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A Partnership Capability Matrix for Escaping the Coexistence Trap: A Mixed-Methods Study of Strategic Regret in Mission-Oriented Industrial Ecosystems

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ABSTRACT

Objective: Mission-oriented industrial organizations increasingly rely on external actors to secure technology, preserve strategic value chains, and fulfill public-purpose mandates. However, their partnership choices frequently remain governed by transactional routines that conflict with declared ecosystem ambitions. This study develops and validates a Partnership Capability Matrix to explain how economic and technological capabilities jointly shape interaction strategy, exposing the gap between analytically preferred action and realized organizational behavior.

Methods: An exploratory sequential mixed-methods design was employed, integrating inductive thematic analysis of interviews with senior managers, analytic hierarchy process weighting, and partial least squares structural equation modeling of survey evidence.

Results: The analysis identified four distinct interaction strategies—hunting, care, exploitation, and coexistence—located at specific combinations of economic and technological capability. Hunting held the highest analytical priority, while observed organizational behavior concentrated in coexistence, producing an inverted preference–practice pattern conceptualized as strategic regret. Care occupied an intermediate position, indicating a viable transition for organizations seeking deeper ecosystem involvement but lacking capacity or readiness for acquisition-led control.

Conclusion: Rather than treating partnership modes as isolated governance choices, the matrix connects capability conditions to strategic consequences and enables decision-makers to diagnose where execution departs from intention. Its application can support movement from passive contracting toward active ecosystem coordination, although the single-country setting, cross-sectional design, and modest quantitative base limit broader generalization.

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Introduction

A blacksmith in any pre-industrial bazaar understood, in the muscles of his arm, that the economic boundary of a forge is set by the price and proximity of fuel, not by the elegance of the hammer. Strategy, for him, was downstream of energy. The modern executive has largely forgotten this lesson, because for seven decades, the unit cost of computation and coordination fell along a curve steeper than any fuel curve in industrial history, and the falling price concealed the rising relational complexity behind a scrim called the market (McIntyre & Srinivasan, 2017; Teece, 2025). That scrim is now tearing in a domain where the stakes are unusually high: mission-oriented industrial organizations, state-linked or state-adjacent firms in defense, aerospace, energy, and advanced technology whose reason for existence is the realization of governmental mandates and the preservation of strategic value chains rather than profit maximization alone (Mazzucato, 2018; McLaren & Kattel, 2025). For these organizations the partnership decision is not a cost-calculus but a question of capability survival, and the central problem this paper investigates is how such organizations choose among radically different modes of ecosystem interaction, and why the choice they make in practice diverges so sharply from the choice that their own analytical reasoning prescribes (Roehrich et al., 2020; Daymond et al., 2023).

Social businesses, as a class of organizations, have crossed the boundary that once separated private firms from public agencies, combining economic function with the creation of durable social and governmental value. Within mission-oriented industrial settings this hybrid identity is not incidental but constitutive: the organization cannot optimize on cost efficiency alone because its existential purpose is the realization of governmental missions and the protection of value chains that the market, left to itself, would under-supply. In the Iranian context these organizations cluster in the defense, aerospace, petrochemical, and advanced-technology sectors, and they operate under political constraints, capital controls, and accountability regimes that private firms do not face. Their strategic posture has shifted from operating as independent islands to functioning as anchors in complex networks of value, innovation, and sustainability, so that success no longer resides in internal production but in the capacity to integrate an ecosystem of heterogeneous actors. Such ecosystems are framed as multi-sided structures in which technological complexity and the speed of paradigm shift have made firm boundaries analytically porous (Adner, 2021; McIntyre & Srinivasan, 2017), while orchestration competence rather than asset ownership is identified as the source of durable advantage within them (Daymond et al., 2023; Teece, 2025).

The literature, however, has studied this orchestration problem almost entirely in digital platforms and private-sector firms, leaving the behavioural dynamics of traditional mission-oriented industrial organizations remain largely unexamined, and this neglect is the research gap the present study addresses. Mission-oriented organizations cannot be understood through cost-efficiency logic alone because their decision calculus is shaped by public-purpose mandates that override private return optimization (Mazzucato, 2018), and the few studies that do attend to them treat partnership choice as a governance afterthought rather than as a strategic selection among structurally distinct interaction modes. The domestic literature on Iran's innovation and business

