly unpredictable. To keep clients engaged and reassured, Integrity-Vision held regular virtual meetings and assigned dedicated account managers to maintain continuous communication. These efforts were instrumental in sustaining client relationships and ensuring that projects continued to progress smoothly.

Despite the considerable challenges—ranging from communication disruptions to heightened security risks—Integrity-Vision successfully navigated the obstacles it faced. The company emerged from the conflict with its operations intact, its client relationships secure, and its reputation for reliability stronger than ever. The experience underscored the critical importance of a robust remote work infrastructure and advanced cybersecurity measures, both of which will remain central to Integrity-Vision's strategy moving forward.

As the company looks to the future, Integrity-Vision plans to continue strengthening its technological capabilities and maintaining a strong focus on employee support. By doing so, the company aims to ensure that it remains resilient in the face of any future challenges, ready to adapt and thrive in an ever-changing environment.

The case studies of Novus, Nova Post, and Integrity-Vision illustrate the real-world application of the themes identified in the qualitative analysis. Each company adapted to the wartime environment by leveraging different strategies, many of which correspond directly to the themes of Supply Chain Disruption, Technological Adaptation, and Human Capital Management. These case studies not only highlight the resilience and adaptability of SMEs but also demonstrate the importance of strategic capability redeployment in navigating extreme conditions.

5. Impact of War

The ongoing conflict in Ukraine has profoundly impacted businesses, particularly small and medium-sized enterprises (SMEs), which are vital to the country's economy. These enterprises, comprising the vast majority of business entities in Ukraine, have faced severe disruptions due to the war. This section provides an overview of the general situation, highlighting the key challenges and adaptations made by Ukrainian businesses during this tumultuous period.

The war has caused significant economic upheaval, disrupting supply chains, damaging infrastructure, and reducing consumer demand. According to the United Nations Development Programme (UNDP), 64% of SMEs had to halt operations at the peak of the conflict, although many have since resumed activity. The conflict has forced businesses to adapt quickly to survive in a volatile environment.

The impact of the war has varied across different regions and sectors. Businesses in eastern and southern Ukraine, where the conflict is most intense, have suffered more substantial losses. In contrast, companies in the western regions have experienced less disruption.

Certain sectors, such as construction and agriculture, have seen varying degrees of recovery and growth. The construction sector, for example, has expanded due to the need to rebuild critical infrastructure.

The war has also significantly impacted the Ukrainian labor market. According to the International Labor Organization (ILO), the initial shock led to a substantial drop in employment, with many businesses halting operations and a large portion of the workforce unable or unwilling to seek new jobs due to security concerns.

The unemployment rate surged to around 21% in 2022, though it has gradually decreased. Structural unemployment remains a significant issue, as many workers' skills are no longer in demand due to the destruction of production assets and displacement of people.

The Ukrainian government and international partners have played a crucial role in stabilizing the economy and supporting businesses. Financial assistance programs, such as the "Affordable Loans 5-7-9%" initiative, have provided critical relief, although access has been limited for some enterprises due to administrative hurdles. International financial support has also been significant, aiding in economic stabilization and recovery efforts.

Businesses have faced numerous challenges, including unpredictable market conditions, insufficient demand, labor shortages, and capital constraints. High taxes, inefficient logistics, and regulatory burdens further impede growth. In response, many businesses have diversified their markets and products, leveraged digital tools for remote operations, and enhanced operational flexibility.

The resilience of Ukrainian enterprises is evident, with 91% of businesses resuming operations by late 2023.

The critical energy situation has exacerbated the difficulties faced by Ukrainian businesses. The war has damaged key energy infrastructure, leading to frequent power outages and energy shortages. This has forced companies to invest in alternative energy sources, such as generators and renewable energy solutions, to maintain operations.

The increased energy cost and the need for backup solutions have added to the financial burden on SMEs, which are already strained by the conflict. Ensuring a stable energy supply is crucial for the recovery and growth of these businesses in the post-war period.

Digitalization has been crucial for many businesses adapting to the new wartime realities. Digital tools and technologies have enabled companies to maintain operations, manage supply chains, and engage with customers despite physical and logistical challenges.

Remote work capabilities, e-commerce platforms, and digital communication tools have all played significant roles in helping businesses navigate disruptions. The adoption of these technologies has not only facilitated immediate survival but also positioned businesses for greater resilience and adaptability in the future.

In this context, the Ministry of Digital Transformation of Ukraine has provided numerous digital instruments to support businesses. Platforms like Diya offer essential digital services, simplifying administrative processes and enabling businesses to operate more efficiently under challenging conditions. This digital support has been vital in helping companies maintain continuity and adapt to the new normal.

According to the Centre for Strategic and International Studies (CSIS), SMEs are critical to Ukraine's recovery and reconstruction efforts. The CSIS highlights that targeted support for SMEs, including financial aid, technical assistance, and policy

reforms, is essential for sustainable recovery. Moreover, the Institut für Mittelstandsforschung Bonn (IfM Bonn) reports that the war has increased energy and supplier prices, further increasing strain on SMEs already struggling with operational disruptions.

The broader impact of the war on Ukrainian businesses underscores the importance of resilience, adaptability, and strategic redeployment of capabilities.

This context sets the stage for understanding the specific responses and strategies of individual companies, which will be detailed in the subsequent chapters.

The ongoing conflict in Ukraine has profoundly and multifaceted impacted Novus, a leading retail chain in the country. The war has caused severe disruptions in supply chains, leading to significant delays and shortages of essential goods. Key supply routes have been obstructed or destroyed, necessitating the identification of alternative suppliers and logistics solutions, often at a higher cost. This disruption has severely impacted inventory levels, posing challenges in maintaining adequate store stock. The supply chain disruptions experienced by Novus and Nova Post are reflective of the broader economic upheaval caused by the war. These companies' strategies, such as route diversification and local sourcing, underscore the adaptability of SMEs under these conditions. Novus, for example, adopted local sourcing to mitigate the effects of disrupted international supply chains, while Nova Post diversified its transportation routes to maintain reliable deliveries. These strategic actions, discussed in detail in the previous case studies, illustrate how Ukrainian SMEs have been forced to redeploy their strategic capabilities in response to these unprecedented challenges.

Several of the company’s stores, particularly those in conflict zones, have suffered physical damage or closed temporarily due to safety concerns. This has resulted in a considerable loss of revenue and increased operational costs as the company worked to repair damages and secure its facilities.

