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Constructive Risk-Taking: An Organizational Capability Theory for Entrepreneurial Ecosystems and Sustainable Economic Growth

Shivangi Hardil Singh

shivangi11s@gmail.com

Swami Vivekanand Subharti University, Meerut

Mohini Mittal

Swami Vivekanand Subharti University, Meerut

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Abstract

Organizations increasingly operate within entrepreneurial ecosystems characterized by technological disruption, institutional complexity, and persistent uncertainty, making the capability to respond constructively to uncertainty a critical determinant of sustainable economic growth. Although risk-taking has been extensively examined across entrepreneurship, strategic management, organizational behaviour, and strategic human resource management, existing scholarship largely conceptualizes it as an individual disposition, a strategic posture, or a dimension of entrepreneurial orientation. As a result, limited theoretical attention has been devoted to understanding how organizations systematically develop capabilities that transform uncertainty into sustained innovation and long-term value creation. Addressing this gap, the present study develops **Constructive Risk-Taking (CRT)** as a novel organizational capability theory that integrates insights from entrepreneurship, dynamic capability theory, organizational learning, strategic human resource management, and entrepreneurial ecosystem research. Rather than viewing risk-taking as an isolated behavioural tendency, the proposed perspective conceptualizes it as an institutionalized organizational capability embedded in leadership, governance, learning systems, organizational culture, and ecosystem interactions. Building on this theoretical foundation, the paper introduces the **CREATE Organizational Capability Model**, which explains how organizations recognize opportunities, evaluate uncertainty responsibly, experiment systematically, institutionalize learning, strengthen adaptive capability, and generate enduring value. The study further develops an integrated conceptual framework and six research propositions that provide a foundation for future empirical validation and construct operationalization. By repositioning risk-taking from a behavioural orientation to a higher-order organizational capability, this paper contributes a coherent theoretical framework that advances entrepreneurship and management scholarship while offering practical insights for organizational leaders and policymakers seeking to foster innovation, resilience, and sustainable economic growth.

Introduction

Innovation-driven entrepreneurship has become a defining force in contemporary economic development, positioning entrepreneurial ecosystems at the centre of debates on organizational competitiveness and sustainable economic growth. Rather than viewing entrepreneurship as the outcome of isolated individual initiative, entrepreneurial ecosystem research conceptualizes economic development as emerging from complex interactions among entrepreneurs, firms, universities, investors, governments, financial institutions, and other supporting actors whose collective relationships facilitate opportunity recognition, knowledge exchange, resource mobilization, and innovation (Acs et al., 2014; Stam, 2015; Stam & Van de Ven, 2021). These interconnected systems influence not only the creation of new ventures but also the capacity of established organizations to innovate, adapt, and remain competitive in increasingly dynamic environments. Consequently, entrepreneurial ecosystems are now recognised as strategic contexts within which organizations acquire, combine, and leverage resources to generate long-term economic and societal value.

At the same time, organizations face an environment characterised by accelerating technological change, digital transformation, geopolitical instability, climate-related disruptions, and rapidly evolving stakeholder expectations. Under such conditions, sustainable competitive advantage depends less on the ownership of valuable resources alone than on an organization's ability to continually renew, recombine, and deploy those resources in response to changing environmental demands. The resource-based view established that valuable, rare, inimitable, and organizationally embedded resources form the basis of sustained competitive advantage (Barney, 1991), while the knowledge-based perspective further emphasized knowledge integration as the firm's most strategically significant capability (Grant, 1996). Building on these foundations, dynamic capability theory argues that organizations sustain performance by sensing opportunities, seizing emerging possibilities, and transforming organizational resources through continuous adaptation (Eisenhardt & Martin, 2000; Teece et al., 1997; Teece, 2007). Viewed collectively, these perspectives suggest that organizational success increasingly depends on capabilities that enable effective responses to uncertainty rather than on static resource advantages.

Within this changing competitive landscape, risk-taking has remained a central construct across economics, entrepreneurship, strategic management, organizational behaviour, and strategic human resource management. Classical economic theory distinguished measurable risk from uncertainty and portrayed entrepreneurial judgement under uncertainty as a fundamental driver of economic progress (Knight, 1921). Schumpeter (1934) subsequently argued that economic development is propelled by entrepreneurs who pursue innovative combinations despite uncertain outcomes, thereby initiating processes of creative destruction. Building on these foundational perspectives, entrepreneurship research established risk-taking as a core dimension of entrepreneurial orientation alongside innovativeness and proactiveness (Covin & Slevin, 1989; Lumpkin & Dess, 1996; Miller, 1983). More recent scholarship has expanded this understanding by demonstrating that organizational responses to uncertainty are shaped not only by entrepreneurial intent but also by leadership, governance, organizational learning, institutional environments, and ecosystem conditions (Covin & Wales, 2019; Stam & Van de Ven, 2021; Wales et al., 2013). This evolution reflects a gradual shift from viewing risk-taking as an individual characteristic to recognising its organizational and strategic dimensions.

Despite these advances, existing scholarship continues to explain risk-taking through largely discipline-specific perspectives. Entrepreneurship research primarily examines its role in opportunity exploitation and venture creation, strategic management emphasises competitive positioning and adaptive capabilities, organizational behaviour focuses on proactive work behaviour and creativity, while strategic human resource management highlights leadership, organizational culture, and learning systems as drivers of organizational adaptability. These perspectives have generated substantial theoretical insights; however, they also reveal an important limitation. They explain why organizations engage with uncertainty but offer comparatively limited understanding of how organizations systematically develop, institutionalize, and sustain productive responses to uncertainty as an enduring organizational capability. Reviews of management research similarly note considerable conceptual diversity in how risk is defined, operationalized, and analysed across disciplines, underscoring the need for greater theoretical integration and construct clarity (Bromiley et al., 2001; Sitkin & Pablo, 1992).

Despite the substantial progress achieved across these research traditions, an important theoretical challenge remains unresolved. Existing perspectives acknowledge that organizations must respond effectively to uncertainty, yet they explain this phenomenon through different units of analysis and distinct theoretical assumptions. Entrepreneurial orientation research primarily emphasizes strategic posture, dynamic capability theory focuses on resource reconfiguration, organizational behaviour examines employee-level adaptation, while strategic human resource management highlights leadership and organizational systems that support learning and performance. Although each perspective contributes valuable insights, they remain only partially integrated, making it difficult to explain how organizations consistently develop and sustain productive responses to uncertainty over time.