ecosystems reinforces this gap from the supply side: cooperation challenges between accelerators and digital startups constrain the maturation of the ecosystem (Eslamloo et al., 2025), while foresight of entrepreneurial opportunities remains limited when the institutional architecture is underdeveloped (Kalhor et al., 2019), both findings pointing to the same structural inertia this study investigates at the level of the mission-oriented industrial firm. Evidence from Iran further shows that, in a network economy, business competitiveness depends as much on the capacity to interact with the environment as on internal merits (Yari & Kousari, 2019), a relational logic that has yet to be operationalized for mission-oriented industrial firms; networking and strategic cooperation have likewise been identified as upstream drivers of digital-startup resilience in dynamic environments (Mohammadi et al., 2025), while a conceptual model proposed for data-driven smart-business ecosystems remains silent on the partnership-selection question placed at the centre of this study (Gessler et al., 2025). The consequence is a prescriptive vacuum: most alliance-portfolio models address the governance of relationships that have already formed and remain silent on the prior question of how an organization should choose among full acquisition, minority equity, corporate venture capital, or purely contractual supply in the first place (Roehrich et al., 2020; Shipilov & Gawer, 2020). The theoretical resources to answer that question exist separately, resource dependence theory (Pfeffer & Salancik, 1978), transaction cost economics (Williamson, 1985), the resource-based view (Barney, 2001), and the relational view (Ritala et al., 2014), but they have not been integrated into a single operational framework that converts the abstract tension between cooperation and competition into a measurable strategic choice.

This study proposes such a framework, the Partnership Capability Matrix, built on the argument that the intelligent choice of interaction pattern is a lawful function of the intersection of two fundamental internal dimensions: economic capability, spanning budgetary discipline to aggressive ownership investment, and technological capability, spanning maintenance of the status quo to the exploration of new technological frontiers. From their intersection emerge four strategic destinies, hunting (full acquisition to control technology and market), care (corporate venture capital and acceleration to grow external innovation), exploitation (equity or licensing for financial gain without knowledge transfer), and coexistence (purely contractual, supply-oriented relationships), a typology consistent with empirical patterns documented in adjacent settings (Crick, 2020; Ceccagnoli et al., 2018; Helfat & Raubitschek, 2018; Roehrich et al., 2020). The innovation of the study is the quantification and statistical exposure of a functional chasm, termed *strategic regret*, between what mission-oriented organizations calculate as their ideal interaction strategy and what they actually do in the field. Accordingly, the paper poses a single research question: what are the key components of readiness that enable mission-oriented industrial organizations to play a coordinating role in their business ecosystems, and how are these components prioritized within a Partnership Capability Matrix that also reveals the distance between strategic intent and strategic action? The aim is to formulate and empirically validate that matrix as a diagnostic-prescriptive instrument, and the contribution is threefold: (1) a two-dimensional empirical typology that integrates previously separate strategic theories into a contingent-outcome explanation of the alliance decision; (2) a methodological instrument that measures the gap between stated analytical

preference and revealed behaviour; and (3) an actionable route out of the passive coexistence trap for a class of organization the ecosystem literature has so far neglected.

Capability, in this setting, is not a stock of resources waiting to be deployed; it is the organizational grammar through which dependence, appropriability, and collective value creation are translated into a mode of action. Transaction cost economics predicts stronger control when uncertainty and exposure to opportunism rise, yet it says less about whether the focal organization possesses the financial and technological means to exercise that control. The resource-based view explains the strategic value of scarce assets but does not, by itself, determine whether those assets should be internalized, cultivated through an external venture, monetized through an equity position, or accessed contractually. Resource dependence theory shifts attention to power and external constraint, while the relational view locates advantage in joint routines that no participant can produce alone. The Partnership Capability Matrix treats these perspectives as conditionally complementary rather than mutually exclusive: economic capability determines the feasible intensity of commitment, technological capability determines the organization's capacity to evaluate and absorb technological uncertainty, and their configuration changes the relative viability of the four interaction modes. Multi-level research similarly shows that orchestration depends on aligned action across individuals, organizations, and networks (Kolagar, 2024), while recent evidence distinguishes the ordinary capabilities that stabilize current exchange from the dynamic capabilities that reconfigure an ecosystem's future architecture (Münch et al., 2025). What remains under-specified is how a mission-oriented anchor selects the ownership and governance form through which those capabilities are exercised.

The deeper problem is therefore not simply a mismatch between an ideal strategy and an observed one. Mission-oriented organizations may possess a compelling public mandate without the navigation, coordination, learning, and reflexive capacities required to deliver it, a distinction recent work on mission implementation makes explicit (McLaren & Kattel, 2025). Under such conditions, analytical preference can move faster than organizational capability: decision-makers recognize the strategic attraction of ecosystem control or cultivation, while routines, incentives, and approval structures continue to reproduce arm's-length contracting. This paper defines that durable preference–practice inversion as strategic regret. The term does not describe managers' retrospective emotion; it identifies an organizational condition in which the strategy ranked as desirable by the decision system is systematically displaced by the strategy reproduced through existing execution structures. Framing the gap in this way moves the argument beyond a descriptive typology. It makes the distance between intention and action observable, connects that distance to specific capability configurations, and creates a basis for asking whether intermediate interaction modes can function as deliberate transition mechanisms rather than as compromised end states.

The empirical analysis identified four interaction strategies and revealed an inverted relationship between analytical preference and field behaviour: hunting was ranked as the ideal strategy, while coexistence contained the greatest concentration of observed organizations.

