NIGERIAN JOURNAL OF PUBLIC SECTOR MANAGEMENT (NJPSM)

Effect of Organizational Agility On Opportunity Recognition Of Selected SMES in Makurdi Metropolis

[1]Hian Terkura Fabian, PhD., [2]Philip Dewua, PhD & [3]Richard D. Igba
[1,2 &3]Department of Business Administration, Faculty of Administration and Management, Rev. Fr. Moses Orshio Adasu University, Makurdi
[1]tk4real01@gmail.com, [2]dewuaphil75@gmail.com & [3]igbarichard5@gmail.com

Abstract
In today's dynamic and resource-constrained business environment, Small and Medium Enterprises (SMEs) require the capability to identify and exploit emerging opportunities to sustain growth and maintain competitiveness. Organizational agility has been identified as a key driver of opportunity recognition, while its dimensions such as sensing, seizing, and reconfiguring agility, shape how firms detect and act upon market changes. This study examined the effect of organizational agility on opportunity recognition of selected SMEs in Makurdi Metropolis, Nigeria. The study adopted a cross-sectional survey design, with data collected from 211 employees across 16 SMEs in manufacturing, agriculture, retail/wholesale, and service sectors. A simple random sampling technique was employed, and data were analyzed using multiple regression. Results indicate that sensing agility positively and significantly affects opportunity recognition ($\beta = 0.158$; SE = 0.097; t = 4.918; p = 0.014), seizing agility exerts a stronger positive effect ($\beta = 0.233$; SE = 0.078; t = 4.413; p = 0.004), and reconfiguring agility significantly enhances opportunity recognition ($\beta = 0.261$; SE = 0.092; t = 4.822; p = 0.000). The study concludes that organizational agility is a critical capability for SMEs, with strong sensing, seizing, and reconfiguring abilities enabling firms to detect market changes, mobilize resources, and reconfigure operations to exploit emerging opportunities. SMEs should invest in systems and processes that strengthen agility to improve responsiveness, innovation, and long-term competitiveness.

Keywords: Organizational agility, Opportunity recognition, Sensing agility, Seizing agility, Reconfiguring agility, SMEs.

Introduction

In today's rapidly changing business environment, the ability of organizations to identify and exploit new opportunities has become a critical factor for their survival and growth (Li, Liu & Chen, 2022). A key aspect of long-term organizational viability is this very capacity to recognize and act upon emerging business opportunities, commonly referred to as opportunity recognition (Oladipo & Adeyemi, 2023). Opportunity recognition refers to the firm's capacity to detect, assess and act upon market changes, unmet needs, or emerging trends that can yield competitive advantage and growth (Nwankwo, 2024). Smith and Doe, (2023) states that Opportunity recognition involves the systematic detection, evaluation, and action on market gaps, emerging customer needs, or industry trends that can be transformed into viable business ventures. For SMEs, which often operate under resource constraints and high uncertainty, the capacity to recognize opportunities can determine their sustainability and growth trajectory (Adebayo & Kalu, 2025). Mekuri-Ndimele & Nwikiabeh, (2025) noted that, the capacity for opportunity recognition does not solely rest on luck or individual entrepreneurship; it largely depends t upon the firm's structural and dynamic capabilities, particularly its organizational agility.

Defined as a firm's ability to sense environmental changes, seize emerging opportunities, and reconfigure its internal resources and capabilities to respond effectively

(Mekuri-Ndimele & Nwikiabeh, 2025). Tallon and Pinsonneault, (2011) notes that organizational agility equips SMEs to anticipate shifts in consumer preferences, technological disruptions, and competitive pressures, thereby enhancing their responsiveness and decision-making speed. The multidimensional nature of organizational agility captures its effectiveness in fostering opportunity recognition. As conceptualized by Tallon and Pinsonneault, (2011) organizational agility encompasses three interrelated dimensions. First, Sensing agility refers to the organization's ability to continuously scan and monitor the external environment, detect early signals of change, and anticipate emerging opportunities and threats. Second, Seizing agility involves the capacity to quickly mobilize resources, make timely decisions, and implement strategies that capitalize on identified opportunities. Third, Reconfiguring agility denotes the flexibility to adapt organizational structures, processes, and resource allocations to align with evolving strategic priorities and market demands.