This fragmentation becomes particularly evident when examining organizational capability development. The resource-based and dynamic capability perspectives explain how organizations build competitive advantage through valuable capabilities and strategic resource renewal (Barney, 1991; Eisenhardt & Martin, 2000; Grant, 1996; Teece, 2007). However, these perspectives provide comparatively limited explanation of the behavioural processes through which uncertainty is interpreted, evaluated, and transformed into purposeful organizational action. Similarly, entrepreneurial orientation research explains why firms pursue opportunities under uncertain conditions but offers less insight into the organizational mechanisms that enable responsible experimentation to become embedded as an enduring organizational capability (Covin & Slevin, 1989; Covin & Wales, 2019; Lumpkin & Dess, 1996).

A similar pattern emerges within organizational learning research. Organizations rarely develop adaptive capability through isolated decisions; instead, they learn by interpreting experience, questioning existing assumptions, integrating new knowledge, and embedding learning into organizational routines. Foundational work by Argyris and Schön (1996) demonstrated that sustainable organizational adaptation depends on continuous learning rather than episodic problem solving, while Crossan et al. (1999) conceptualized learning as a multilevel process linking individual, group, and organizational development. From this perspective, organizational learning functions not merely as an outcome of successful adaptation but as a capability that enables organizations to renew themselves in response to changing environments. Nevertheless, these theories stop short of explaining how learning becomes systematically connected with organizational approaches to uncertainty and strategic decision-making.

Research in organizational behaviour and strategic human resource management provides additional pieces of this puzzle. Psychological safety has been shown to encourage knowledge sharing, voice behaviour, and learning by creating environments in which employees are willing to question assumptions, acknowledge mistakes, and experiment without fear of negative interpersonal consequences (Edmondson, 1999; Edmondson & Lei, 2014). Likewise, innovation capability has been associated with organizational processes that integrate leadership, knowledge management, and continuous improvement to support long-term innovation (Lawson & Samson, 2001). Strategic human resource management further demonstrates that leadership development, talent management, organizational culture, and human capital practices shape the organizational conditions necessary for sustained adaptability and performance (Wright & McMahan, 1992). While these perspectives explain

important organizational antecedents of innovation, they remain largely disconnected from broader theories of entrepreneurial risk-taking.

The same conceptual separation is evident in research on organizational ambidexterity. Organizations are increasingly expected to balance the simultaneous demands of exploiting existing capabilities while exploring new opportunities. Ambidexterity research explains how firms manage these competing objectives through structural arrangements, leadership, and organizational processes (O'Reilly & Tushman, 2013; Raisch & Birkinshaw, 2008). Yet even this literature concentrates primarily on balancing competing strategic activities rather than explaining the underlying organizational capability through which uncertainty is consistently evaluated, interpreted, and transformed into constructive organizational action. As a result, organizations are frequently described as innovative, adaptive, entrepreneurial, or ambidextrous without a clear theoretical explanation of the capability that enables these characteristics to emerge and persist.

Taken together, these observations reveal that contemporary management scholarship possesses a rich understanding of entrepreneurship, organizational learning, dynamic capabilities, innovation, and organizational adaptation, but a comparatively limited explanation of how these perspectives converge into an integrated organizational capability for responding constructively to uncertainty. This unresolved intersection represents the principal theoretical gap addressed by the present study. Rather than proposing another perspective on entrepreneurial risk-taking, this paper argues that uncertainty itself should be understood through the lens of organizational capability. Such a perspective shifts attention from isolated acts of risk-taking toward the organizational systems, leadership processes, learning mechanisms, and governance structures that collectively enable organizations to transform uncertainty into sustained innovation, resilience, and long-term value creation.

Recognizing this gap requires moving beyond traditional conceptualizations of risk-taking as either an individual behavioural disposition or a firm-level strategic orientation. Contemporary organizations do not create sustainable value simply because they are willing to assume greater levels of risk. Rather, they succeed because they develop organizational capabilities that enable uncertainty to be interpreted systematically, opportunities to be evaluated responsibly, experimentation to be conducted purposefully, and learning to become embedded within organizational routines. From this perspective, productive responses to uncertainty represent not isolated managerial actions but enduring organizational capabilities that evolve through leadership, governance, organizational culture, strategic human resource practices, and interactions with the broader entrepreneurial ecosystem.

Building upon this premise, the present study advances **Constructive Risk-Taking (CRT)** as a higher-order organizational capability that explains how organizations intentionally transform uncertainty into adaptive, opportunity-oriented, and value-creating action. Unlike existing perspectives that conceptualize risk-taking primarily as entrepreneurial orientation, managerial behaviour, or strategic posture, CRT is positioned as an organizational capability that integrates behavioural, strategic, structural, and ecosystem dimensions within a unified theoretical framework. Accordingly, the proposed perspective

extends rather than replaces existing theories by explaining the organizational mechanisms through which productive responses to uncertainty become institutionalized and sustained over time.

To operationalize this perspective, the study develops the **CREATE Organizational Capability Model**, a theoretically integrated framework comprising six mutually reinforcing organizational capabilities: **Cognitive Opportunity Recognition, Responsible Risk Evaluation, Experimental Action, Adaptive Learning, Transformational Capability, and Enduring Value Creation**. Rather than representing sequential managerial activities, these capabilities function as an iterative organizational capability cycle through which firms continuously interpret environmental change, develop adaptive responses, institutionalize organizational learning, and generate sustainable strategic value. The CREATE model therefore provides the explanatory mechanism linking organizational capability development with innovation, resilience, entrepreneurial ecosystem participation, and sustainable economic growth.

The study makes **four principal contributions** to entrepreneurship and management scholarship. **First**, it reconceptualizes risk-taking by shifting the unit of analysis from individual behaviour and entrepreneurial orientation to organizational capability, thereby addressing an important gap in existing theory. **Second**, it develops a coherent conceptual framework that integrates entrepreneurship, dynamic capability theory, organizational learning, organizational behaviour, strategic human resource management, and entrepreneurial ecosystem research into a unified explanation of organizational adaptation under conditions of uncertainty. **Third**, it introduces the CREATE Organizational Capability Model and advances six theoretically grounded research propositions that establish a foundation for future construct operationalization and empirical testing. **Finally**, the paper extends current understanding of entrepreneurial ecosystems by proposing that ecosystem resources generate sustained economic value only when organizations possess the internal capabilities required to convert external opportunities into responsible innovation, organizational resilience, and enduring value creation.

Taken together, these contributions reposition uncertainty from a challenge to be managed into a strategic context through which organizations cultivate long-term capability. By integrating fragmented theoretical perspectives within a single organizational capability framework, the study offers a more comprehensive explanation of how organizations transform uncertainty into innovation and sustainable economic growth. The following section therefore reviews the theoretical foundations that underpin the development of Constructive Risk-Taking and establish the basis for the proposed organizational capability model.