Results

The qualitative analysis produced a conceptual model in which the choice of interaction strategy is the outcome of the intersection of two driving forces, economic capability and technological capability, each running from a contractive/conservative pole to an expansionist/developmental pole; their intersection generates the four strategies of the Partnership Capability Matrix, and the model's structure is presented in Figure 1, with the governing logic, the state of the drivers, and the representative operational tactics summarized in Table 1. The interview evidence further surfaced eight factors that condition the choice among the matrix zones, access to financial resources, the strategic sensitivity of the technology, the level of trust in the partner, market risk, organizational culture, past experience, time pressure, and legal constraints, and five recurring blind spots that managers reported: cultural misalignment, underestimation of integration costs, hidden dependencies, human-capital drain, and an exclusive focus on short-term financial results.

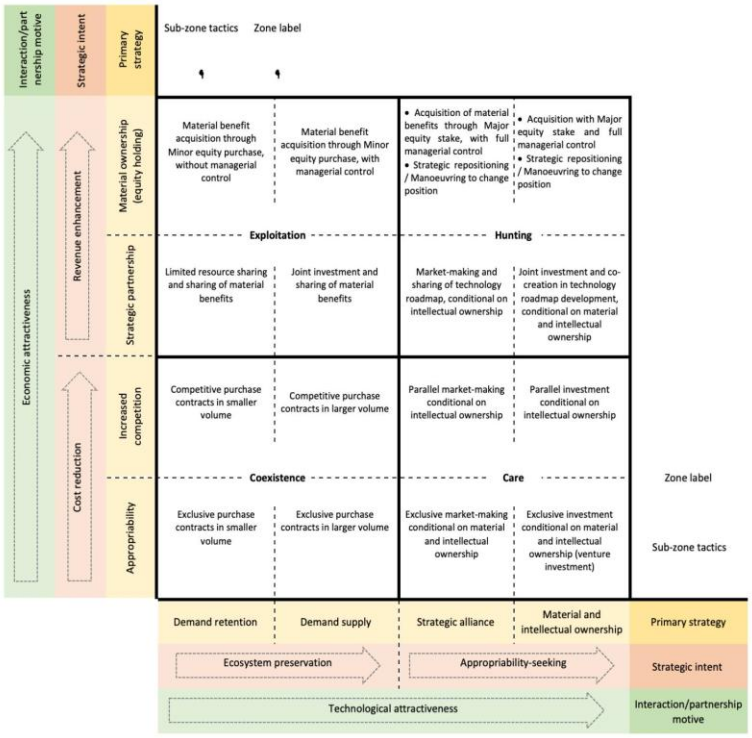

Figure 1. Conceptual model of the Partnership Capability Matrix: the intersection of two driving forces (interaction motive and strategic intent) and the four resulting interaction strategies

Table 1. Interaction strategies of the Partnership Capability Matrix, their governing logic, and representative operational tactics derived from the qualitative phase (n = 22 interviews)

Strategy	State of economic capability	State of technological capability	Governing logic	Representative operational tactics (with illustrative quotation)
Coexistence	Limited / contractive	Low / conservative	Meeting operational needs through cost efficiency, risk avoidance, and standard market sourcing	Supply contracts, outsourcing, short-term licensing, *"We formed a limited joint venture to meet current market needs." (E-3)*
Exploitation	High / expansionist	Low / conservative	Instrumental use of financial power to profit from market opportunities without engaging technical complexity	Minority or majority equity purchase with a financial orientation and exclusive contracts with heavy penalties, *"We signed a five-year contract with locked terms and a heavy penalty." (E-12)*
Care	Limited / contractive	High / developmental	Using the parent's technical knowledge to support and guide small innovative partners	Corporate venture capital, accelerators, joint innovation centres, *"We set up a venture fund to strengthen the ecosystem's startups." (E-10)*
Hunting	High / expansionist	High / developmental	Full control over resources and technology to eliminate dependency risk	Mergers, full acquisitions, majority-controlled joint ventures, exclusive patent purchases, *"We bought the rival company outright to capture the future market." (E-5)*

The qualitative and quantitative phases used separate, non-overlapping samples because they served different purposes. The qualitative sample of twenty-two interviewees was determined by

theoretical saturation and used to develop the constructs and questionnaire, whereas the quantitative sample of forty-nine respondents was determined by the PLS-SEM sample-size criterion and used to test the resulting model. Table 2 summarizes the quantitative sample. Demographic variables were used only to describe respondents and were not included as controls because the modest sample size and unequal group sizes would require multiple dummy variables, potentially reducing statistical power and producing unstable estimates. Possible demographic confounding is therefore acknowledged as a limitation. All frequency distributions total forty-nine, and totals of 99.9% or 100.1% reflect rounding.