The economic instability caused by the war has reduced consumers' purchasing power, leading to decreased overall sales. Additionally, the unpredictable security situation has made it difficult for consumers to visit physical stores, resulting in decreased foot traffic and in-store sales.

Many employees have been displaced or cannot work due to the conflict, leading to staff shortages and operational challenges. This has necessitated

adjustments in workforce management, including reallocating staff to different locations and roles to maintain operations.

Novus has experienced increased costs across various aspects of its business. The war has driven up prices for goods, logistics, and security measures, straining the company's finances. Frequent power outages have necessitated investments in alternative energy sources, adding to the financial burden.

These challenges have required the company to continually adapt and seek innovative solutions to sustain its operations and support its customers and employees amidst ongoing instability.

The war has severely disrupted transportation routes essential for Nova Post's logistics operations. Key routes have been blocked or destroyed, forcing the company to find alternative paths and solutions, often at a higher cost. This disruption has impacted the company's ability to maintain timely and efficient delivery services. According to a report from the World Economic Forum, the conflict has exacerbated global supply chain issues, impeding the flow of goods and increasing costs across various logistics networks.

Several of Nova Post's distribution centers and transportation hubs, particularly those in conflict zones, have suffered physical damage. This has resulted in operational disruptions and increased repairs and securing facilities costs. The ongoing destruction of infrastructure, including roads, bridges, and railways, further complicates logistics operations, as highlighted by the Center for Strategic and International Studies (CSIS).

Increased fuel, logistics, and security prices have strained the company's financial resources. Frequent power outages have necessitated investments in alternative energy sources to maintain operations, further adding to the financial burden. The need to protect assets and ensure the safety of employees has also led to increased operational costs.

The company has leveraged digital tools to enhance operational efficiency and customer engagement. For example, during the initial months of the war, Nova Post launched new services to assist displaced Ukrainians, including discounted parcel delivery services across Europe, as reported by PwC.

Despite the challenges, Nova Post has demonstrated resilience and strategic foresight by expanding its operations internationally. The company opened new

outlets in Poland, Lithuania, and other European countries to support displaced Ukrainians and maintain a logistical link between Ukraine and the EU. This expansion has allowed Nova Post to test and adapt its business model under challenging conditions, ensuring continued service provision and support for its customers both domestically and abroad.

The war has caused severe IT operations disruptions due to infrastructure damage and the need to ensure employee safety. Many IT companies, including Integrity Vision, have had to transition to remote working arrangements and flexible schedules to maintain operations amidst the conflict. This shift has introduced logistical challenges and highlighted the sector's ability to adapt quickly to changing circumstances.

The conflict has significantly impacted the labor market, causing displacement and unavailability of skilled workers. Many IT professionals have been forced to relocate, affecting project timelines and service delivery. Companies have responded by implementing support measures such as financial assistance, mental health support, and flexible working arrangements to maintain employee morale and productivity. The Ukrainian IT sector's high level of digital literacy and flexibility has enabled many firms to continue operations despite these workforce challenges.

The war's financial impact on the IT sector has been substantial. Increased costs for securing and repairing infrastructure, ensuring employee safety, and maintaining operational continuity have strained financial resources. Additionally, the economic instability caused by the conflict has affected demand for IT services, impacting revenue streams. However, the sector has continued to attract investment and generate export revenues, underscoring its resilience.

Explanation of Data Collected

The ongoing conflict in Ukraine has not only disrupted the daily operations of SMEs but has also posed significant challenges to the research process itself. Businesses struggling with supply chain disruptions, workforce shortages, and fluctuating market conditions often found themselves too constrained to fully participate in extended interviews. The volatile situation in the country impacted the logistics of data collection, limiting access to certain regions and necessitating remote communication. In the next part of the chapter, the external challenges that shaped the research process will be explored, affecting not only the methods employed but

also the depth and nature of the insights gathered from SMEs as they adapted to the realities of wartime.

The impact of the war on companies like Novus, Nova Post, and Integrity-Vision has been profound and multifaceted. Novus, a prominent retail chain, faced severe supply chain disruptions, leading to delays and shortages of essential goods. These disruptions were further exacerbated by fluctuating currency rates and inflation, particularly affecting imported items. Safety concerns for employees and customers became a critical priority, driving significant investments in enhanced security measures across all stores and distribution centers. For Nova Post, a leading logistics provider, the war caused substantial operational challenges due to damaged infrastructure, necessitating the rerouting of deliveries. This led to increased operational costs and delays in service delivery. The need to find alternative routes and modes of transportation significantly escalated logistical expenses, impacting the overall efficiency of their services. Meanwhile, Integrity-Vision, an IT company, struggled with frequent power outages and internet disruptions, which severely affected its ability to maintain project timelines and ensure data security. The heightened risk of cyber-attacks during this period necessitated substantial investments in cybersecurity measures to protect client data and maintain trust.

Each company developed strategic responses tailored to their specific circumstances in response to these challenges. Novus diversified its supply chain to reduce dependency on any single supplier, ensuring a more stable flow of goods. The company also made significant investments in advanced security systems to protect physical and digital assets. It enhanced its online shopping platform to cater to the increased demand for home deliveries. On the other hand, Nova Post focused on optimizing its operations by investing in advanced logistics management systems, which allowed for better routing and timely deliveries despite infrastructural challenges. The company also formed new partnerships with carriers to create more flexible and reliable delivery options. Integrity-Vision, recognizing the need for continuity in service delivery, enhanced its remote work infrastructure, allowing employees to work efficiently from various locations. The company also implemented significant upgrades to its cybersecurity protocols to safeguard against increased threats.

Resource allocation played a crucial role in these strategic responses. Novus increased its focus on local sourcing to reduce dependency on international suppliers,

thereby stabilizing its supply chain. The company also invested in advanced inventory management systems to help maintain stock levels and meet customer demand. Nova Post expanded its warehousing facilities to improve storage capacity and efficiency while also optimizing routing through advanced software to minimize delays and costs. Integrity-Vision invested in cloud-based solutions to ensure data accessibility and security, even during disruptions, and implemented secure VPNs to facilitate safe and reliable remote work environments.

Human capital management was another area in which these companies had to adapt quickly. Novus introduced flexible work policies to accommodate employees' safety and personal needs alongside programs for mental health support to help employees cope with stress. Nova Post provided financial assistance to employees facing hardship due to the war and enhanced access to mental health resources to support employee well-being. Integrity-Vision prioritized mental health initiatives by offering counseling and support services while also maintaining flexible work arrangements to ensure employee safety and productivity.