Theoretical Foundations and Conceptual Background

The development of Constructive Risk-Taking (CRT) draws upon multiple complementary theoretical traditions that explain organizational adaptation under conditions of uncertainty. Rather than relying on a single theoretical lens, the present study integrates entrepreneurship, organizational capability, organizational learning, and entrepreneurial ecosystem research to establish a coherent conceptual foundation for understanding how organizations systematically transform uncertainty into sustainable

value creation. Although each of these perspectives offers important insights into organizational adaptation, none independently provides a comprehensive explanation of the organizational capability through which uncertainty is consistently interpreted, evaluated, and converted into innovation. Taken together, however, they provide the theoretical basis for conceptualizing Constructive Risk-Taking as a higher-order organizational capability.

Entrepreneurship research provides the first foundation by demonstrating that uncertainty is inseparable from entrepreneurial activity. Classical economic scholars viewed entrepreneurial judgement under uncertainty as the primary driver of innovation and economic development (Knight, 1921; Schumpeter, 1934). Subsequent research established risk-taking as one of the defining dimensions of entrepreneurial orientation, together with innovativeness and proactiveness, emphasizing its contribution to opportunity recognition, venture creation, and organizational growth (Covin & Slevin, 1989; Lumpkin & Dess, 1996; Miller, 1983). More recent work has further refined this perspective by arguing that entrepreneurial orientation represents a strategic posture whose effectiveness depends upon broader organizational and environmental conditions (Covin & Wales, 2019; Wales et al., 2013). Within strategic management, risk has also been conceptualized as an organizational phenomenon that influences strategic decision-making, competitive behaviour, and firm performance, reinforcing the need to understand how organizations develop systematic responses to uncertainty (Bromiley et al., 2005). While this literature explains why organizations pursue uncertain opportunities, it provides comparatively limited insight into how organizations institutionalize productive responses to uncertainty as enduring organizational capabilities.

The second theoretical foundation is provided by organizational capability theory. Resource-based and knowledge-based perspectives argue that sustainable competitive advantage depends not only on valuable organizational resources but also on the capability to integrate, renew, and deploy those resources effectively (Barney, 1991; Grant, 1996). Dynamic capability theory extends this argument by explaining how organizations sense emerging opportunities, seize strategic possibilities, and continuously reconfigure resources in response to environmental change (Eisenhardt & Martin, 2000; Teece et al., 1997; Teece, 2007). Subsequent reviews have synthesized Dynamic Capability Theory by emphasizing that adaptive capability, absorptive capability, and innovation capability collectively enable organizations to sustain competitive advantage under changing environmental conditions (Wang & Ahmed, 2007). However, these theories focus primarily on strategic adaptation and resource renewal, offering comparatively less explanation of the behavioural capability through which uncertainty itself is transformed into purposeful organizational action. This behavioural dimension represents an important opportunity for theoretical development.

Organizational learning and strategic human resource management provide a third foundation by explaining how adaptive capability becomes embedded within organizations. Learning is increasingly understood as a multilevel process through which organizations generate, interpret, disseminate, and institutionalize knowledge (Argyris & Schön, 1996; Crossan et al., 1999). Likewise, psychologically safe work environments encourage experimentation, knowledge sharing, and continuous improvement,

enabling employees to engage constructively with uncertainty (Edmondson, 1999; Edmondson & Lei, 2014). Strategic human resource management further demonstrates that leadership development, organizational culture, talent management, and learning-oriented human resource practices strengthen organizational adaptability and long-term performance (Wright & McMahan, 1992). Together, these perspectives indicate that productive responses to uncertainty emerge through organizational systems rather than isolated individual behaviours.

The final theoretical foundation is provided by entrepreneurial ecosystem research, which explains how organizations operate within interconnected environments comprising institutions, universities, investors, financial systems, governments, collaborative networks, and supportive public policies (Acs et al., 2014; Stam, 2015; Stam & Van de Ven, 2021). Entrepreneurial ecosystems expand organizational access to knowledge, resources, and strategic opportunities, yet organizations embedded within similar ecosystems frequently achieve markedly different innovation and growth outcomes. This observation suggests that ecosystem quality functions as an enabling context rather than a sufficient explanation for organizational success. Sustainable value creation ultimately depends upon the internal organizational capabilities that determine how external opportunities are recognised, evaluated, and translated into strategic action.

Viewed collectively, these theoretical traditions converge on a common conclusion: organizations achieve sustainable competitiveness not merely because favourable opportunities exist, but because they develop capabilities that enable those opportunities to be transformed into responsible innovation and enduring value creation. Nevertheless, the literature continues to explain entrepreneurship, organizational capability, organizational learning, and entrepreneurial ecosystems largely as parallel streams of inquiry. The present study addresses this fragmentation by integrating these perspectives into Constructive Risk-Taking, thereby providing a unified organizational capability framework that explains how uncertainty becomes a source of innovation, resilience, and sustainable economic growth.

Developing Constructive Risk-Taking: An Organizational Capability Theory

The preceding discussion demonstrates that existing theories explain important aspects of organizational adaptation under uncertainty but do not fully account for the organizational capability through which uncertainty is systematically transformed into sustained innovation and value creation. Entrepreneurship research emphasizes opportunity pursuit, dynamic capability theory focuses on strategic resource renewal, organizational learning explains capability development through knowledge creation, and entrepreneurial ecosystem research highlights the contextual conditions that facilitate innovation. While these perspectives are complementary, they remain theoretically fragmented and provide only a partial explanation of how organizations consistently cultivate productive responses to uncertainty. This unresolved intersection provides the foundation for developing **Constructive Risk-Taking (CRT)** as a distinct organizational capability.

Constructive Risk-Taking is not intended to replace established theories of entrepreneurship or strategic management. Instead, it builds upon their insights while addressing a question that has received comparatively limited theoretical attention: **How do organizations intentionally develop the capability to convert uncertainty into sustained strategic value?** Addressing this question requires shifting the analytical focus away from isolated managerial decisions or entrepreneurial behaviour toward the organizational systems that shape how uncertainty is interpreted, evaluated, and acted upon over time.

Accordingly, this study conceptualizes **Constructive Risk-Taking (CRT)** as **a higher-order organizational capability through which organizations intentionally develop the behavioural, structural, and strategic conditions necessary to interpret uncertainty, pursue opportunities responsibly, institutionalize adaptive learning, and generate sustainable value while maintaining organizational resilience and ethical accountability.**

This definition reflects several important theoretical departures from existing conceptualizations of risk-taking. First, the primary unit of analysis shifts from individuals and entrepreneurial teams to the organization as a capability-building system. Rather than viewing risk-taking as a personal characteristic or strategic inclination, CRT explains how organizational structures, leadership processes, governance mechanisms, and learning systems collectively shape responses to uncertainty. Second, CRT emphasizes capability development rather than episodic behaviour. Productive responses to uncertainty are therefore understood as organizational competencies that evolve through repeated cycles of learning, experimentation, and adaptation rather than through isolated entrepreneurial initiatives. Third, the construct explicitly integrates strategic effectiveness with organizational responsibility, recognising that sustainable value creation depends upon disciplined judgement, ethical governance, and organizational resilience as much as upon innovation itself.