Table 2. Demographic Characteristics of the Quantitative Sample (n = 49)

Variable	Category	Frequency	Percentage (%)
Gender	Male	31	63.3
	Female	18	36.7
Age	30–40	12	24.5
	41–50	19	38.8
	51–60	15	30.6
	Above 60	3	6.1
Organizational Position	Top Manager	11	22.4
	Middle Manager	23	46.9
	Senior Expert	15	30.6
Experience (years)	10–15	14	28.6
	16–20	21	42.9
	Above 20	14	28.6
Industry	Manufacturing	18	36.7
	Services	19	38.8
	Technology	12	24.5

The measurement model was evaluated prior to the structural paths, examining internal consistency reliability, convergent validity, and discriminant validity. As reported in Table 3, all six reflective constructs satisfied the acceptance thresholds: Cronbach's alpha and composite reliability exceeded 0.70 for every construct, and the average variance extracted exceeded 0.50, supporting convergent validity under established PLS-SEM assessment criteria (Hair et al., 2022). The finding that composite reliability is consistently higher than the alpha coefficient is the expected pattern in partial least squares estimation, where the composite reliability accommodates the differential weighting of indicators.

Table 3. Measurement-model assessment: reliability and convergent validity

Construct	Cronbach's α	Composite reliability (CR)	Average variance extracted (AVE)
Economic Capability	0.889	0.917	0.731
Technological Capability	0.874	0.906	0.708
Hunting	0.867	0.904	0.702
Coexistence	0.881	0.915	0.727
Care	0.848	0.891	0.674
Exploitation	0.892	0.923	0.751

Discriminant validity was assessed through the Heterotrait-Monotrait ratio of correlations, a criterion recommended as particularly sensitive for partial least squares structural equation modeling (Henseler et al., 2015). Table 4 reports the complete HTMT matrix for all fifteen construct pairs. Every value remained below the conservative threshold of 0.85, confirming that each latent construct measures a phenomenon empirically distinct from the others; the highest value, 0.763 between Coexistence and Exploitation, remains within the acceptance band, and the pattern in which same-type pairs (the two capabilities, the four strategies) register higher HTMT values than cross-type pairs is itself consistent with the theoretical structure of the model.

Table 4. Discriminant validity assessment via the Heterotrait-Monotrait (HTMT) ratio

Construct	Economic Capability	Technological Capability	Hunting	Coexistence	Care	Exploitation
Economic Capability	,	0.712	0.684	0.701	0.723	0.736
Technological Capability		,	0.657	0.689	0.674	0.691
Hunting			,	0.742	0.718	0.751
Coexistence				,	0.729	0.763
Care					,	0.747
Exploitation						,

The structural model was estimated with 5,000-iteration bootstrap resampling, and the path coefficients, effect sizes, bias-corrected confidence intervals, and significance tests are reported in Table 5; the corresponding structural-equation model is depicted in Figure 2. All eight hypothesized paths were statistically significant and in the theoretically predicted direction, with bootstrap t-statistics above the threshold and p-values below 0.05 throughout, confirming that the two capability dimensions explain between 32.8 and 40.5 percent of the variance in the respective strategy choices. The effect sizes (f^2) accompanying each path indicate that the predictors exert effects ranging from small to large under established effect-size conventions (Cohen, 1988): the H6 path (developmental technological capability → care, f^2=0.118) is the smallest, while the H7 path (contractive economic capability → exploitation, f^2=0.312) is the largest, and the bias-

corrected confidence intervals for every path exclude zero, reinforcing the robustness of the significance findings.