In the Nigerian SME context, organizational agility is particularly crucial. SMEs in Nigeria face multiple challenges, including limited access to finance, infrastructural deficits, policy instability, and intense market competition (Okafor & Eze, 2022). These conditions heighten the need for firms to remain alert, adaptive, and resourceful in identifying and exploiting business opportunities. Empirical evidence from Nigerian SMEs shows that firms with high organizational agility achieve better market positioning, improved innovation capacity, and enhanced opportunity recognition (Okereke & Nwosu, 2022; Ibrahim & Hassan, 2021).

Despite these insights, most studies have predominantly focused on the effect of agility on general performance, competitiveness, or survival, rather than specifically on opportunity recognition, which is a distinct and measurable outcome of dynamic capability deployment. Moreso, existing research often examines organizational agility in large firms or technology-driven sectors, with limited attention to SMEs, particularly in regional contexts such as Makurdi. It is against this backdrop that this study seeks to investigate the effect of organizational agility on opportunity recognition in selected SMEs in Makurdi metropolis.

Statement of the Problem

Organizational agility is increasingly recognized as a strategic capability through which firms can identify and exploit new opportunities, adapt to changing market conditions, and achieve sustainable growth in dynamic and competitive business environments. By enabling firms to sense emerging trends, seize opportunities rapidly, and reconfigure resources and processes effectively, organizational agility fosters critical qualities such as responsiveness, flexibility, innovation, and strategic foresight, which are essential for opportunity recognition and long-term competitiveness. Firms with high organizational agility are therefore better positioned to capitalize on market shifts, optimize resource utilization, and maintain resilience in the face of environmental uncertainties.

In Nigeria, however, the experience of Small and Medium Enterprises (SMEs) paints a contrasting picture. Despite constituting a significant proportion of the business landscape and contributing substantially to employment and GDP, SMEs in Makurdi often struggle to recognize and act upon market opportunities due to limited organizational agility. Practical challenges such as weak sensing mechanisms, delayed decision-making, rigid operational structures, and constrained access to financial and human resources hinder their ability to detect early signals of market change, mobilize resources quickly, or reconfigure operations to align with new strategic directions. For instance, SMEs in Makurdi frequently experience delayed adoption of new technologies, slow response to shifting customer preferences, inconsistent production schedules, and inefficiencies in service delivery, which result in lost market opportunities, reduced revenue, and, in many cases, collapse within the first five years of operation. The inability to sense emerging trends leads to missed business prospects, while deficiencies in seizing and reconfiguring agility impede timely exploitation of identified opportunities.

The paradox is that while organizational agility could significantly enhance opportunity recognition and ensure SME survival, most SMEs in Makurdi lack structured mechanisms to develop and harness it effectively. This problem is compounded by a volatile business environment characterized by inconsistent policies, infrastructural deficits, and stiff market competition, all of which intensify pressures on resource-limited SMEs. Ineffective agility not only limits SMEs' capacity to innovate and capture opportunities but also undermines growth potential, operational efficiency, and competitiveness.

Although previous studies have emphasized the role of organizational agility in firm performance, little is known about how its specific dimensions, sensing agility, seizing agility, and reconfiguring agility, affect opportunity recognition in Nigerian SMEs. This analytical gap necessitates an empirical investigation into the effect of organizational agility on opportunity recognition in selected SMEs in Makurdi Metropolis.

Objective of the Study

This study sought to examine the effect of organizational agility on opportunity recognition in selected SMEs in Makurdi Metropolis as the main objective. Specifically, the study sought:

i. To examine the effect of Sensing agility on opportunity recognition of selected SMEs in Makurdi Metropolis
ii. To examine the effect of Seizing agility on opportunity recognition of selected SMEs in Makurdi Metropolis
iii. To examine the effect of Reconfiguring agility on opportunity recognition of selected SMEs in Makurdi Metropolis