From this perspective, uncertainty is no longer viewed solely as a source of organizational vulnerability or competitive threat. Instead, it represents a strategic context that enables organizational learning, innovation, and capability development when supported by appropriate organizational conditions. Organizations exhibiting high levels of Constructive Risk-Taking neither avoid uncertainty nor pursue risk indiscriminately. Rather, they establish governance systems, leadership practices, learning mechanisms, and collaborative cultures that enable uncertainty to be evaluated systematically, experimentation to be conducted responsibly, and knowledge generated from experience to become embedded within organizational routines. Through this process, uncertainty becomes a catalyst for continuous organizational renewal rather than merely a source of strategic exposure.

Importantly, Constructive Risk-Taking occupies a distinct position within the broader management literature. Entrepreneurial orientation conceptualizes risk-taking as one dimension of a firm's strategic posture, whereas dynamic capability theory explains how organizations renew strategic resources in changing environments. Organizational learning focuses on knowledge generation and adaptation, while psychological safety explains the interpersonal conditions that encourage experimentation and learning. Constructive Risk-Taking complements each of these perspectives without duplicating them. Its

distinctive contribution lies in explaining the organizational capability that integrates these complementary mechanisms into a coherent process through which uncertainty is transformed into responsible innovation and sustained value creation.

By conceptualizing productive responses to uncertainty as an organizational capability rather than a behavioural orientation or strategic posture, the present study extends existing theory in two important ways. First, it provides a unified explanation of how diverse organizational mechanisms collectively influence adaptive performance. Second, it establishes a conceptual foundation that can be operationalized, empirically examined, and refined across different organizational and institutional contexts. The following section therefore translates this theoretical construct into the **CREATE Organizational Capability Model**, which specifies the interdependent organizational capabilities through which Constructive Risk-Taking is enacted in practice.

The CREATE Organizational Capability Model

To operationalize Constructive Risk-Taking as an organizational capability, this study proposes the **CREATE Organizational Capability Model**, an integrative framework explaining how organizations systematically transform environmental uncertainty into innovation, resilience, and sustainable value creation. Rather than conceptualizing risk-taking as a single behavioural attribute or isolated managerial decision, the model views Constructive Risk-Taking as a dynamic organizational capability that develops through a continuous cycle of opportunity recognition, disciplined evaluation, responsible experimentation, organizational learning, capability institutionalization, and long-term value creation. Each capability reinforces the others, creating a self-renewing organizational system that strengthens adaptive performance over time.

The CREATE model rests on an important theoretical assumption: organizations rarely become adaptive because they simply encourage greater risk-taking. Instead, adaptive organizations develop interconnected organizational processes that enable uncertainty to be interpreted systematically, strategic decisions to be made responsibly, learning to become institutionalized, and innovation to emerge through continuous capability development. From this perspective, Constructive Risk-Taking is best understood as an organizational capability cycle rather than a sequence of isolated managerial activities.

C - Cognitive Opportunity Recognition

The first capability involves the systematic recognition and interpretation of emerging opportunities within uncertain environments. Organizations continuously scan technological developments, market dynamics, stakeholder expectations, institutional change, and competitive signals to identify opportunities before they become widely recognized. Cognitive Opportunity Recognition therefore extends beyond environmental scanning by emphasizing collective organizational sense-making.

Through leadership, knowledge sharing, and strategic awareness, organizations develop the capability to convert ambiguity into informed strategic insight, thereby establishing the foundation for subsequent organizational action.

R - Responsible Risk Evaluation

Recognizing opportunities alone is insufficient without disciplined evaluation. Responsible Risk Evaluation represents the organization's capability to assess uncertainty through evidence-based judgement, governance mechanisms, ethical reasoning, and collective expertise. Rather than encouraging indiscriminate or excessive risk-taking, organizations evaluate alternative courses of action by balancing innovation potential with organizational responsibility, stakeholder interests, and long-term strategic objectives. This capability distinguishes Constructive Risk-Taking from conventional conceptions of organizational risk by positioning responsible judgement as a prerequisite for sustainable innovation.

E - Experimental Action

Constructive Risk-Taking becomes operational through purposeful experimentation. Experimental Action refers to the organizational capability to design, implement, evaluate, and refine new initiatives through structured experimentation, pilot projects, prototypes, and iterative problem-solving. Innovation is therefore approached as a disciplined learning process rather than a series of isolated entrepreneurial events. Organizations capable of sustained experimentation create conditions in which uncertainty is explored systematically while minimizing avoidable organizational failure through continuous evaluation and feedback.

A - Adaptive Learning

Experimentation generates value only when experience is transformed into organizational knowledge. Adaptive Learning represents the capability through which organizations interpret outcomes, integrate feedback, disseminate knowledge across organizational boundaries, and refine future strategic decisions. This capability extends beyond organizational memory by ensuring that both successful and unsuccessful experiences contribute to continuous capability development. Consequently, learning becomes institutionalized as an organizational resource that strengthens future responses to uncertainty.

T - Transformational Capability

Repeated cycles of recognition, evaluation, experimentation, and learning gradually reshape organizational routines, leadership practices, governance structures, and organizational culture. Transformational Capability therefore represents the institutionalization of Constructive Risk-Taking as a

durable organizational competence rather than a temporary behavioural response. Organizations no longer depend upon exceptional individuals to initiate innovation; instead, adaptive capability becomes embedded within organizational systems, enabling continuous strategic renewal across changing environmental conditions.

E - Enduring Value Creation

The final capability represents the cumulative outcome of the preceding organizational processes. Enduring Value Creation reflects the organization's ability to convert adaptive capability into sustained innovation, organizational resilience, stakeholder trust, competitive advantage, and long-term economic contribution. Importantly, value creation is not viewed as the immediate consequence of isolated risk-taking decisions but as the result of repeatedly strengthening organizational capabilities that enable responsible responses to uncertainty. Sustainable economic growth therefore emerges through organizations that continuously develop Constructive Risk-Taking as an enduring organizational capability.