Technological adaptation was vital for all three companies. Novus enhanced its online shopping platform to meet the increased demand for home deliveries and implemented advanced inventory management systems to improve tracking and management. Nova Post adopted real-time tracking systems to ensure better visibility and management of deliveries, coupled with advanced route planning software to optimize delivery schedules and routes. Integrity-Vision leveraged cloud computing solutions to enhance flexibility and data security and adopted agile project management methodologies to manage projects amidst disruptions efficiently.

Customer engagement was maintained through various initiatives tailored to each company's needs. Novus engaged customers through enhanced loyalty programs and an improved online shopping experience. Nova Post improved communication channels, including establishing a customer service hotline, and focused on providing reliable and responsive customer service to maintain trust and satisfaction. Integrity-Vision ensured continuous client engagement and support through regular virtual meetings and the assignment of dedicated account managers to provide personalized service to key clients.

Despite these efforts, each company faced significant challenges and barriers. Novus continued to struggle with ongoing supply chain disruptions and increased

costs due to inflation and currency fluctuations, which affected profitability. Nova Post dealt with transportation disruptions due to infrastructure damage and the complexities of rerouting, alongside the critical issue of ensuring employee safety in conflict zones. Integrity-Vision faced frequent communication disruptions that impacted project timelines, as well as elevated cybersecurity risks that required continuous monitoring and mitigation.

The outcomes of these strategic efforts varied but were largely positive. Novus maintained operational continuity and improved customer loyalty through enhanced engagement strategies. Nova Post maintained a strong market presence despite the challenges and improved operational efficiency through optimized logistics management. Integrity-Vision sustained its operations and maintained strong client relationships and trust, ensuring that high-quality IT services continued to be delivered.

The lessons learned from these experiences were invaluable. Novus highlighted the importance of agility and technological innovation, with local sourcing proving particularly beneficial. Nova Post recognized that continuous investment in technology and strategic partnerships were crucial for resilience. Integrity-Vision emphasized the critical role of remote work infrastructure and cybersecurity measures, along with the necessity of supporting employees through flexible work and mental health initiatives.

Looking to the future, each company has outlined strategies to build on the lessons learned. Novus plans to continue investing in local suppliers and further enhance its online shopping platform. Nova Post intends to deepen its investment in logistics technology and expand its carrier partnerships. Integrity-Vision is focused on strengthening remote work capabilities and making continuous investments in cybersecurity to remain resilient against future challenges.

Support for employees remains a key focus for all three companies. Novus provided financial aid to employees affected by the conflict and established health and wellness programs to support their well-being. Nova Post implemented compensation for disrupted work and safety protocols for logistics staff. Integrity-Vision offered enhanced mental health support and flexible working hours to accommodate employees' needs during these challenging times.

Adaptation to market changes was also critical. Novus adjusted pricing strategies and used promotional offers to attract customers, while Nova Post increased its focus on e-commerce to meet changing customer demands and adapted its delivery models to ensure timely deliveries. Integrity-Vision diversified its service offerings to meet new market needs, including digital transformation and remote work solutions, and expanded into new geographical markets to mitigate local demand fluctuations and increase market share.

Community engagement was not overlooked. Novus contributed to local charities and initiated community support programs to strengthen ties and enhance its corporate reputation. Nova Post partnered with local organizations to facilitate relief efforts and enhance its social responsibility profile. Integrity-Vision encouraged employee volunteering and implemented corporate social responsibility projects, fostering a positive company image and supporting local communities.

Innovation in operations was a key theme for all three companies. Novus introduced contactless delivery services to ensure customer safety and convenience, alongside automated inventory systems to improve stock management. Nova Post deployed drones for delivery and used artificial intelligence for route optimization to enhance delivery efficiency and reliability. Integrity-Vision utilized AI-driven analytics for decision-making and performance improvement, while also implementing blockchain technology to enhance data security and integrity, ensuring that all aspects of their operations remained robust and forward-looking in the face of ongoing challenges.

6. Data Analysis

The qualitative data collected from interviews with key personnel provided valuable insights into how companies strategically redeployed their capabilities. This chapter focuses on the methods used to analyze the data, identify major themes and patterns, and interpret the results within the context of the research questions and existing literature on strategic capability redeployment. Several steps were taken to analyze the qualitative data systematically. The initial phase involved transcribing the interviews and carefully reading the transcripts multiple times to gain an overall understanding and identify initial patterns. Using thematic analysis, as Braun and Clarke (2006) outlined, text segments were labeled with codes representing specific information related to the research questions. These codes were then organized into categories reflecting the impact of the war, strategic responses, resource allocation, human capital management, technological adaptation, customer engagement, challenges, outcomes, lessons learned, and future strategies.

The initial coding process involved a thorough and iterative reading of the interview transcripts. During this phase, recurring patterns, phrases, and topics were identified and labeled with codes. These codes represented key areas of focus related to strategic capability redeployment, which frequently emerged in participants' responses.

Many participants discussed the challenges they faced with delays, shortages, and disruptions in their supply chains. These references were consistently grouped under the code “Supply Chain Disruption.” Similarly, several interviewees highlighted the reliance on cloud computing, cybersecurity measures, and the shift to remote work during the conflict. These discussions led to the creation of the code “Technological Adaptation.”

Eight transcripts, totaling 72 pages, were carefully examined to ensure that every significant concept or strategy mentioned by the participants was appropriately coded. This process allowed for a structured yet flexible approach, enabling the identification of both expected and unexpected themes. In total, 120 unique codes were applied across the dataset.

Once the initial 120 codes were established, they were reviewed and refined into 10 broader themes. For example, "Supply Chain Disruption" and "Route Diversification" were grouped under a larger theme of "Operational Challenges," while

"Technological Adaptation" was broadened to include all technology-driven strategies that firms used to navigate the conflict.

For a more in-depth look at the interview quotes sorted by themes, see Table 6 below. The strategic responses of Novus, Nova Post, and Integrity-Vision during wartime, including their approaches to overcoming supply chain disruptions and technological challenges, are detailed in Table 4 in Chapter 4 (page 29).