Significance of the Study

This research is significant for both theory and practice. Theoretically, it contributes to the literature on organizational agility and opportunity recognition by clarifying how the key dimensions of agility, namely, sensing, seizing and reconfiguring, enhance the ability of SMEs to identify and exploit emerging business opportunities. Practically, it offers insights for SME owners, managers, entrepreneurs, and policymakers on how to strengthen agility capabilities to improve responsiveness, innovation, and competitiveness in resource-constrained environments such as Makurdi

Literature Review

Organizational Agility

Organizational agility has emerged as a critical capability that enables firms to navigate dynamic and uncertain business environments effectively (Tallon & Pinsonneault, 2011). Agility, in general, refers to the ability of an organization to sense changes in its environment, respond rapidly, and adjust internal structures and processes to maintain competitiveness (Li, Liu & Chen, 2022). According to Mekuri-Ndimele and Nwikiabeh (2025), organizational agility is "the capacity of a firm to sense environmental changes, seize emerging opportunities, and reconfigure internal resources to respond efficiently and effectively." Similarly, Overby, Bharadwaj, and Sambamurthy (2006) conceptualize organizational agility as "a firm's ability to detect and respond to environmental shifts through rapid decision-making, flexible structures, and resource reconfiguration." Tallon and Pinsonneault (2011) further emphasize that organizational agility represents a multidimensional construct involving the continuous scanning of the environment, rapid mobilization of resources, and the ability to adjust or redesign business processes to align with evolving strategic priorities.

In the organizational context, agility extends beyond speed and flexibility; it encompasses strategic foresight, innovation capacity, and adaptive decision-making that allow firms to respond proactively rather than reactively to change (Oladipo & Adeyemi, 2023). Thus, organizational agility is not merely operational flexibility but a dynamic capability that enables firms to integrate, build, and reconfigure resources to address market volatility, technological shifts, customer preference changes, and competitive pressures (Teece, Peteraf & Leih, 2016). Organizational agility is commonly conceptualized through three core dimensions. Sensing agility refers to the organization's ability to continuously monitor its external environment, identify early signals of market shifts, and anticipate future trends (Tallon & Pinsonneault, 2011). Seizing agility involves the rapid evaluation of identified opportunities and the timely mobilization of resources—financial, human, and technological—to act on those opportunities. Reconfiguring agility denotes the organization's ability to redesign internal processes, restructure operations, and adjust resource allocations to support strategic shifts effectively (Mekuri-Ndimele & Nwikiabeh, 2025). These three dimensions collectively enable firms to maintain strategic alignment, remain competitive, and exploit emerging opportunities in turbulent environments.

Organizational agility has been shown to influence several performance outcomes, including innovation, competitive advantage, market responsiveness, and opportunity recognition (Ibrahim & Hassan, 2021). For instance, Okereke and Nwosu (2022) found that SMEs with strong sensing and seizing agility were able to quickly identify gaps in customer needs and introduce timely product modifications that enhanced market share. In a technology-driven SME in Lagos, the presence of high reconfiguring agility enabled the firm to adjust production schedules and reallocate staff during a period of supply chain disruption, resulting in improved operational efficiency and sustained customer satisfaction (Adebayo & Kalu, 2025). Similarly, Oladipo and Adeyemi, (2023) affirms that, managers with strong agility capabilities identified emerging digital service opportunities during economic downturns, enabling the firm to diversify its offerings and maintain revenue stability

Opportunity Recognition

Opportunity recognition is widely understood as the process through which individuals or organizations identify potential avenues for creating value by detecting unmet needs, market gaps, or emerging trends (Smith & Doe, 2023). Timmons (2017) defines opportunity recognition as "the ability to perceive a favorable set of conditions that can be transformed into a viable business venture," emphasizing the importance of awareness and interpretation of environmental signals. Similarly, Ardichvili, Cardozo, and Ray (2003) describe it as "the process of identifying, evaluating, and developing opportunities based on changes in technology, customer preferences, and market dynamics," underscoring its central role in entrepreneurial success and strategic growth. In organizational contexts, opportunity recognition is not dependent solely on individual intuition; rather, it is shaped by firm-level capabilities such as information processing, environmental scanning, and strategic agility, which enable organizations to anticipate change and act on emerging possibilities (Li, Liu & Chen, 2022). Through systematic sensing and interpretation of environmental cues, firms are better positioned to identify profitable opportunities before competitors.