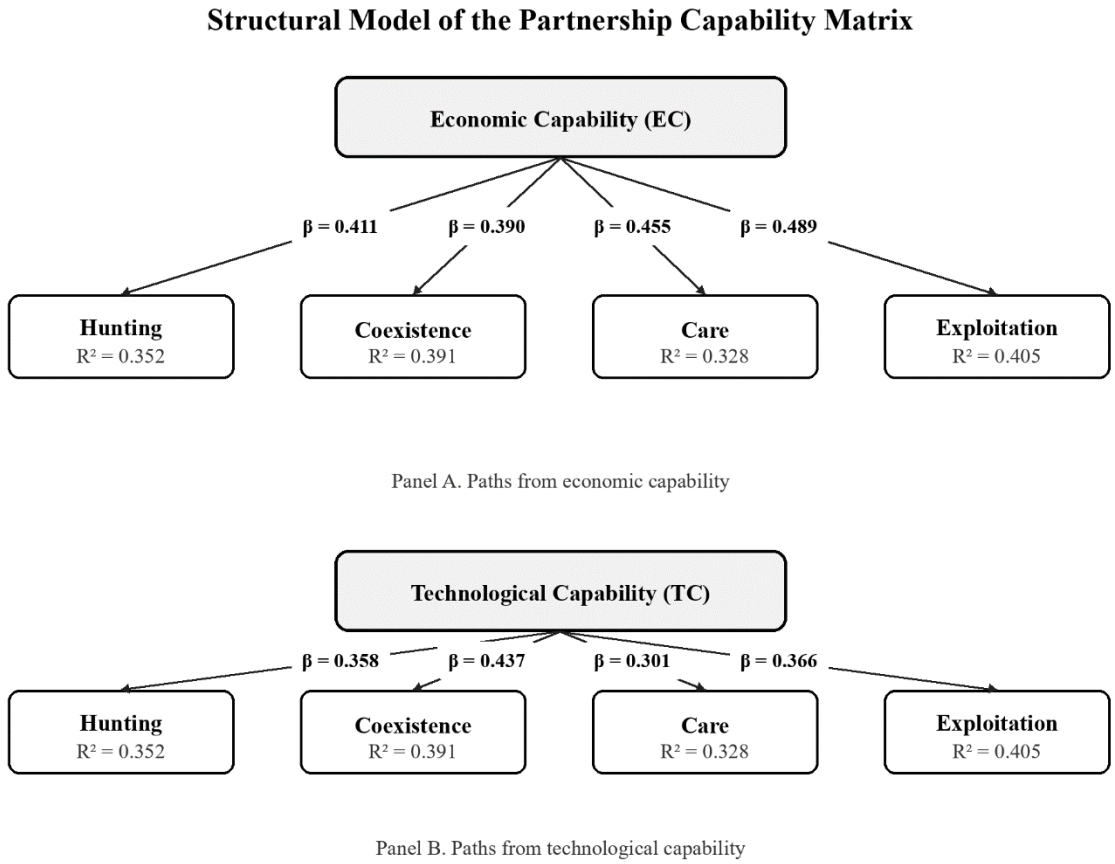

Figure 2. Structural equation model of the Partnership Capability Matrix: standardized path coefficients (β) from the capability constructs to the strategy constructs, with significance levels and R^2 values for each endogenous strategy.

Table 5. Structural-model results: path coefficients, effect sizes, and bootstrap confidence intervals

Hypothesis	Structural path	β	t-value	p-value	f^2 (magnitude)	95% bootstrap CI	R^2	Result
H1	Economic Capability → Hunting	0.411	3.256	0.002	0.214 (Medium)	[0.238, 0.567]	0.352	Supported
H2	Technological Capability → Hunting	0.358	2.836	0.007	0.167 (Medium)	[0.179, 0.504]		Supported
H3	Economic Capability → Coexistence	0.390	3.079	0.003	0.189 (Medium)	[0.198, 0.549]	0.391	Supported

Hypothesis	Structural path	β	t-value	p-value	f^2 (magnitude)	95% bootstrap CI	R^2	Result
H4	Technological Capability → Coexistence	0.437	3.450	0.001	0.231 (Medium)	[0.261, 0.584]		Supported
H5	Economic Capability → Care	0.455	3.553	0.001	0.267 (Medium)	[0.281, 0.601]	0.328	Supported
H6	Technological Capability → Care	0.301	2.351	0.023	0.118 (Small)	[0.109, 0.469]		Supported
H7	Economic Capability → Exploitation	0.489	3.945	0.000	0.312 (Large)	[0.305, 0.638]	0.405	Supported
H8	Technological Capability → Exploitation	0.366	2.953	0.005	0.174 (Medium)	[0.184, 0.519]		Supported

The analytic hierarchy process analysis, reported in Table 6, returned a mean inconsistency ratio of 0.084 across the individual judgment matrices, below the 0.10 ceiling and confirming the consistency of the experts' comparative judgments (Saaty, 2008). Economic capability received the larger main-criterion weight (0.54) over technological capability (0.46), and within that structure the aggressive-ownership-investment sub-criterion carried the highest global weight (0.173), driving the hunting strategy to the first rank with a final weight of 0.34 and positioning it as the analytically ideal destination; the care, exploitation, and coexistence strategies followed in descending order, establishing a normative hierarchy of strategic desirability against which field behaviour could be compared.

Table 6. Consolidated analytic hierarchy process results: criterion and sub-criterion weights, and final strategy ranking (mean inconsistency ratio = 0.084)

Main criterion (weight)	Sub-criterion	Local weight	Global weight	Strategy priority	Final weight (rank)
Economic capability (0.54)	Aggressive ownership investment	0.32	0.173	Hunting (ideal state)	0.34 (1)
	Financing capacity for projects	0.29	0.157	Care (transition to innovation)	0.27 (2)
	Liquidity discipline & cost control	0.23	0.124	Exploitation (middle level)	0.21 (3)
	Budget-allocation flexibility	0.16	0.086	Coexistence (minimum)	0.18 (4)

Main criterion (weight)	Sub-criterion	Local weight	Global weight	Strategy priority	Final weight (rank)
Technological capability (0.46)	Joint technology creation	0.34	0.156	Total	1.00
	Technology-alliance management	0.28	0.129		
	Technology-demand market development	0.21	0.097		
	Maintenance & support of existing technology	0.17	0.078		

The K-means cluster analysis corroborated the four-strategy typology by sorting the forty-nine organizations into four naturally emerging behavioural clusters aligned with the matrix quadrants, and the validity of the cluster solution was assessed through one-way ANOVA on both capability dimensions, which confirmed that the four clusters differ significantly at the one-percent level, indicating that the clusters are empirically distinct rather than artefacts of the analyst-imposed partition. Eleven organizations clustered as hunters (high economic and technical capability), thirteen as coexistence-bound (severe resource constraints), ten as care-oriented (developmental technical posture with contractive finances), and fifteen as exploiters (financial abundance paired with technical conservatism), a distribution that provides an independent, data-driven validation of the qualitative typology rather than relying on the analyst-imposed matrix alone.