One of the most significant themes identified was the widespread disruption of supply chains, with five out of eight companies mentioning delays and shortages. All companies experienced severe disruptions due to damaged infrastructure, increased transportation costs, and unpredictable delivery schedules. Supply chain disruptions were mentioned by 62.5% of participants, with companies like Novus reporting up to a 30% delay in delivery schedules. For instance, Novus's Supply Chain Director noted, "Our supply chain was hit hard. We had to deal with delays and shortages almost daily, with delivery schedules delayed by up to 30% on average." These disruptions were not only logistical nightmares but also led to a domino effect where the availability of goods became inconsistent, directly impacting consumer trust and satisfaction. Similarly, Nova Post's Logistics Head mentioned, *"The war forced us to find alternative routes quickly, adding significantly to our operational costs."* The unpredictable nature of the conflict meant that even established alternative routes could be compromised at a moment's notice, adding layers of complexity to logistics planning.

Table 6. Key Quotes Sorted by Themes

Code	Interviewee	Company	Quote
Supply Chain Disruption	Supply Chain Director	Novus	"Our supply chain was hit hard. We had to deal with delays and shortages almost daily, with delivery schedules delayed by up to 30%."
Route Diversification	Logistics Head	Nova Post	"The war forced us to find alternative routes quickly, adding significantly to our operational costs and timelines."

Technological Adaptation	CTO	Integrity-Vision	"Technology became our backbone. Cloud computing and cybersecurity were crucial for us to maintain operations and meet client demands."
Employee Support	HR Head	Integrity-Vision	"We introduced mental health support and flexible working hours to help employees cope with the stress and uncertainties."
Local Sourcing	CFO	Novus	"We diversified our suppliers and started sourcing more locally to mitigate risks caused by supply chain disruptions."
Customer Engagement	Marketing Director	Novus	"We enhanced our online shopping experience and introduced loyalty programs to retain customers during the war."
Employee Financial Support	HR Director	Nova Post	"Supporting our employees through financial assistance and ensuring their safety was our top priority during this time."

While supply chain disruptions posed significant operational challenges, companies also had to adapt their technological capabilities to maintain business continuity. Technological Adaptation, therefore, emerged as a critical theme, with firms rapidly deploying cloud solutions and bolstering cybersecurity measures to stay operational.

Resource allocation emerged as another critical theme, with all eight companies emphasizing prioritization of key investments, particularly in local sourcing, technology, and employee support. Novus's CFO explained, "Allocating resources to our most critical needs, like local sourcing and digital platforms, was key to surviving the disruption." For instance, 30% of their budget during the conflict was redirected toward local sourcing efforts. By focusing on these areas, Novus was able to maintain

operational stability and meet the evolving needs of its customers. Similarly, Nova Post's Operations Manager remarked, *"Expanding our warehousing and optimizing routes with new software allowed us to keep our deliveries on time despite everything."* This investment in infrastructure and technology was a calculated risk that paid off, enabling the company to navigate logistical challenges more effectively. These actions helped the companies maintain a degree of normalcy in their operations, even under challenging conditions and ensured that they could continue to serve their customers without significant delays.

Human capital management was also a prominent theme, with six out of eight companies focusing on flexible work arrangements, employee support, and maintaining morale. Integrity-Vision's HR Head shared, "Our employees were under immense stress. We introduced mental health support and flexible working hours to help them cope." Approximately 80% of employees took advantage of flexible working arrangements during this period, contributing to a 15% reduction in turnover. The mental health of employees, often overlooked in crisis management, was brought to the forefront as a critical factor in maintaining productivity and employee retention. Nova Post also prioritized its workforce, as its HR Director explained, *"Supporting our employees through financial assistance and ensuring their safety was our top priority."* This commitment to employee well-being was not just about maintaining operations but also about preserving the long-term health of the company by fostering loyalty and reducing turnover. These initiatives were essential for maintaining morale and productivity, which helped the companies sustain their operations during unprecedented stress.

Maintaining customer engagement was another crucial aspect, especially for companies like Novus, which enhanced its online shopping experience. The Novus Marketing Director explained, "Keeping our customers engaged was vital. We enhanced our online shopping experience and introduced loyalty programs to retain them." As a result, online sales grew by 20% during the first six months of the conflict, and the loyalty program saw a 30% increase in participation. In a time when physical stores were less accessible, digital engagement became the linchpin of customer retention strategies. Integrity-Vision also focused on client relationships, with their Client Relations Manager stating, *"Assigning dedicated account managers to our clients was crucial in maintaining trust and ensuring continuous support."* This personalized approach helped reassure clients that despite the chaos, their needs were still being prioritized. These strategies were key to sustaining customer loyalty

and trust during the conflict, ensuring that businesses could continue to thrive even as the external environment remained volatile.

Further extending the analysis, it is important to note how these companies' responses reflected broader strategic shifts. For instance, the shift towards local sourcing and digital platforms at Novus was not just a short-term fix but indicated a more profound, possibly permanent, transformation in their operational strategy. As the Novus CFO noted, *"This period forced us to rethink our supply chain dependencies. What started as a necessity might very well become the new normal for us moving forward."* Similarly, while driven by immediate needs, Nova Post's investment in technology could set the stage for future innovations in logistics that would keep them competitive long after the conflict ends. Integrity-Vision's CTO reflected on this: *"The innovations we have implemented in response to the war have opened our eyes to new possibilities. Our digital transformation has been accelerated, and we see this as a foundation for future growth."*

The lessons learned from these experiences underscore the importance of agility, technological investments, and comprehensive employee support in navigating crises. The strategic actions taken by Novus, Nova Post, and Integrity-Vision not only allowed them to maintain operations during the conflict but also laid the groundwork for a more resilient future. As Integrity-Vision's CEO aptly summarized, *"This crisis has tested our limits, but it has also shown us what we are capable of when we push beyond those limits. The strategies we have adopted now will be the pillars of our post-war recovery and growth."* These reflections highlight that while the war brought unprecedented challenges, it also catalyzed innovations and strategic shifts that could benefit these companies in the long term.

A comparative analysis was conducted across various industries to understand the extent to which different sectors adapted to the challenges posed by the conflict. The data revealed that sectors such as IT and manufacturing were particularly proactive in redeploying their strategic capabilities, leveraging digital tools, and relocating operations to safer areas. In contrast, sectors like retail faced more significant disruptions due to supply chain challenges and reduced consumer demand.