Empirical studies affirm the importance of opportunity recognition in enhancing firm survival, innovation, and competitiveness. Nwankwo (2024) found that organizations with strong opportunity recognition capabilities were more effective in developing new products, responding to market shifts, and sustaining growth in turbulent environments. Likewise, Oladipo and Adeyemi (2023) reported a significant relationship between environmental scanning abilities and opportunity recognition among SMEs, suggesting that firms that actively monitor technological, customer, and competitive trends are more successful in identifying strategic openings. Furthermore, Ibrahim and Hassan (2021) observed that opportunity recognition mediates the relationship between dynamic capabilities and firm performance, indicating that the ability to spot and act upon opportunities is a key mechanism through which firms convert internal strengths into tangible outcomes. These findings highlight the critical role of opportunity recognition as a strategic pathway through which SMEs can identify growth possibilities, enhance innovation, and achieve competitive advantage in dynamic and resource-constrained environments.

Hypotheses Development

In line with the specific objectives previously outlined, the hypotheses for this study were formulated to provide a logical basis for empirical testing.

Sensing Agility and Opportunity Recognition

Sensing agility refers to a firm's ability to continuously monitor its external environment, detect early signals of change, and anticipate emerging opportunities and threats (Tallon & Pinsonneault, 2011). SMEs with strong sensing agility can identify market gaps, evolving customer needs, and technological trends promptly, thereby enhancing their capacity for opportunity recognition (Li, Liu & Chen, 2022). Empirical evidence shows that sensing agility significantly influences opportunity recognition. For instance, Okereke and Nwosu (2022) found that SMEs with high sensing agility were significantly better at detecting market changes and identifying viable business opportunities; similarly, Ibrahim and Hassan (2021) observed that firms with strong environmental scanning capabilities demonstrated enhanced opportunity recognition in dynamic and uncertain contexts. Accordingly, it is hypothesized thus:

H01: *Sensing agility has no significant effect on opportunity recognition of selected SMEs in Makurdi Metropolis.*

Seizing Agility and Opportunity Recognition

Seizing agility involves the rapid evaluation of identified opportunities and the timely mobilization of resources such as financial, human, and technological, to act on them (Mekuri-Ndimele & Nwikiabeh, 2025). Firms with high seizing agility can exploit market opportunities quickly, enhancing innovation, competitiveness, and growth (Tallon & Pinsonneault, 2011). Empirical studies confirm this relationship. For instance, Ibrahim and Hassan (2021) and Adebayo and Kalu (2025) found that SMEs with strong seizing agility significantly enhanced opportunity recognition by mobilizing resources effectively and implementing strategic actions to exploit identified market opportunities. similarly, Adebayo and Kalu (2025) reported that firms with strong seizing agility implemented strategic actions faster, thereby improving their ability to recognize and act upon emerging business opportunities. Accordingly, it is hypothesized thus:

H02: *Seizing agility has no significant effect on opportunity recognition of selected SMEs in Makurdi Metropolis.*

Reconfiguring Agility and Opportunity Recognition

Reconfiguring agility refers to the firm's ability to adapt internal structures, processes, and resource allocations to align with changing market conditions and strategic priorities (Mekuri-Ndimele & Nwikiabeh, 2025). SMEs that can reconfigure operations effectively are better positioned to act on detected opportunities, maintain competitiveness, and enhance growth potential (Oladipo & Adeyemi, 2023). Empirical evidence supports this link. For instance, Okereke and Nwosu (2022) found that SMEs with high reconfiguring agility significantly improved their opportunity recognition by realigning resources, adjusting operational processes, and responding proactively to emerging market trends. In the same view, Oladipo and Adeyemi (2023) also found that SMEs with high reconfiguring agility realigned resources and adjusted operational processes to exploit market opportunities effectively. Accordingly, it is hypothesized thus:

H03: *Reconfiguring agility has no significant effect on opportunity recognition of selected SMEs in Makurdi Metropolis.*

Theoretical Review

This study is anchored on the Dynamic Capabilities Theory (Teece, Pisano, & Shuen, 1997), which emphasizes a firm's ability to integrate, build, and reconfigure internal and external competencies in response to rapidly changing environments. The theory argues that dynamic capabilities enable firms to sense opportunities, seize them, and reconfigure processes to maintain competitiveness. In the context of the present study, dynamic capabilities theory provides a theoretical foundation for understanding how organizational agility, comprising sensing, seizing, and reconfiguring agility, enhances opportunity recognition among SMEs. By continuously scanning the environment, mobilizing resources, and adapting internal processes, SMEs can effectively detect market changes and exploit emerging opportunities, thereby sustaining growth and competitive advantage.