Collectively, the CREATE Organizational Capability Model explains Constructive Risk-Taking as an iterative organizational capability system through which organizations continuously interpret environmental change, evaluate uncertainty responsibly, experiment systematically, institutionalize learning, strengthen adaptive capability, and generate enduring value. Unlike linear models of organizational change, CREATE emphasises reciprocal reinforcement among its six capabilities, suggesting that adaptive performance improves through repeated cycles of learning and strategic renewal. Table 1 **summarises the six interrelated capabilities of the CREATE Organizational Capability Model, together with their organizational focus, behavioural mechanisms, and strategic contributions.**

Table 1
The CREATE Organizational Capability Model

CREATE Dimension	Organizational Purpose	Core Organizational Process	Strategic Outcome
Cognitive Opportunity Recognition	Identify emerging opportunities	Environmental scanning & sense-making	Innovation readiness
Responsible Risk Evaluation	Evaluate uncertainty responsibly	Governance, evidence-based judgement	Responsible innovation
Experimental Action	Translate opportunities into action	Structured experimentation	Continuous improvement
Adaptive Learning	Institutionalize learning	Knowledge integration & feedback	Organizational resilience
Transformational Capability	Embed adaptive capability	Leadership, culture & HR systems	Sustainable capability
Enduring Value Creation	Generate long-term value	Strategic renewal	Sustainable economic growth

Although Table 1 describes the individual capabilities that comprise the CREATE framework, the model should not be interpreted as a sequence of independent managerial activities. Rather, the six capabilities operate as a continuous organizational capability cycle in which learning generated at each stage strengthens subsequent opportunity recognition, strategic judgement, experimentation, and organizational transformation. Figure 1 **illustrates the iterative nature of the CREATE Organizational Capability Model and the process through which organizations convert environmental uncertainty into innovation, resilience, and sustainable economic growth.**

The CREATE Organizational Capability Model provides the theoretical mechanism through which Constructive Risk-Taking is enacted within organizations. Rather than depicting a linear sequence of managerial activities, the model conceptualizes organizational adaptation as a continuous and mutually reinforcing capability cycle in which opportunity recognition, responsible judgement, experimentation, organizational learning, capability institutionalization, and value creation collectively strengthen an organization's capacity to respond constructively to uncertainty. As organizations repeatedly progress through these interconnected capabilities, adaptive responses become embedded within organizational routines, leadership practices, governance structures, and strategic decision-making processes. Consequently, Constructive Risk-Taking evolves from isolated organizational behaviour into an enduring organizational capability that supports innovation, resilience, and sustained competitive performance.

While the CREATE model explains the internal organizational processes underlying Constructive Risk-Taking, organizations operate within broader entrepreneurial ecosystems that both shape and are influenced by these capabilities. Understanding the strategic contribution of Constructive Risk-Taking therefore requires extending the analysis beyond internal organizational mechanisms to examine how

organizational capabilities interact with ecosystem conditions to generate innovation, organizational resilience, and sustainable economic growth. Building on this logic, the following section develops an integrated conceptual framework that positions Constructive Risk-Taking as the central organizational capability linking entrepreneurial ecosystems with sustainable organizational and economic outcomes and advances a set of theoretically grounded research propositions to guide future empirical investigation.

An Integrated Conceptual Framework and Research Propositions

The CREATE Organizational Capability Model explains the internal organizational mechanisms through which Constructive Risk-Taking develops and becomes institutionalized. However, organizations rarely operate in isolation. Their strategic decisions, innovation activities, and capability development are continually shaped by interactions with customers, suppliers, universities, investors, regulatory institutions, governments, industry networks, and other actors within entrepreneurial ecosystems. Consequently, understanding the full theoretical contribution of Constructive Risk-Taking requires extending the analysis beyond organizational boundaries to examine how internal capabilities interact with external ecosystem conditions to generate sustainable organizational and economic outcomes.

The integrated conceptual framework proposed in this study positions **Constructive Risk-Taking** as the central organizational capability linking entrepreneurial ecosystem conditions with organizational adaptability, innovation, resilience, and sustainable economic growth. Entrepreneurial ecosystems provide organizations with access to knowledge, financial resources, institutional support, collaborative networks, and technological opportunities that facilitate innovation and opportunity recognition (Acs et al., 2014; Stam, 2015; Stam & Van de Ven, 2021). Nevertheless, organizations operating within the same ecosystem frequently exhibit substantial differences in innovation performance and long-term competitiveness. This variation suggests that ecosystem quality alone cannot fully explain organizational success. Rather, sustainable competitive advantage depends upon the internal organizational capabilities that determine how external opportunities are interpreted, evaluated, and transformed into strategic action.

Within the proposed framework, Constructive Risk-Taking functions as the principal capability through which organizations convert ecosystem resources into organizational outcomes. Leadership, governance structures, organizational learning systems, strategic human resource management practices, and organizational culture collectively strengthen the organization's capacity to recognize emerging opportunities, evaluate uncertainty responsibly, engage in disciplined experimentation, institutionalize learning, and continuously renew organizational capabilities. These internally developed capabilities subsequently influence innovation performance, organizational resilience, strategic adaptability, and competitive advantage, ultimately contributing to broader entrepreneurial ecosystem development and sustainable economic growth. Figure 2 illustrates these interrelationships and presents the integrated conceptual framework proposed by the present study.

Building upon this integrated framework, the following research propositions specify theoretically grounded relationships that may guide future empirical validation of Constructive Risk-Taking across diverse organizational and institutional contexts.

Research Propositions

P1. Constructive Risk-Taking and Adaptive Opportunity Recognition

Organizations operating in dynamic environments continuously encounter uncertainty arising from technological change, institutional transformation, evolving stakeholder expectations, and competitive disruption. While entrepreneurial ecosystem research demonstrates that these environments generate diverse opportunities, organizations differ considerably in their ability to recognize and respond to them effectively. The CREATE Organizational Capability Model suggests that organizations possessing higher levels of Constructive Risk-Taking develop stronger capabilities for environmental scanning, collective sense-making, responsible judgement, and strategic interpretation. Rather than reacting to uncertainty defensively, these organizations systematically transform ambiguous environmental signals into informed strategic decisions. Consequently, Constructive Risk-Taking should enhance an organization's capacity to identify emerging opportunities while maintaining disciplined responses to uncertainty.

P1

Organizations exhibiting higher levels of Constructive Risk-Taking are more likely to demonstrate superior opportunity recognition and adaptive strategic decision-making under conditions of environmental uncertainty.

P2. Constructive Risk-Taking and Organizational Innovation

Innovation rarely results from isolated creative initiatives; instead, it emerges through repeated cycles of experimentation, evaluation, organizational learning, and capability development. The CREATE framework proposes that organizations institutionalize these processes by encouraging disciplined experimentation supported by governance, leadership, and learning systems. Unlike conventional risk-taking perspectives that emphasize willingness to assume uncertainty, Constructive Risk-Taking emphasizes responsible experimentation in which organizational learning becomes an integral component of innovation capability. As organizations repeatedly refine knowledge through experimentation and feedback, they strengthen their capacity to generate sustainable innovation while reducing avoidable strategic failure.