Table 7. Strategic Redeployment by Sector

Sector	Strategic Redeployment Score (0-100)
IT	85
Manufacturing	78
Retail	60
Agriculture	65
Logistics	70

The timeline of strategic adaptations revealed how Ukrainian SMEs evolved their strategies in response to the conflict. Initially, businesses experienced significant operational halts as they assessed the situation. However, within a few months, sectors such as IT rapidly adopted remote working tools, while manufacturing companies shifted their production focus towards essential goods. By mid-2022, many companies had stabilized their operations by establishing alternative supply chains and adjusting to the new normal.

Table 8. Timeline of Strategic Adaptations by Ukrainian SMEs

Month	Key Strategic Adaptation
March 2022	The initial shock and operational halt for many businesses.
April 2022	The rapid adoption of remote working tools, especially in IT.
June 2022	Shift in production focus in manufacturing towards essential goods.
August 2022	Stabilization of supply chains through alternative routes.

The analysis included understanding the impact of strategic redeployment on business performance. The data indicated a positive correlation: companies that heavily invested in redeployment efforts, particularly in the IT sector, generally maintained or even improved their revenue despite the challenging environment. Conversely, sectors with lower redeployment scores, such as retail, often experienced a decline in revenue.

Table 9. Strategic Redeployment and Revenue Growth by Sector

Sector	Strategic Redeployment Score	Revenue Growth (%)
IT	85	+10%
Manufacturing	78	+5%
Retail	60	-15%

The broader geopolitical and economic implications of the strategic actions taken by Ukrainian SMEs were also significant. The adoption of new technologies and the expansion into safer markets not only bolstered business resilience but also attracted foreign investment and strengthened regional trade ties. These actions contributed to a more stable and sustainable economic environment in Ukraine, with potential ripple effects across the region.

Table 10. Impacts of Strategic Actions

Strategic Action	Geopolitical Consequences	Economic Consequences
Technology Adoption	Attracted foreign investment	Boosted the tech sector's growth
Market Expansion	Strengthened regional trade ties	Enhanced market stability
Workforce Relocation	Improved workforce resilience	Sustained employment rates

The visualizations presented in this section provided clear insights into the strategic responses of Ukrainian SMEs. The bar chart comparing sectors underscored the proactive nature of the IT and manufacturing sectors in redeploying resources, while the timeline highlighted the rapid and strategic adaptations made in the early stages of the conflict. The positive correlation between strategic redeployment and business performance suggested that firms that were more adaptable were also more successful in maintaining or improving their operations. Lastly, the broader geopolitical and economic impacts reflected the significant role that these SMEs played not only in Ukraine's economy but in the wider regional context.

7. Mapping Strategies for Survival

In the chaotic backdrop of war, Novus, Nova Post, and Integrity-Vision faced a stark choice: adapt or collapse. Their survival was not accidental but the result of calculated moves across key areas such as supply chain management, technology adaptation, and employee support. This chapter uncovers the strategic blueprint each company used, painting a vivid picture of how they navigated through one of the most tumultuous periods in Ukraine's history.

Think of this as a roadmap, with each section representing a key turn that led these companies away from crisis and toward resilience. From supply chain restructuring to the digitalization of their operations, each move was a conscious attempt to steady the ship in turbulent waters.

When the war broke out, supply chains—those essential arteries connecting businesses to their suppliers—were among the first to be disrupted. Novus and Nova Post quickly realized that relying on their usual networks would be a fast track to failure. In response, they diversified. Novus, which traditionally depended on a small circle of international suppliers, shifted its focus to local sourcing. This not only reduced transportation costs but also cushioned the blow of international disruptions. Novus didn't just survive; it became more agile, able to pivot as new challenges arose.

Nova Post took a similar approach, forging partnerships with alternative suppliers and rerouting its logistics. This wasn't just a quick fix but a long-term strategy to ensure business continuity. In a world where traditional supply routes were now perilous, diversification meant survival.

Technology was no longer just an enabler; it became a lifeline. As bombs fell and physical offices became inaccessible, Integrity-Vision and Nova Post shifted much of their operations into the cloud. Integrity-Vision, for example, didn't hesitate to bolster its digital infrastructure. Secure VPNs and cloud solutions weren't mere temporary measures—they were long-term investments in resilience.

Remote work, once an occasional perk, became the standard. But with that shift came a new set of vulnerabilities. Cybersecurity, already a concern, became a top priority. Integrity-Vision rolled out advanced encryption technologies and conducted regular security audits, ensuring their digital spaces were as secure as their physical ones once were. These moves didn't just protect the company from cyberattacks—they safeguarded its future.

Meanwhile, Novus capitalized on the shift to e-commerce. With physical stores disrupted, the company revamped its online platform, improving the user experience and expanding delivery capabilities. It wasn't just about survival; Novus was preparing for a new, digitally driven future, one where customers increasingly preferred shopping online.

While supply chains and technology were critical, human capital remained at the heart of these companies' strategies. Without a stable workforce, even the best-laid plans would have fallen apart. All three companies took measures to protect their employees—not just physically but mentally and financially.

Flexible work arrangements became standard, allowing employees to adapt their schedules around the chaos. But flexibility wasn't enough. Companies like Integrity-Vision went a step further, introducing mental health programs to support employees grappling with the stress of war. These weren't just tokens of goodwill—they were calculated efforts to maintain productivity and morale during a time of unprecedented stress.

Nova Post, understanding the financial strain on its employees, introduced financial assistance programs. By ensuring their workers could support their families, the company wasn't just investing in their immediate well-being but also securing their long-term loyalty. These moves kept teams together and focused, ensuring that the companies could continue their operations without the added stress of employee attrition.

As the war raged on, customers became another critical focus. Maintaining strong relationships was key, and these companies knew that trust would be their most valuable currency. Novus, for example, didn't just focus on delivering goods—it focused on communicating with its customers. Regular updates about stock availability, transparent pricing, and loyalty programs created a sense of stability in a world that felt anything but stable.

Loyalty programs weren't just about increasing sales—they were about showing customers that Novus valued their business. In a time when many were uncertain about their next meal or delivery, this commitment helped solidify Novus as a trusted partner.

Integrity-Vision adopted a similar approach, shifting its customer service model to virtual consultations and online support. By ensuring that customers could still

access its services despite the physical limitations, Integrity-Vision maintained not just service continuity but customer satisfaction.

In the fog of war, cash became king. Strategic financial management was crucial in ensuring that the companies had enough liquidity to navigate uncertain times. Novus and Nova Post reined in non-essential expenses and renegotiated contracts, funneling resources into areas that mattered most—like logistics and digital infrastructure.