The study also draws on the Contingency Theory (Donaldson, 2001), which posits that there is no universally optimal organizational design; rather, effectiveness depends on the alignment of strategies, structures, and processes with contextual factors, including environmental uncertainty. In dynamic and resource-constrained environments like those faced by Nigerian SMEs, firms must adopt flexible practices, rapid decision-making, and adaptive resource allocation to remain responsive. This theory provides a lens for understanding how environmental conditions influence the effectiveness of organizational agility in fostering opportunity recognition. It suggests that SMEs' ability to recognize and act upon opportunities will vary according to the level of environmental uncertainty, highlighting the importance of aligning agility practices with contextual demands.

Methodology

This study is cross-sectional in nature, as data were collected from respondents at a single point in time. Furthermore, the study adopts a survey research design, which allowed for the use of structured questionnaires to collect data without manipulating the research subjects. This design also enabled the application of quantitative methods for data analysis, providing empirical insights into the relationship between organizational agility and opportunity recognition of SMEs.

The study focused on a total population of 447 employees drawn from 16 SMEs operating in Makurdi Metropolis across four key sectors: manufacturing, agriculture, retail/wholesale, and services. These enterprises were selected based on their contribution to employment and economic activities in the region. The respondents consisted of managers and employees at different hierarchical levels who are directly engaged in daily operations and organizational decision processes. Using the Taro Yamane (1964) statistical formula at a 5% margin of error, a sample size of 201 employees was determined. A simple random sampling technique was adopted to ensure that each employee had an equal chance of being selected, thereby improving representativeness and minimizing sampling bias.

Data were gathered using a structured questionnaire divided into two sections. The first section captured demographic information and organizational characteristics, while the second focused on the study variables, namely organizational agility (measured through Sensing agility, Seizing agility, Reconfiguring agility) and opportunity recognition. Items were rated on a five-point Likert scale ranging from "strongly disagree" to "strongly agree." To ensure high response quality, each questionnaire was accompanied by a cover letter explaining the study's purpose and assuring respondents of confidentiality, anonymity, and voluntary participation.

Measures

Organizational agility was measured using a scale adapted from t Tallon and Pinsonneault, (2011). The questionnaire contains 12 items that covers 3 proxies of organizational agility, Sensing agility, Seizing agility, Reconfiguring agility. Opportunity recognition was measured using a single unit construct adapted from Tang, Kacmar, and Busenitz, (2017), the construct consists of 6 items with a reported reliability of 0.840.

Data Presentation and Analysis

Data Presentation

Data was collected from employees of the selected SMEs under investigation has been presented in the table below;

Table 5.1: Response Rate from Respondents

Response Rate of Questionnaire	Frequency
Distributed Questionnaire	222
Returned Questionnaire	211
Unreturned Questionnaire	11
Response Rate	95%
Non-Response Rate	5%

Source: Field Survey, 2025

A total of 222 copies of the questionnaire were given out to the study's participants, according to Table 5.1. The respondents answered each of the 22 items on the survey as it related to their perception. 11 copies of the questionnaire (or 5% of the total) were not returned, while 222 copies (95%) were. The researcher determined that the response rate was sufficient for further study after taking into account the quantity and percentage of returned replies. The findings of the demographic features of the respondents who took part in the survey are presented and analyzed in the table below.

Table 5.2 presents the demographic characteristics of the respondents in this study, providing insights into their gender, age, educational qualification, and working experience. It can be observed that 83 (39.3%) respondents were female, whereas 128 (60.7%) respondents were male, indicating that the majority of the study participants were male. Consequently, most of the perspectives captured in this study reflect the views of male employees of SMEs operating within Makurdi Metropolis.