P2

Constructive Risk-Taking positively influences organizational innovation through responsible experimentation and continuous organizational learning.

P3. The Moderating Role of Strategic Human Resource Management

Organizational capabilities are strengthened through leadership, culture, talent development, and learning-oriented human resource practices. Strategic human resource management provides the organizational infrastructure through which adaptive behaviours become institutionalized rather than remaining dependent upon individual managers or entrepreneurial champions. Leadership development, knowledge sharing, employee empowerment, and learning-oriented organizational cultures are therefore expected to reinforce the effectiveness of Constructive Risk-Taking by facilitating experimentation, collaboration, and continuous capability renewal across organizational levels.

P3

Strategic human resource management practices positively moderate the relationship between Constructive Risk-Taking and organizational adaptability by strengthening organizational learning and capability development.

P4. The Moderating Role of Entrepreneurial Ecosystems

Entrepreneurial ecosystems influence organizational innovation by providing access to institutional support, collaborative networks, financial resources, knowledge exchange, and market opportunities. Nevertheless, organizations embedded within similar ecosystem conditions often experience markedly different innovation outcomes. The proposed framework argues that ecosystem resources generate value only when organizations possess the internal capability to interpret and utilize them effectively. Constructive Risk-Taking therefore functions as the organizational mechanism through which ecosystem opportunities are translated into strategic action, suggesting that favourable ecosystem conditions strengthen—but do not substitute for—internal organizational capability.

P4

Entrepreneurial ecosystem quality positively strengthens the relationship between Constructive Risk-Taking and organizational innovation by enhancing organizational access to knowledge, resources, and collaborative opportunities.

P5. Constructive Risk-Taking and Organizational Resilience

Resilient organizations are distinguished not by the absence of uncertainty but by their capacity to learn, adapt, and recover from disruption. The CREATE framework proposes that organizations continuously

develop resilience through repeated cycles of opportunity recognition, responsible evaluation, experimentation, adaptive learning, and capability renewal. As these processes become institutionalized, organizations become less dependent upon isolated managerial decisions and more capable of sustaining effective responses to future uncertainty. Constructive Risk-Taking therefore represents an enduring organizational capability that strengthens resilience through continuous adaptation rather than episodic crisis management.

P5

Organizations that institutionalize Constructive Risk-Taking are more likely to achieve higher organizational resilience and sustained strategic adaptability than organizations relying primarily on episodic risk-taking behaviours.

P6. Constructive Risk-Taking and Sustainable Economic Growth

The theoretical contribution of Constructive Risk-Taking extends beyond organizational performance to broader entrepreneurial ecosystem development and sustainable economic growth. Organizations that consistently transform uncertainty into innovation contribute to knowledge creation, employment generation, institutional learning, collaborative networks, and long-term economic resilience. Consequently, sustainable economic growth is conceptualized as a cumulative outcome emerging from organizations that repeatedly strengthen Constructive Risk-Taking as an organizational capability while simultaneously contributing to the development of entrepreneurial ecosystems.

P6

Constructive Risk-Taking positively contributes to sustainable economic growth through its cumulative effects on innovation capability, organizational resilience, and entrepreneurial ecosystem participation.

Collectively, these propositions translate the conceptual arguments advanced throughout the paper into empirically testable relationships. They provide an initial foundation for operationalizing Constructive Risk-Taking across diverse organizational contexts and establish a research agenda through which the proposed organizational capability theory may be refined, extended, and empirically validated. The following section discusses the theoretical contributions of the proposed framework to entrepreneurship, strategic management, organizational behaviour, strategic human resource management, and entrepreneurial ecosystem research.

Theoretical Contributions

The present study advances entrepreneurship and management scholarship by proposing **Constructive Risk-Taking (CRT)** as a higher-order organizational capability that explains how organizations systematically transform uncertainty into sustained innovation, organizational agility, resilience, and long-term value creation. While prior research has examined risk-taking from the perspectives of

entrepreneurial orientation, strategic management, organizational behaviour, organizational learning, and strategic human resource management, these perspectives have largely evolved as parallel streams of inquiry. The principal contribution of this study lies in integrating these complementary traditions into a coherent organizational capability framework that provides a more comprehensive explanation of adaptive organizational behaviour under conditions of uncertainty.

First, the study contributes to entrepreneurship research by reconceptualizing risk-taking beyond its traditional role as a behavioural disposition or dimension of entrepreneurial orientation. Existing literature has established the importance of entrepreneurial willingness to pursue uncertain opportunities; however, comparatively limited attention has been devoted to understanding how organizations systematically cultivate this capability through organizational structures, leadership processes, governance mechanisms, and learning systems (Covin & Slevin, 1989; Lumpkin & Dess, 1996; Covin & Wales, 2019). By positioning Constructive Risk-Taking as an organizational capability rather than an episodic behavioural characteristic, the present study extends entrepreneurial orientation research and provides a broader explanation of sustained opportunity recognition, evaluation, and exploitation.

Second, the study extends organizational capability and dynamic capability scholarship by introducing a behavioural mechanism through which strategic resource renewal becomes operationalized. Dynamic capability theory explains how organizations sense opportunities, seize strategic possibilities, and transform organizational resources in response to environmental change (Teece et al., 1997; Eisenhardt & Martin, 2000; Teece, 2007). More recent work further emphasizes that organizational agility emerges from capabilities that enable firms to respond effectively to risk and uncertainty in rapidly changing environments (Teece et al., 2016). Constructive Risk-Taking complements and extends this perspective by specifying how organizations cultivate the behavioural and organizational conditions that enable uncertainty to be interpreted responsibly, experimentation to be institutionalized, and adaptive learning to become embedded within organizational routines. In doing so, the proposed framework strengthens the behavioural microfoundations of capability development while remaining firmly grounded in established dynamic capability theory.

Third, the study contributes to organizational learning and strategic human resource management by integrating learning, leadership, governance, and organizational culture into a unified explanation of organizational adaptability. Rather than treating learning as an independent organizational outcome, the framework conceptualizes learning as an organizational capability through which firms continuously refine strategic judgement, strengthen decision quality, and enhance adaptive performance (Argyris & Schön, 1996; Crossan et al., 1999; Wright & McMahan, 1992). This integration highlights the strategic importance of organizational systems that support knowledge sharing, psychological safety, responsible experimentation, employee empowerment, and continuous capability renewal.

Fourth, the study advances entrepreneurial ecosystem research by explaining why organizations operating within similar ecosystem conditions frequently experience different innovation and growth outcomes. Existing ecosystem research has primarily emphasized the importance of institutional

environments, collaborative networks, financial systems, and policy support (Acs et al., 2014; Stam, 2015; Stam & Van de Ven, 2021). The present study argues that these external conditions constitute enabling contexts rather than sufficient explanations for organizational success. Constructive Risk-Taking functions as the organizational capability through which ecosystem resources are recognized, mobilized, and transformed into innovation, resilience, and sustainable value creation, thereby strengthening the theoretical connection between entrepreneurial ecosystems and internal capability development.