The integrative comparison that gives this study its central finding is summarized in Table 7, which juxtaposes the analytic-hierarchy ideal ranking with the field-survey ranking. The contrast is clear: hunting ranked first in the analytic hierarchy but fourth in observed practice, whereas coexistence ranked fourth analytically but first in the field. This inversion is interpreted as an empirical indicator of strategic regret rather than as evidence of a strict causal relationship or managers' subjective regret. The analytical preference for hunting may partly reflect social-desirability bias or the symbolic appeal of ownership and control, while the prevalence of coexistence may result from genuine financial, technological, regulatory, or organizational constraints. Strategic regret therefore refers to the observed discrepancy between preferred and realized strategies, without assuming that preference directly causes behaviour or that managers could freely implement their preferred option.

Table 7. Comparison of the analytic-hierarchy ideal ranking and the field-survey ranking, exposing the strategic-regret gap

Matrix strategic zone	AHP rank (ideal state)	Final AHP weight	Survey rank (current state)	Field mean rank
Hunting	1	0.34	4	3.12
Care	2	0.27	3	2.63
Exploitation	3	0.21	2	2.06
Coexistence	4	0.18	1	1.59

Discussion

The interpretation of this gap, and its conversation with the prior literature, is where the findings earn their theoretical weight. The divergence between the analytically ideal and the behaviourally real is not random noise; it is the predictable product of forces the strategic-management literature has documented in adjacent settings but never integrated into a single measurable construct for mission-oriented organizations. The dominance of the conservative transaction cost logic, which operates as a default cognitive frame under uncertainty (Williamson, 1985; Cuypers et al., 2021), combines with the memory of past integration failures, with cultural misalignment between merging entities, and, most acutely in the Iranian mission-oriented context, with the pressure to demonstrate short-term financial returns in an unstable macroeconomic environment, to stall organizational execution capacity in the trap of routine transactional contracting. The same competition-cooperation paradox has been documented at the portfolio level (Hoffmann et al., 2018), together with the mechanisms through which firms tame the resulting discord (Asgari et al., 2018); the contribution of the present study is to show that, in mission-oriented industrial ecosystems, the paradox resolves asymmetrically, almost entirely toward the transactional pole, and to name and quantify that asymmetry as strategic regret. This finding diverges from the dominant ecosystem literature, which reports that digitally-native firms gravitate toward hunting and platform-orchestration behaviours (Helfat & Raubitschek, 2018; Daymond et al., 2023), and it suggests that the political-economic setting of the firm, not its technological sophistication alone, determines where on the matrix it comes to rest.

The emerging care strategy, which the survey establishes as the second-ranked performer, merits particular discussion because it reframes what a transition path looks like. Yet the comparatively weak technological path to care ($\beta = 0.301$; $f2 = 0.118$) suggests that it may sometimes reflect ad hoc experimentation. Nascent ecosystems require firms to learn to cooperate and compete simultaneously (Hannah & Eisenhardt, 2018), while corporate venture capital can operate as a real option that buys learning before commitment (Ceccagnoli et al., 2018). The findings here extend that logic: for organizations that do not yet possess the full executive capacity for active hunting, the care strategy operates as a bridge or rehearsal stage, provided that clear learning routines and exit criteria govern experimentation, allowing them to create ecosystem options and test technological risks through supporting and guiding small innovative actors, thereby smoothing the path from passive coexistence toward active ecosystem architecture. This diverges from documented cautions about the dark side of coopetition (Crick, 2020), because the care strategy

limits downside exposure through small-ticket venture investments rather than full knowledge-sharing commitments, and it positions care not as a second-best outcome but as the operationally rational transition route out of the coexistence trap, the most actionable implication the matrix offers practitioners.

The theoretical contribution operates at three levels. At the conceptual level, by presenting a comprehensive two-dimensional empirical typology, the study integrates the resource-based view, transaction cost theory, and the relational view into a contingent-outcome explanation of the alliance decision, converting the abstract notion of the alliance paradox into a measurable gap that can be located and sized. At the methodological level, the novel combination of the analytic hierarchy process with direct survey ranking provides an instrument that exposes the cognitive-behavioural gap of decision-makers, demonstrating that ideal judgments in the decision space do not necessarily align with actual behaviour in the operational environment, a methodological move transferable to other domains where stated and revealed preferences diverge. At the practical level, the matrix functions as a diagnostic-prescriptive toolkit for positioning the interaction portfolio, warning against the passive coexistence trap that distances the organization from transformative open innovation and presenting the care strategy as an operational roadmap for exiting the level of simple contracting. These contributions diverge from prior ecosystem work, which has concentrated on digital platforms and private-sector firms, by showing that the logic operates, and breaks down in a characteristic way, in the politically constrained, mission-driven setting of industrial organizations, where a distinct decision calculus exceeds what cost-efficiency frames can capture (Mazzucato, 2018).