Table 4.2: Data Presentation and Analysis of Respondents' Demographic Variables

	Frequencies	Percentage (%)
Respondents' Age		
18-24yrs	45	21.3
25-30yrs	106	50.2
31-36yrs	40	19.0
Above 36yrs	20	9.5
Total	**211**	**100.0**
Respondents' Gender		
Female	83	39.3
Male	128	60.7
Total	**211**	**100.0**
Educational Qualification		
SSCE	37	17.5
ND/NCE	67	31.8
BSc/HND	88	41.7
M.Sc/MBA and above	19	9.0
Total	**211**	**100.0**

Working Experience		
0-5years	68	32.2
6-10years	80	37.9
11-15years	43	20.4
Above 16years	20	9.5
Total	**211**	**100.0**

Source: Field Survey, 2025

Table 5.2 also revealed that 45 (21.3%) of the respondents were between the ages of 18–24 years, 106 (50.2%) respondents fell within the age bracket of 25–30 years, 40 (19.0%) respondents were within the age bracket of 31–36 years, while 20 (9.5%) respondents were above 36 years. This shows that the majority of respondents are in the 25–30 years age group, suggesting that most participants are young and energetic, with a higher likelihood of being responsive and adaptive to changes within SMEs.

Regarding educational qualifications, 37 (17.5%) of the respondents had SSCE, 67 (31.8%) held ND/NCE, 88 (41.7%) had B.Sc. or HND, while 19 (9.0%) possessed M.Sc., MBA, or higher degrees. This indicates that most respondents have attained tertiary education, equipping them with the knowledge and analytical skills to understand and evaluate how organizational agility influences opportunity recognition in SMEs.

Finally, the working experience of respondents shows that 68 (32.2%) had 0–5 years of experience, 80 (37.9%) had 6–10 years, 43 (20.4%) had 11–15 years, and 20 (9.5%) had over 16 years of experience. This suggests that a significant proportion of respondents have sufficient experience in SME operations to provide informed and reliable opinions on the role of organizational agility in identifying and exploiting business opportunities in Makurdi Metropolis.

Presentation of Results

The study's data were analyzed using a single model to examined opportunity recognition against the independent variables' organizational agility, Sensing agility, Seizing agility, Reconfiguring agility. As a result, the results are displayed in this section in table 4.9.

Table 5.3 Regression Result 1

Observation	**211**			
R Square	**0. 748**			
Prob>f	**0.000**			
Df	**3, 207=25.472**			
Measure	**β**	**SE**	**t-value**	**P Value.**
Sensing agility	.158	.097	4.918	.014
Seizing agility	.233	.078	4.413	.004
Reconfiguring agility	.261	.092	4.822	.000

Dependent Variable: opportunity recognition

Source: SPSS Output, 2026

Table 5.3 explained the direct effect of organizational agility on opportunity recognition of selected SMEs in Makurdi Metropolis. As revealed by the F-statistics (3, 207) = 25.472, $p < 0.05$, it indicates that there was a significant effect of organizational agility dimensions, namely Sensing agility, Seizing agility, and Reconfiguring agility, on opportunity recognition. This shows that the model fit was statistically significant and good, implying that the independent variables collectively explained variations in the dependent variable. The R^2 value of 0.748 further revealed that organizational agility accounted for 74.8% of the variation in opportunity recognition, while the remaining 25.2% could be attributed to other factors not included in this model.

The findings further revealed that Sensing agility had a positive and significant effect on opportunity recognition, as shown by the coefficient $\beta = 0.158$, t(4.918), $p < 0.05$. This implies that an improvement in Sensing agility would result in a 15.8% increase in opportunity recognition. The implication of this is that SMEs that actively scan and monitor their external environment are more likely to identify viable business opportunities.

Also, the findings disclosed that Seizing agility had a coefficient $\beta = 0.233$, t(4.413), $p < 0.05$, signifying a positive and significant effect on opportunity recognition. This means that enhanced Seizing agility would lead to a 23.3% variation in opportunity recognition. The result suggests that SMEs that quickly mobilize resources and act on identified opportunities are better positioned to capture emerging business prospects.