Finally, the study contributes methodologically by proposing the **CREATE Organizational Capability Model** and an integrated conceptual framework supported by six theoretically derived research propositions. Together, these contributions provide a coherent foundation for future construct operationalization, scale development, comparative organizational studies, and empirical validation across diverse industries, institutional environments, and entrepreneurial ecosystems. By repositioning uncertainty as a strategic context for organizational capability development rather than merely a source of organizational risk, the study offers an integrative perspective that connects entrepreneurship, dynamic capabilities, organizational learning, and ecosystem research, while providing a theoretically grounded explanation of how organizations develop sustained agility and competitive advantage under conditions of uncertainty.

Managerial and Policy Implications

The proposed Constructive Risk-Taking (CRT) framework offers important implications for organizational leaders, policymakers, and entrepreneurial ecosystem stakeholders seeking to strengthen innovation capability and sustainable economic growth. Rather than encouraging organizations to assume greater levels of risk, the framework emphasizes the development of organizational capabilities that enable uncertainty to be interpreted systematically, evaluated responsibly, and translated into informed strategic action. This capability-oriented perspective shifts managerial attention from individual risk-taking behaviours to the organizational systems that sustain innovation, resilience, and long-term adaptability.

For organizational leaders, the CREATE Organizational Capability Model provides a practical framework for embedding adaptive capability within everyday organizational processes. Leadership should therefore move beyond promoting innovation as an isolated strategic objective and instead cultivate organizational environments that support opportunity recognition, responsible decision-making, disciplined experimentation, continuous learning, and capability renewal. Such an approach encourages organizations to develop adaptive capacity through leadership practices, governance structures, knowledge-sharing mechanisms, and organizational cultures that normalize learning from both success and failure. Consequently, Constructive Risk-Taking becomes an enduring organizational capability rather than a temporary response to environmental disruption.

The framework also has important implications for strategic human resource management. Human resource systems play a central role in institutionalizing Constructive Risk-Taking through recruitment,

leadership development, performance management, learning opportunities, and employee empowerment. Organizations seeking sustainable innovation should therefore align human resource practices with long-term capability development by rewarding collaborative problem-solving, responsible experimentation, knowledge sharing, and continuous professional learning. Such practices strengthen organizational resilience while reducing reliance on individual entrepreneurial champions or isolated innovation initiatives.

From a policy perspective, the proposed framework suggests that investments in entrepreneurial ecosystems should extend beyond infrastructure, financial incentives, and institutional support. Although these external conditions remain essential for entrepreneurial development, their effectiveness ultimately depends upon the internal organizational capabilities that enable firms to utilize available opportunities. Policymakers should therefore complement ecosystem development initiatives with programmes that strengthen organizational learning, leadership capability, innovation management, workforce development, and collaborative knowledge exchange. Such an integrated approach may enhance the long-term effectiveness of entrepreneurship policies while supporting sustainable regional and national economic development.

The framework further highlights opportunities for universities, business incubators, accelerators, industry associations, and professional development organizations to foster Constructive Risk-Taking capabilities through executive education, interdisciplinary collaboration, organizational capability assessments, and evidence-informed leadership development programmes. By encouraging organizations to develop systematic approaches to uncertainty rather than promoting indiscriminate risk-taking, these initiatives may strengthen organizational resilience while contributing to more innovative and sustainable entrepreneurial ecosystems.

Finally, the CREATE Organizational Capability Model provides organizations with a diagnostic framework for evaluating their own adaptive capability. Rather than measuring organizational performance solely through financial outcomes or innovation outputs, managers may assess the maturity of each CREATE capability to identify strengths, capability gaps, and developmental priorities. This capability-based perspective supports continuous organizational improvement while providing a practical pathway for translating conceptual theory into organizational practice.

Future Research Agenda

The proposed Constructive Risk-Taking (CRT) framework establishes a foundation for a broad programme of future research across entrepreneurship, strategic management, organizational behaviour, strategic human resource management, and innovation studies. As a conceptual theory-building study, the present work is intended to stimulate empirical investigation rather than provide definitive explanations. Future research should therefore focus on validating, refining, and extending the proposed framework across diverse organizational and institutional contexts.

A primary research priority involves the **development and validation of a multidimensional Constructive Risk-Taking scale**. While the present study conceptualizes CRT as a higher-order organizational capability comprising six interrelated dimensions, future empirical research should operationalize these capabilities through rigorous scale development and psychometric validation. Such efforts would enable comparative studies across industries, organizational forms, and national contexts while strengthening the construct's theoretical precision and practical applicability.

A second avenue concerns the **empirical examination of the CREATE Organizational Capability Model**. Longitudinal and mixed-method research designs may investigate how organizations develop the six CREATE capabilities over time and whether these capabilities evolve sequentially or interact dynamically through reciprocal reinforcement. Such studies would provide valuable insights into the processes through which organizations institutionalize adaptive capability and transform uncertainty into sustained organizational performance.

Future studies should also examine the **boundary conditions** under which Constructive Risk-Taking is most effective. Organizational size, industry characteristics, technological intensity, leadership style, governance quality, organizational culture, digital transformation, and institutional environments may strengthen or constrain the development of Constructive Risk-Taking. Comparative research across public and private organizations, multinational corporations, family businesses, start-ups, social enterprises, and small and medium-sized enterprises would further clarify the contextual conditions influencing organizational capability development.

Another promising direction involves investigating the **multilevel relationships** proposed in the integrated conceptual framework. Future research may examine how leadership behaviours, strategic human resource management practices, organizational learning processes, and entrepreneurial ecosystem characteristics interact to influence Constructive Risk-Taking and subsequent organizational outcomes. Multilevel modelling, longitudinal analysis, and cross-national comparative studies would be particularly valuable for understanding these complex organizational relationships.

Finally, future scholarship should explore the **broader societal implications** of Constructive Risk-Taking. Beyond organizational performance, the framework may contribute to research on regional innovation systems, entrepreneurial ecosystem resilience, responsible innovation, sustainability transitions, public-sector innovation, and national economic development. Such investigations would extend the theoretical relevance of Constructive Risk-Taking beyond individual organizations and strengthen understanding of how organizational capabilities collectively contribute to sustainable economic growth and societal resilience.

Collectively, these research directions position Constructive Risk-Taking as an evolving theoretical programme rather than a static conceptual model. The proposed framework therefore provides both a foundation for empirical validation and a platform for continued theoretical refinement across multiple management disciplines. As organizations continue to navigate increasingly uncertain environments,

understanding how adaptive capabilities are developed, institutionalized, and sustained will remain an important priority for both researchers and practitioners.