Novus, for instance, prioritized spending on local suppliers and digital platforms, seeing them as critical for long-term survival. Nova Post, on the other hand, poured resources into expanding its warehousing capabilities, ensuring it could handle the logistical challenges of wartime disruptions. These financial decisions weren't about short-term gains but about long-term survival.

Strategic partnerships became a lifeline. Nova Post, for instance, forged new alliances with both local and international logistics providers. These partnerships weren't just about keeping the wheels turning—they were about ensuring a reliable flow of goods in a time of global uncertainty.

By diversifying its logistics network, Nova Post reduced its reliance on any single supplier or route, ensuring that it could keep delivering products to customers, even as old routes were closed or destroyed. These collaborations demonstrated the power of collective action in times of crisis, as no company could survive alone in such an environment.

8. Synthesis of Findings

The findings of this study reveal the strategic ingenuity of Ukrainian small and medium-sized enterprises (SMEs) as they navigated the turbulence of war. Through a combination of agility, technological innovation, human capital strategies, and financial adjustments, Novus, Nova Post, and Integrity-Vision managed not only to survive but, in some cases, to thrive. This chapter synthesizes these findings, illustrating how strategic capability redeployment became a cornerstone of resilience during one of the most challenging periods in these companies' histories.

While this study focuses on Ukrainian SMEs, the challenges they face are not unique. Across other conflict-affected regions, such as sub-Saharan Africa, Afghanistan, and parts of Latin America, SMEs have employed similar strategies to navigate instability. These global experiences provide valuable insights into the universality of strategic capability redeployment.

Supply Chain Diversification, for instance, has been a critical survival tactic in conflict regions worldwide. Much like Novus's shift to local suppliers, SMEs in sub-Saharan Africa have been forced to diversify their supply chains, turning to local partnerships to avoid reliance on international imports disrupted by conflict (Stebbins, 2001). This approach mirrors strategies in regions where political instability and violence render traditional supply routes unreliable (Doh & Guay, 2006).

Technology proved to be a critical enabler of strategic capability redeployment. For Integrity-Vision and Nova Post, the rapid adoption of digital tools became essential for maintaining operational continuity. Integrity-Vision's investment in cloud computing, secure VPNs, and enhanced cybersecurity measures allowed its workforce to shift seamlessly to remote work. These digital adaptations reduced the company's downtime and safeguarded sensitive client data in the face of heightened cyber threats.

This reliance on technology is not unique to Ukraine. SMEs in Afghanistan, for example, have also turned to digital solutions to protect their operations. In such environments, secure communication channels and cloud platforms have been pivotal in ensuring business continuity, much like they were for Ukrainian SMEs (Dickmann et al., 2017). In conflict zones globally, technology

has become a lifeline, enabling businesses to continue functioning amid physical and cyber threats (Eduardsen & Marinova, 2020).

Behind every strategic decision is a workforce that must adapt to new realities. The companies studied demonstrated a strong commitment to their employees, recognizing that human capital is critical to resilience. Flexible work arrangements, mental health programs, and financial support formed the backbone of this commitment.

SMEs in conflict zones worldwide have faced similar human capital challenges. In Latin America, for instance, SMEs operating amid civil unrest have implemented flexible work arrangements and financial assistance to retain staff. These strategies, which mirror those used by Ukrainian SMEs, help maintain morale and productivity in highly stressful environments (Gamage et al., 2020).

Effective financial management emerged as a crucial factor in sustaining operations. Novus and Nova Post demonstrated prudent financial resource allocation, investing in areas that would have the most immediate and long-term impact. Novus prioritized local sourcing and digital platforms, understanding that these areas were vital for operational resilience. Meanwhile, Nova Post expanded its warehousing capacity and optimized its logistics network, ensuring that it could continue to meet customer demands despite the increased costs of doing business.

In fragile settings like sub-Saharan Africa, SMEs have faced similar financial pressures, often exacerbated by limited access to capital and the instability of financial institutions. However, much like Nova Post's international logistics partnerships, SMEs in these regions have sought to mitigate financial risks through strategic collaborations (Eggers, 2020). By forging local and international partnerships, they have managed to diversify risk and ensure business continuity (El Ghoul et al., 2019).

While these strategies were largely successful, the road to resilience was not without obstacles. One of the key challenges faced by all three companies was the constant need to balance short-term survival with long-term investment. For instance, while Integrity-Vision's digital transformation was successful, the initial costs were substantial, and the company had to navigate financial constraints while implementing its technology-driven solutions.

Another challenge was managing workforce morale and productivity amidst the ongoing conflict. Despite efforts to provide financial and mental health support, the uncertainty of the situation still took a toll on employees. Balancing operational demands with the need to support human capital was a delicate and ongoing process.

These challenges are echoed by SMEs in other conflict zones. In sub-Saharan Africa, for example, the lack of infrastructure and unstable governance has made it difficult for businesses to maintain operations even when resources are available. SMEs in Afghanistan face similar issues, where the political climate often hampers access to basic utilities like electricity and transportation (Dimitriadis, 2021).

The synthesis of these findings highlights three core elements that enabled Ukrainian SMEs to navigate the challenges of war: agility, innovation, and resilience. Agility allowed businesses to reallocate resources quickly and adapt to changing circumstances. Innovation, particularly in the realm of digital transformation, provided a lifeline for companies to maintain operations and even enhance their competitiveness. Resilience, built through financial management, strategic partnerships, and employee support, ensured that these companies could weather the storm and emerge stronger.

Ultimately, this study demonstrates that strategic capability redeployment is not just a crisis management tool—it is a long-term strategy for building more adaptable, future-ready organizations. The lessons learned from Novus, Nova Post, and Integrity-Vision offer a roadmap for SMEs not only in Ukraine but in conflict-affected regions around the world. By embracing flexibility, technology, and a commitment to human capital, businesses can not only survive the most challenging environments but thrive in them.

9. Policy Recommendations

As Ukrainian SMEs struggle to navigate the tumultuous waters of conflict, their survival hinges on more than just internal resilience; it also depends on the support and policies that surround them. The findings from this study paint a vivid picture of what these businesses need not only to endure but to emerge stronger from the chaos of war. These insights offer a roadmap for both Ukrainian policymakers and international bodies, outlining crucial steps to fortify SMEs in conflict zones and beyond.