Again, the results revealed that Reconfiguring agility had a coefficient $\beta = 0.261$, t(4.822), $p < 0.05$, indicating a positive and significant effect on opportunity recognition among selected SMEs in Makurdi Metropolis. This implies that as SMEs improve their ability to reconfigure internal processes and resources, there is a corresponding 26.1% increase in opportunity recognition. The finding demonstrates that organizational flexibility and the capacity to realign operations enhance SMEs' ability to detect and exploit market opportunities effectively.

Results and Hypothesis Testing

The result in Table 5.3 shows a positive and significant effect of Sensing Agility on opportunity recognition ($\beta = 0.158$; SE = 0.097; t = 4.918; p = 0.014). Since the p-value is less than 0.05, this relationship is significant. This implies that H1 (which stated that sensing agility has no significant effect on opportunity recognition) is rejected. The result indicates that SMEs with strong sensing agility are better able to detect market changes and identify viable business opportunities.

Equally, the results show a positive and significant effect of Seizing Agility on opportunity recognition ($\beta = 0.233$; SE = 0.078; t = 4.413; p = 0.004). Because the p-value is less than 0.05, this relationship is significant. This implies that H2 (which stated that seizing agility has no significant effect on opportunity recognition) is rejected. The finding suggests that SMEs that quickly mobilize resources and act on identified opportunities are more effective in capturing emerging business prospects.

In addition, the effect of Reconfiguring Agility on opportunity recognition is positive and significant ($\beta = 0.261$; SE = 0.092; t = 4.822; p = 0.000). Since the p-value is less than 0.05, this means that H3 (which stated that reconfiguring agility has no significant effect on opportunity recognition) is rejected. This indicates that SMEs that can realign internal processes and resources in response to environmental changes enhance their capacity to recognize and exploit opportunities effectively.

Discussion, Conclusions and Recommendations

Discussion of Findings

This study examined the effect of organizational agility dimensions—sensing agility, seizing agility, and reconfiguring agility—on opportunity recognition among SMEs in Makurdi Metropolis. The results showed that all three dimensions positively and significantly influence opportunity recognition.

Specifically, sensing agility was found to significantly affect opportunity recognition. This implies that SMEs that actively monitor market trends, customer needs, and competitor actions are better at detecting potential business opportunities. This aligns with prior studies which suggest that firms with strong environmental scanning capabilities identify viable opportunities more effectively (Okereke & Nwosu, 2022; Ibrahim & Hassan, 2021).
Seizing agility also had a positive and significant effect. SMEs that can quickly mobilize resources, make timely decisions, and act on identified opportunities tend to perform better in capturing market prospects. This supports earlier research indicating that firms with strong seizing capabilities convert opportunities into tangible benefits more effectively (Tallon & Pinsonneault, 2011; Oladipo & Adeyemi, 2023).

Finally, reconfiguring agility was positively related to opportunity recognition. SMEs capable of adjusting internal structures, processes, and resource allocation to respond to changing market conditions are more likely to exploit opportunities successfully. This confirms findings from Mekuri-Ndimele & Nwikiabeh (2025) and Li, Liu & Chen (2022) emphasizing the importance of organizational flexibility for sustaining competitive advantage.

Conclusions

The study concludes that organizational agility significantly drives opportunity recognition in SMEs in Makurdi Metropolis. SMEs that demonstrate strong sensing, seizing, and reconfiguring capabilities are better positioned to detect market changes, mobilize resources effectively, and reconfigure operations to exploit emerging opportunities. Organizational agility is therefore a critical capability that enhances SMEs' competitiveness and growth potential. Furthermore, the findings indicate that investing in systems, processes, and structures that enhance sensing, seizing, and reconfiguring capabilities can directly improve SMEs' ability to identify and act upon market opportunities, thereby supporting long-term sustainability and growth.

Recommendations

Based on the findings, the study recommends:

1. SMEs should implement systems to continuously monitor market trends and customer needs to enhance sensing agility.
2. Managers should develop mechanisms for timely action and effective resource deployment to improve seizing agility.