Conclusion

The accelerating pace of technological change, institutional transformation, and global uncertainty has fundamentally altered the conditions under which organizations compete, innovate, and contribute to sustainable economic growth. In such environments, organizational success increasingly depends not merely on the willingness to assume risk but on the capability to respond to uncertainty in systematic, responsible, and adaptive ways. Although entrepreneurship, strategic management, organizational behaviour, organizational learning, and entrepreneurial ecosystem research have each provided valuable insights into organizational adaptation, these perspectives have largely evolved independently, leaving limited theoretical understanding of how organizations intentionally develop capabilities that transform uncertainty into sustained strategic value.

This study addressed that gap by advancing **Constructive Risk-Taking (CRT)** as a higher-order organizational capability that integrates behavioural, strategic, organizational, and ecosystem perspectives into a coherent theoretical framework. Rather than conceptualizing risk-taking as an individual disposition or a dimension of entrepreneurial orientation, the proposed perspective repositions it as an organizational capability that emerges through leadership, governance, organizational learning, strategic human resource management, and interactions with entrepreneurial ecosystems. In doing so, the study shifts attention from isolated managerial decisions to the organizational systems that enable uncertainty to become a source of innovation, resilience, and long-term value creation.

To operationalize this theoretical perspective, the study introduced the **CREATE Organizational Capability Model**, explaining how organizations systematically progress through six interdependent capabilities- Cognitive Opportunity Recognition, Responsible Risk Evaluation, Experimental Action, Adaptive Learning, Transformational Capability, and Enduring Value Creation. Together, these capabilities describe an iterative process through which organizations recognize opportunities, evaluate uncertainty responsibly, institutionalize learning, strengthen adaptive capability, and generate sustainable organizational outcomes. By positioning these capabilities within a unified organizational capability cycle, the CREATE model provides a theoretically grounded explanation of how organizations repeatedly transform environmental uncertainty into innovation and strategic renewal.

Beyond proposing a new conceptual framework, this study contributes to entrepreneurship and management scholarship by integrating previously fragmented theoretical traditions into a single explanatory perspective. The paper demonstrates that entrepreneurial ecosystems provide enabling conditions for innovation, while Constructive Risk-Taking explains the internal organizational capability through which these external opportunities are translated into adaptive organizational behaviour and sustainable economic performance. This integration contributes to entrepreneurship theory, dynamic capability research, organizational learning, strategic human resource management, and entrepreneurial

ecosystem scholarship by offering a more comprehensive understanding of organizational adaptation under conditions of uncertainty.

The conceptual nature of the present study necessarily imposes certain limitations. The proposed framework has not yet been subjected to empirical validation, and the relationships advanced through the integrated conceptual framework and research propositions require systematic investigation across diverse organizational, industrial, and institutional contexts. These limitations should be viewed not as weaknesses but as opportunities for future scholarship to operationalize, refine, and extend the Constructive Risk-Taking framework through longitudinal, comparative, and multilevel empirical research.

Ultimately, the central argument of this paper is that sustainable organizational success depends less on an organization's willingness to take risks than on its capability to transform uncertainty into disciplined learning, responsible experimentation, strategic adaptation, and enduring value creation. As organizations continue to navigate increasingly complex entrepreneurial ecosystems, developing such capabilities will become essential for sustaining innovation, organizational resilience, and long-term economic growth. It is hoped that the Constructive Risk-Taking framework and the CREATE Organizational Capability Model will stimulate continued theoretical development and empirical investigation, providing researchers, organizational leaders, and policymakers with a stronger foundation for understanding how organizations convert uncertainty into sustainable competitive and societal value.

Declarations

ETHICAL APPROVAL

This article does not contain any studies with human participants performed by any of the authors.

INFORMED CONSENT

This article does not contain any studies with human participants performed by any of the authors.

Data availability

Data sharing is not applicable to this research as no data were generated or analysed.

Author Contribution

S.S. conceptualized the study, performed the literature review, developed the theoretical framework, prepared the figures and tables, and wrote the original manuscript. M.M. supervised the research, contributed to the conceptual refinement of the framework, critically reviewed the manuscript for

important intellectual content, and guided the revisions. Both authors read, revised, and approved the final manuscript.

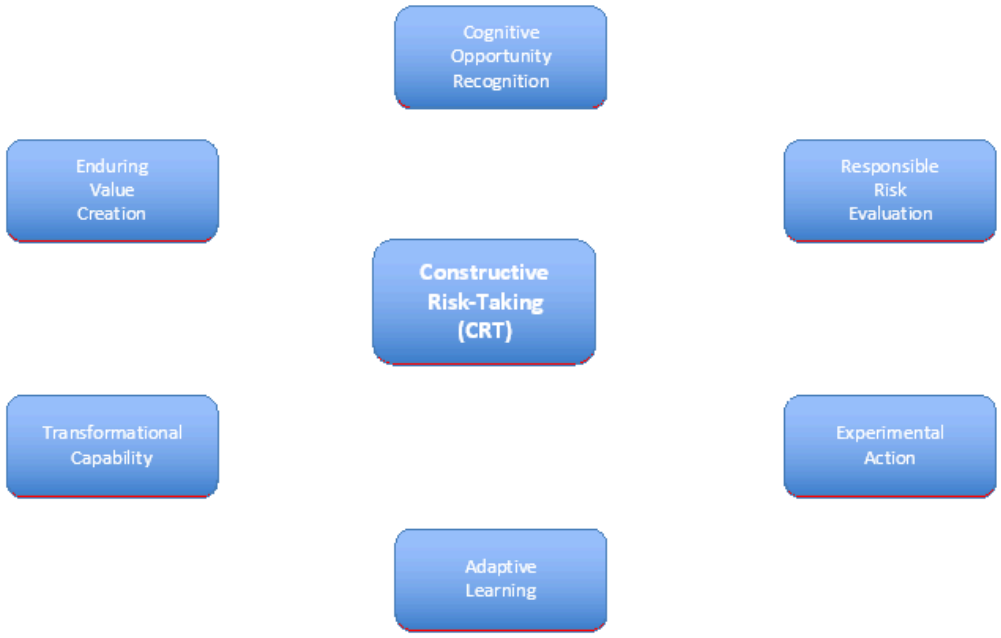
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Figures

Figure 1. The CREATE Organizational Capability Cycle



Conceptual note: Capabilities reinforce one another in a continuous organizational capability cycle.

Figure 1

The CREATE Organizational Capability Model: An Iterative Organizational Capability Cycle

Figure 2. Integrated Conceptual Framework



Figure 2

Integrated Conceptual Framework