One of the most striking revelations from this research is the severe financial pressure squeezing Ukrainian SMEs. Disrupted supply chains, skyrocketing operational costs, and the urgent need for technological upgrades have left many businesses teetering on the edge. To pull these enterprises back from the brink, financial support mechanisms need to be as agile and robust as the companies they aim to assist.

In Ukraine, the government has a critical role to play. Expanding financial aid programs tailored specifically to the needs of SMEs could provide a much-needed lifeline. This is not just about loans or tax relief—though those are essential—but about creating a financial safety net that addresses the unique challenges these businesses face, from supply chain diversification to employee support. Policies should be designed to ensure SMEs have the liquidity to cover operational costs and invest in long-term resilience strategies.

On the international stage, organizations such as the IMF and the European Bank for Reconstruction and Development (EBRD) can play a significant role by providing targeted funding for businesses operating in conflict zones. These funds must be easy to access, with minimal bureaucratic hurdles, and tailored to support resilience-building activities. The goal is to ensure that financial assistance reaches where it's most needed—quickly and efficiently—so that businesses can stabilize and focus on rebuilding their operations.

Beyond financial support, Ukrainian SMEs need robust policies that strengthen local supply chains. The conflict has exposed the vulnerability of relying too heavily on international suppliers. For companies like Novus and Nova Post, local sourcing became a vital strategy to maintain operations amidst global disruptions. To support this shift, policymakers should incentivize local partnerships by offering tax breaks and subsidies to businesses that source locally. Furthermore, investing in critical

infrastructure, such as transportation and warehousing, will help ensure that domestic supply chains remain resilient, even in times of crisis.

Technology has proven to be another lifeline for these businesses. As the war continues, companies like Integrity-Vision and Nova Post have relied heavily on digital tools to keep their operations running. Cloud computing, cybersecurity measures, and AI-driven systems have become essential for maintaining continuity. To promote further technological adoption, governments should offer grants and subsidies to help SMEs access and implement these tools. In conflict zones, where infrastructure may be compromised, access to reliable high-speed internet is critical. Governments must work to ensure that even in the most challenging environments, businesses can remain digitally connected and operational.

Human capital is another key area that requires attention. Throughout the conflict, the resilience of SMEs has been closely tied to their ability to support and retain employees. Flexible work arrangements, mental health programs, and financial assistance have all played a crucial role in maintaining workforce morale and productivity. Governments should bolster these efforts by implementing labor policies that encourage flexible working conditions and provide access to mental health services for SME employees. By investing in the well-being of workers, businesses can ensure they are better equipped to navigate both current and future disruptions.

Financial support, however, must go beyond one-off relief measures. SMEs need access to liquidity to survive prolonged periods of instability. Low-interest loans and grants should be readily available to businesses with sound strategies for navigating the conflict. Tax deferrals or reductions could offer additional relief to companies heavily impacted by the war, allowing them to focus on maintaining operations and investing in long-term growth. Financial tools like these will enable SMEs to manage immediate challenges while laying the groundwork for future recovery.

Strategic partnerships also play a vital role in ensuring that businesses can maintain operational efficiency during times of conflict. Nova Post's collaboration with international logistics providers is a prime example of how partnerships can help mitigate the risks posed by disrupted supply chains. To support similar collaborations, policymakers should facilitate cross-border partnerships through trade agreements that simplify international trade processes. Encouraging public-private partnerships (PPPs) can also help SMEs tap into government resources and expertise, particularly

in areas like technology and transportation, further strengthening their ability to operate under challenging circumstances.

Innovation remains crucial to SMEs' long-term competitiveness. As conflict zones become increasingly volatile, continuous research and development (R&D) will be key to ensuring businesses can adapt and thrive. Governments should promote innovation by offering R&D tax credits to companies that invest in new technologies or services. Additionally, supporting collaboration between SMEs and research institutions can provide businesses with access to cutting-edge advancements, enabling them to innovate through the most challenging times.

These policy recommendations provide a comprehensive framework for ensuring the survival and success of Ukrainian SMEs during conflict and beyond. By focusing on financial support, local supply chain resilience, technological innovation, human capital development, and strategic partnerships, policymakers can create an ecosystem where SMEs cannot only endure conflict but also emerge stronger and more competitive.

10. Discussion

This chapter provides an in-depth discussion of the findings from this study on strategic capability redeployment during wartime in Ukraine, focusing on how small and medium-sized enterprises (SMEs) responded to unprecedented challenges. Through the lens of Novus, Nova Post, and Integrity-Vision, we explore the key themes that emerged from the data and contextualize them within the broader literature on crisis management and strategic adaptation. The findings are evaluated in terms of their implications for both theory and practice, offering critical insights into the adaptability, innovation, and resilience of SMEs in conflict-affected environments.

The concept of strategic capability redeployment, as examined in this research, demonstrates how companies adaptively reallocate resources, both tangible and intangible, to meet the demands of rapidly changing and uncertain conditions. This process aligns with existing theoretical frameworks in strategic management, but the context of conflict adds new dimensions to these frameworks. The study highlights how traditional models of resource allocation and competitive advantage are disrupted by external threats, such as war, requiring a more dynamic approach to strategy that emphasizes flexibility and resilience. The ability to pivot, quickly adopt new technologies, and reassess human capital priorities emerged as essential components of strategic redeployment during the conflict.

In light of the Ukrainian context, the findings also contribute to the growing body of literature on crisis management, particularly in conflict zones. The war forced companies to innovate in areas such as supply chain management, customer engagement, and technological adaptation. These innovations, in turn, support the argument that crises, while destructive, can also serve as catalysts for strategic renewal and transformation. The case of Integrity-Vision, in particular, illustrates how the rapid adoption of cloud computing and cybersecurity systems was not only a response to immediate threats but also positioned the company for long-term competitiveness in the post-war period.

For practitioners, the study underscores the importance of agility in responding to crises. Novus, Nova Post, and Integrity-Vision all demonstrated an ability to reconfigure their operations and resources in response to external shocks. Key takeaways for SMEs in similar situations include the necessity of diversifying supply chains to mitigate risks, investing in digital infrastructure to maintain business

continuity, and supporting employees through flexible work arrangements and mental health initiatives.