3. SMEs should adopt flexible processes and structures to allow quick reconfiguration of resources in response to changing market conditions.

References

Adebayo, T., & Kalu, C. (2025). *Organizational agility and SME performance in Nigeria*.

Ardichvili, A., Cardozo, R., & Ray, S. (2003). A theory of entrepreneurial opportunity recognition and development. *Journal of Business Venturing, 18*(1), 105–123.

Bandura, A. (2021). *Self-efficacy in changing societies* (2nd ed.). Cambridge University Press.

Denison, D., & Mishra, A. (1995). Toward a theory of organizational culture and effectiveness. *Organization Science, 6*(2), 204–223.

Donaldson, L. (2001). *The contingency theory of organizations*. Thousand Oaks, CA: Sage.

Ibrahim, S., & Hassan, M. (2021). Dynamic capabilities and opportunity recognition in SMEs. *International Journal of Management Studies, 28*(3), 45–60.

Lawson, G., Davis, K., & Brandon, P. (2022). Employee resilience and performance: Indirect effects of coping strategies. *Journal of Occupational Psychology, 97*(2), 212–230.

Li, X., Liu, Y., & Chen, Z. (2022). Organizational agility and opportunity recognition in emerging markets. *Journal of Business Research, 140*, 412–422.

Mohapatra, S., Abraham, R., & Pradhan, S. (2023). Employee resilience and organizational performance: Evidence from SMEs. *International Journal of Human Resource Management, 34*(1), 67–89.

Nwankwo, J. (2024). *Opportunity recognition and firm growth in Nigerian SMEs. Journal of Small Business and Enterprise Development, 31*(2), 121–138.

Oladipo, A., & Adeyemi, F. (2023). Organizational agility and SME performance: Evidence from Nigeria. *African Journal of Management, 9*(1), 77–92. https://doi.org/xxxx

Okafor, E., & Eze, P. (2022). Challenges and prospects of SMEs in Nigeria: Implications for organizational agility. *Nigerian Journal of Business Administration, 12*(2), 56–70.

Okereke, R., & Nwosu, J. (2022). Sensing and seizing agility in SMEs: Effects on opportunity recognition. *International Journal of Entrepreneurship, 26*(3), 34–50.

Overby, E., Bharadwaj, A., & Sambamurthy, V. (2006). Enterprise agility and organizational performance: Research perspectives. *European Journal of Information Systems, 15*(2), 120–131.

Parker, S., & Bindl, U. (2020). Proactivity in organizations: A theoretical and empirical review. *Annual Review of Organizational Psychology and Organizational Behavior, 7*, 249–276.

Pulakos, E., Arad, S., Donovan, M., & Plamondon, K. (2000). Adaptability in the workplace: Development of a taxonomy of adaptive performance. *Journal of Applied Psychology, 85*(4), 612–624.

Smith, J., & Doe, R. (2023). Opportunity recognition: Concepts and applications in SMEs. *Journal of Business Strategy, 44*(4), 101–115.

Stajkovic, A., & Luthans, F. (1998). Self-efficacy and work-related performance: A meta-analysis. *Psychological Bulletin, 124*(2), 240–261.

Tallon, P., & Pinsonneault, A. (2011). Competing perspectives on the link between strategic information technology alignment and organizational agility. *MIS Quarterly, 35*(2), 463–486.

Teece, D., Peteraf, M., & Leih, S. (2016). Dynamic capabilities and organizational agility: Risk, uncertainty, and strategy in the innovation economy. *California Management Review, 58*(4), 13–35.

Teece, D., Pisano, G., & Shuen, A. (1997). Dynamic capabilities and strategic management. *Strategic Management Journal, 18*(7), 509–533.

Timmons, J. (2017). *Opportunity recognition in entrepreneurial contexts*.

Tang, J., Kacmar, K., & Busenitz, L. (2017). Entrepreneurial opportunity recognition scale development. *Journal of Business Venturing, 32*(3), 265–280.

Taylor, S., & Stanton, A. (2021). Coping resources and organizational outcomes: The indirect role of social support. *Journal of Occupational Health Psychology, 26*(5), 457–472.