Strategic regret sharpens the familiar intention–behaviour gap by specifying its level, direction, and organizational carrier. It is not a post hoc expression of dissatisfaction, nor is it equivalent to an unsuccessful alliance. An organization may execute a coexistence strategy competently and still exhibit strategic regret if its own evaluative system consistently ranks a more developmental mode as preferable but its routines prevent movement toward that mode. Conversely, a failed acquisition does not necessarily indicate strategic regret if hunting was coherent with the organization's capability configuration and the failure arose from deal-specific contingencies. The construct therefore concerns systematic displacement rather than isolated performance. Its theoretical value lies in separating three elements that alliance research often collapses: strategic evaluation, execution capacity, and realized interaction form. Once separated, the coexistence trap becomes intelligible as a stable organizational equilibrium. Short-term contracting conserves managerial attention, avoids visible integration costs, and satisfies immediate accountability demands; those benefits reproduce the very routines that prevent the organization from building the absorptive, relational, and governance capabilities needed for a different strategy. Strategic regret can thus persist even when every individual contract appears locally rational.

Mission orientation intensifies this mechanism because public purpose introduces an additional criterion of value without automatically supplying the capabilities needed to pursue it. Recent research distinguishes the ambition of mission policy from the navigation, coordination, learning, and reflexive capacities required for implementation (McLaren & Kattel, 2025). The present

findings translate that policy-level tension into an organizational alliance problem. A mission-oriented firm can be directed toward technological sovereignty, ecosystem resilience, or national value-chain preservation while still being evaluated through annual budgets, procurement compliance, and immediately demonstrable returns. The resulting governance system sends incompatible signals: strategic discourse rewards long-horizon ecosystem building, while operating controls reward low-commitment transactions. In politically constrained industrial settings, this contradiction is reinforced by capital scarcity, restrictions on technology access, and the reputational cost of visible acquisition failure. The matrix therefore does not treat the Iranian setting as contextual background alone. It identifies that setting as a theoretically relevant boundary condition that increases the probability that analytical ambition will coexist with behavioural conservatism.

The distinction between ordinary and dynamic orchestration capabilities further explains why financial or technological strength alone cannot dissolve the trap. Ordinary capabilities keep supply, contracting, compliance, and current partner interfaces functioning; dynamic capabilities sense changes in the ecosystem, seize emerging configurations, and reconfigure roles, assets, and standards over time (Teece, 2025). Recent supply-ecosystem research shows that orchestrators require both types rather than a generic ability to coordinate (Münch et al., 2025), and multi-level evidence demonstrates that orchestration must connect individual practices, organizational structures, and ecosystem relationships (Kolagar, 2024). Read through this distinction, the matrix's economic and technological dimensions are enabling conditions, not complete explanations. Resources can make a strategy feasible, but the conversion of feasibility into action depends on governance routines that authorize experimentation, distribute decision rights, retain learning, and revise the interaction portfolio. This qualification deepens the model: strategic regret is most likely when enabling capabilities are present enough to make an ambitious strategy analytically attractive but reconfiguration capabilities remain too weak to make that strategy executable.

Care becomes theoretically important under precisely this partial capability condition. Its value does not arise because corporate venture activity is intrinsically superior to contracting or acquisition, but because it changes the sequence of commitment. A care strategy creates a bounded arena in which the focal organization can learn about a technology, a partner, and its own governance weaknesses before undertaking irreversible integration. That sequencing logic is consistent with the real-options interpretation of corporate venture capital advanced in the corporate-venture literature (Ceccagnoli et al., 2018), but the matrix adds an ecosystem consequence: the option is exercised not only over an asset but over a future relationship architecture. Small investments, accelerator arrangements, and jointly governed innovation projects can generate information about technical complementarity, cultural compatibility, and decision speed while preserving the ability to stop, redesign, or scale the relationship. Care is therefore neither a diluted version of hunting nor a charitable support function. It is a capability-building governance form whose strategic merit depends on whether learning is captured and converted into subsequent portfolio decisions. Without explicit learning routines and escalation criteria, care can itself become another stable holding pattern.

Alternative explanations provide useful limits on the causal interpretation of the results. The observed inversion might partly reflect unmeasured heterogeneity in regulatory exposure, organizational age, sectoral capital intensity, or the strategic sensitivity of specific technologies. Managers may also rank hunting highly because ownership carries symbolic status, while reporting coexistence accurately because procurement relationships are easier to observe; that combination would widen the measured gap without an equivalent difference in underlying preference. Common-source reporting can further strengthen associations among perceived capabilities and strategic orientations (Podsakoff et al., 2003), and a cross-sectional design cannot establish whether organizations move through the matrix in the sequence the framework implies. The convergence of qualitative coding, AHP priorities, structural relationships, and cluster patterns reduces dependence on any one analytical lens, but it does not eliminate these threats. Strategic regret should therefore be treated as a validated diagnostic pattern in this sample rather than as a universal causal law. Stronger causal tests would require longitudinal portfolio records, event histories of movement between interaction modes, and independent indicators of capability and realized governance form.