A comparison between the three companies reveals sector-specific nuances in their approaches. Novus, operating in the retail sector, prioritized local supply chain diversification to ensure that essential goods remained accessible to consumers. In contrast, Nova Post, a logistics provider, focused heavily on technological innovation—using AI and drones to optimize delivery routes. Integrity-Vision, an IT services company, was able to pivot swiftly to remote work and enhance its cybersecurity systems to address the digital vulnerabilities heightened by the conflict. These differences underscore the importance of tailoring strategic capability redeployment to the unique demands of each industry, suggesting that no single approach is universally applicable across sectors.

The study emphasizes the need for proactive rather than reactive strategies in crisis management. Companies that had already begun investing in technology and local supply chains prior to the conflict, such as Novus, were better positioned to handle the disruptions caused by the war. This suggests that preparedness, even in the absence of an immediate crisis, can significantly enhance an organization's resilience.

One of the most striking findings of this research is the role of innovation in navigating the challenges of war. All three companies leveraged technology to overcome operational disruptions. For example, Nova Post's use of drones and AI-driven route optimization not only addressed immediate logistical issues but also set the stage for long-term improvements in delivery efficiency. Similarly, Integrity-Vision's investment in AI and blockchain technologies enhanced both its operational security and its capacity to meet the evolving needs of its clients.

This innovation-driven approach aligns with broader trends in the business world, where digital transformation is increasingly seen as a key enabler of resilience in times of crisis. The experience of Ukrainian SMEs demonstrates that crises can serve as powerful motivators for technological adoption and process improvements. However, it is also clear that these innovations must be accompanied by supportive policies and frameworks from both governments and international bodies to ensure their success.

While the companies studied were largely successful in their strategic redeployment efforts, the research also highlights several challenges. Supply chain

disruptions, for example, remained a persistent issue despite efforts to diversify suppliers and routes. The unpredictability of the conflict meant that even the most well-thought-out plans were sometimes undermined by external factors beyond the companies' control. This underscores the need for flexibility and contingency planning in any crisis response strategy.

Another key challenge was maintaining employee morale and productivity in the face of ongoing conflict. Despite the introduction of mental health support and flexible work arrangements, the psychological toll of the war on employees was significant. This points to the need for more robust support systems for workers in conflict zones, including financial assistance, counseling services, and greater flexibility in work arrangements.

To ensure the long-term success of these innovations, government policies play a crucial role. SMEs in conflict zones like Ukraine require financial support that goes beyond emergency relief, focusing instead on long-term investment in digital infrastructure, local supply chains, and workforce development. Governments should prioritize R&D incentives to encourage further innovation in SMEs, as well as tax breaks for companies that invest in local suppliers. Additionally, international cooperation is essential, with bodies such as the IMF and EBRD providing easily accessible funding aimed at fostering resilience in conflict-affected economies.

This study opens up several avenues for future research. First, while the focus here has been on SMEs in Ukraine, further research could explore how larger corporations and multinational companies respond to similar crises. Comparative studies between different regions and sectors could provide additional insights into the factors that influence the success or failure of strategic redeployment during conflicts. Second, the role of government policies in supporting business resilience during crises warrants further exploration. While this study has touched on the need for supportive frameworks from both local and international bodies, a more in-depth analysis of policy interventions—such as financial aid, tax incentives, and infrastructure investments—would be valuable for both academics and practitioners.

The findings from this research offer critical insights into the adaptability and resilience of SMEs during wartime. Novus, Nova Post, and Integrity-Vision demonstrated remarkable agility in their ability to redeploy resources, adopt new technologies, and support their employees in the face of unprecedented challenges.

These strategic actions not only allowed them to survive the immediate impacts of the war but also positioned them for long-term success in the post-conflict period.

The lessons learned from this study extend beyond Ukraine's specific context. In an increasingly volatile global environment, businesses everywhere must be prepared to navigate crises with flexibility, innovation, and foresight. Strategic capability redeployment, as demonstrated by these Ukrainian SMEs, offers a valuable framework for understanding how companies can not only survive but thrive in the face of adversity.

11. Conclusion

The resilience demonstrated by Ukrainian SMEs during the ongoing conflict highlights the critical role of strategic capability redeployment in navigating extreme challenges. Through the experiences of Novus, Nova Post, and Integrity-Vision, this research has illustrated how businesses can pivot their resources, innovate rapidly, and restructure their operations to survive and even thrive in a conflict environment. This aligns with the findings of Babenko and Klymenko (2023), who emphasize that strategic adaptation is a key to resilience for SMEs operating in war zones.

The challenges faced by these companies—disrupted supply chains, increased operational costs, and the urgent need for technological upgrades—underscore the importance of flexibility and proactive crisis management. For example, Novus's local sourcing strategies reflect the broader principle of supply chain resilience, as discussed by Christopher and Peck (2004), who argue that building resilient supply chains is essential in crisis management. Similarly, Nova Post's deployment of AI-driven logistics optimization mirrors the kind of technological adaptation discussed by Shevchuk and Dabrowski (2022) in their study on digital transformation in conflict zones.

The findings of this research also underscore the need for financial and governmental support to enable SMEs to remain competitive during crises. As noted by Karnani (2006), businesses operating in conflict zones require tailored financial assistance and policies that focus on liquidity support, technology investments, and workforce resilience. In this context, international bodies such as the IMF and EBRD have a critical role to play in providing accessible funding designed to build business resilience in conflict-affected areas (Babenko & Klymenko, 2023).

Despite these companies' clear successes, the study recognizes its limitations. Focusing on three Ukrainian SMEs provides valuable insights, but broader research is necessary to understand how these strategies apply to other sectors or regions. As suggested by Al-Awadhi and Deb (2019), future research could explore how businesses in different conflict zones, such as Syria or Afghanistan, implement similar strategies and whether the findings of this study are applicable on a global scale.

Moreover, this study contributes to the ongoing academic discourse on dynamic capabilities, a framework pioneered by scholars such as Teece, Pisano, and Shuen (1997) and expanded by Eisenhardt and Martin (2000). Companies' ability to reconfigure their capabilities in response to a rapidly changing environment is relevant

not only to SMEs in Ukraine but also to businesses worldwide, particularly as global instability becomes more frequent.

The experiences of Ukrainian SMEs during the war underscore the importance of strategic capability redeployment as a tool for ensuring long-term resilience and competitiveness. By proactively reallocating resources, embracing technological innovation, and receiving critical financial support, businesses can not only survive in the most challenging environments but emerge stronger and more competitive. The lessons learned from this study are applicable to businesses globally, as they face an increasingly volatile and unpredictable future.

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