The practical use of the matrix follows from this diagnostic restraint. Managers should not begin by selecting a preferred quadrant and instructing the organization to move there. They should first separate stated preference from revealed portfolio behaviour, then identify whether the binding constraint is financial commitment capacity, technological evaluation capacity, or the reconfiguration routines that connect the two. A coexistence-heavy portfolio caused by genuine resource scarcity requires a different intervention from one produced by centralized approval, fear of integration failure, or incentives tied exclusively to annual savings. The next step is to assign an interaction mode to each relationship according to strategic sensitivity, learning value, reversibility, and dependency risk rather than applying a single governance template to the entire ecosystem. Movement toward care should be accompanied by explicit learning milestones, protected experimental budgets, cross-functional ownership, and pre-agreed criteria for scaling, redesigning, or terminating the relationship. Movement toward hunting requires a more demanding readiness test covering integration capacity, cultural compatibility, knowledge retention, and the cost of absorbing hidden dependencies. In this form, the matrix becomes a disciplined portfolio conversation rather than a quadrant-labeling exercise, and strategic regret becomes a signal for institutional redesign rather than a rhetorical criticism of managerial caution.

Conclusion

This study set out to explain how mission-oriented industrial organizations can steer through the alliance paradox, the tension between transaction cost control and the collaborative value creation on which ecosystem success depends, and it has answered that question by formulating and validating the Partnership Capability Matrix on the two dimensions of economic and technological capability. The validation obtained from the qualitative thematic analysis, the analytic hierarchy process, and the structural-equation modeling showed that the proposed conceptual model aligns with the decision reality of managers, but the statistical comparison of the

results revealed a significant and previously unmeasured contradiction between their analytical mentality and their operational reality: the hunting strategy, analytically ideal, is the least inhabited in the field, while the coexistence strategy, analytically least desirable, is where most organizations remain. This inversion, identified and named here as strategic regret, is the principal finding of the research, and it stems from the dominance of the conservative transaction cost logic, the accumulated memory of past integration failures, cultural misalignments, and especially the pressure for short-term financial returns in an unstable economic environment, all of which conspire to trap organizational execution capacity in routine transactional contracting. The emerging care strategy, established as the second-ranked performer, acts as a bridge through which organizations without full capacity for active hunting can still rehearse ecosystem architecture at smaller scale, and it is the most actionable route out of the trap.

The findings carry analytical implications beyond the studied sample, although their empirical generalizability remains bounded by the institutional context. In an era in which the ability to orchestrate an interaction portfolio decides organizational survival, closing the gap between analytical logic and executive reality requires moving beyond a purely transactional mindset and intelligently leveraging intermediate strategies such as care; the organizations that can traverse that transition will be the architects of their future ecosystems. The study is bounded, however, by limitations that must temper its conclusions, and naming them honestly is itself a contribution to a literature that has too often over-claimed from single-context designs. The quantitative sample of forty-nine satisfies the inverse-square-root minimum (Kock & Hadaya, 2018) for the five-percent significance level but falls short of the requirement for the stricter 1% level, so the more weakly supported paths should be read as suggestive rather than definitive pending replication with a larger sample; the contextual focus on Iranian mission-oriented organizations restricts generalizability to other political economies and ownership forms; the cross-sectional measurement captures a single moment in what is a longitudinal transition; and the reliance on managerial self-report invites the possibility of social-desirability bias. Future research should test whether the inverted ranking of hunting and coexistence persists in larger private-sector and non-Iranian samples, examine longitudinally whether learning routines and exit criteria enable care to move organizations between zones, and test whether the cultural misalignment identified qualitatively predicts alliance outcomes within each zone. Linking survey preferences to archival partnership decisions would distinguish strategic regret from social-desirability bias or constraint-driven coexistence. These avenues would deepen the analytical power of the proposed framework and clarify whether strategic regret is a recurring feature of mission-oriented ecosystems or a context-specific artefact of the Iranian industrial setting.

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CRediT authorship contribution statement

All authors contributed equally to the conceptualization of the article and writing of the original and subsequent drafts.

Declaration of Generative AI and AI-assisted technologies in the writing process

During the preparation of this manuscript, the authors used OpenAI ChatGPT (and related tools) solely to improve language clarity, grammar, and formatting to meet journal requirements. After using these tools, the authors thoroughly reviewed and edited all content and take full responsibility for the final version of the publication.

Conflict of interest

The authors declare no conflict of interest.

Ethical considerations

This study was conducted in accordance with ethical standards. Informed consent was obtained from all participants prior to interviews and surveys. Participation was entirely voluntary, and all data were handled with strict confidentiality. The principles of research integrity, including avoidance of fabrication, falsification, and plagiarism, were strictly observed throughout the research process. As the study involved professional managers providing organizational-level insights and no vulnerable populations or sensitive personal data, formal ethics committee approval was not required under institutional guidelines.

Data availability statement

The data that support the findings of this study are available from the corresponding author upon reasonable request. Due to the sensitive nature of the interviews and organizational information, the full dataset is not publicly available but can be shared in anonymized form subject to confidentiality agreements.

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