

Embeddedness as a facilitator of sustainable entrepreneurship

Frédéric Dufays

ULg – HEC Management School

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Research question

- Embeddedness of entrepreneurship
- Sustainable entrepreneurship
- Call for shifting from *What* to *How* (Shepherd & Patzelt, 2012)

How does embeddedness of entrepreneurship facilitates sustainability?

Literature review

Embeddedness

- Sources and mechanisms of embeddedness
Entrepreneurship needs to be understood in relationship with the environment and the actors evolving in this environment, including norms and values
 - Organizational outcomes
Organizational survival, access to resources, innovation,...
- Definition of what is sustainable

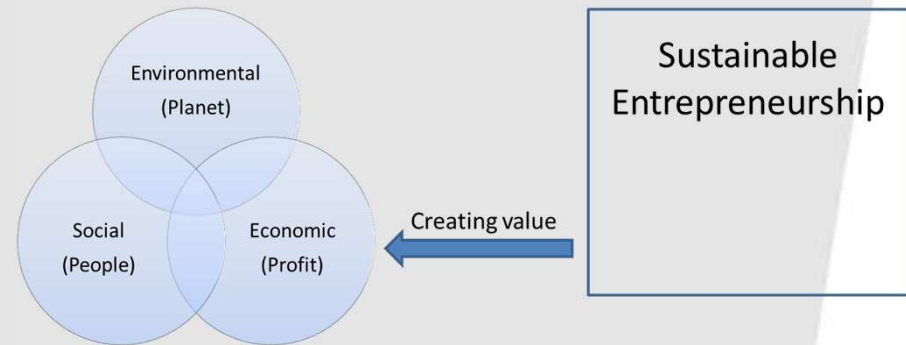
Literature review

Stakeholder theory

- Organizations conceived of as a set of relationships among groups that have a stake in the organization's activities
- Influence of stakeholders depending on behavioural motives and network structure
 - Environment as a stakeholder
 - Power of future stakeholders
 - Active role of stakeholders in sustainable entrepreneurship (2-way relationship)

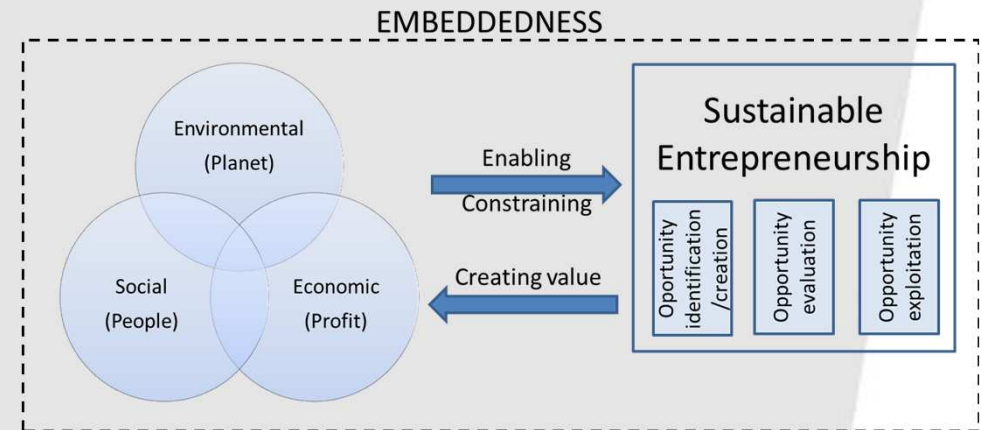
Embeddedness of sustainable entrepreneurship process

Sustainable entrepreneurship described in terms value creation with regard to a triple bottom line – i.e. profit, people, and planet (Dixon & Clifford, 2007)



Embeddedness of sustainable entrepreneurship process

- Opportunity discovery/creation
- Opportunity evaluation
- Opportunity exploitation

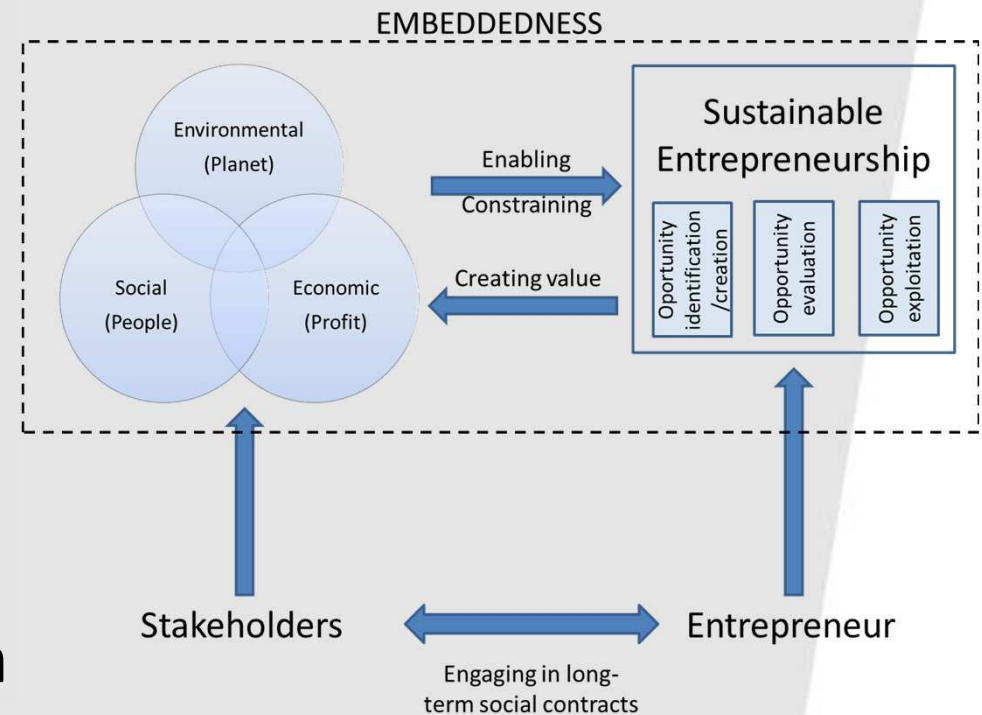


Proposition 1a: Sustainable entrepreneurship is embedded in a network of stakeholders representing the broader economic, social, and environmental context.

Proposition 1b: Sustainable entrepreneurship embeddedness both enables and constrains opportunity creation and/or identification, evaluation, and exploitation.

Embeddedness as a facilitator of sustainability

- Voluntary exchange of information and value with the whole set of stakeholders voluntary (Bridoux and Stoelhorst 2014) → social contract
- Consideration for future → Long-term orientation



Propositions 2: In order to meet their commitment for sustainability, sustainable entrepreneurs engage in long-term social contracts with both current and future stakeholders to acquire

- a) information about what they ought to do ...*
- b) legitimacy and resources that are necessary ...*

to act sustainably.

Discussion

- Limitations
 - What if conflicting demands?
 - Compromising
 - Strategy depending on stakeholders (self-regarding vs. engaged in reciprocal behaviour)
 - Deductive model, failing to reflect the many shades of practice

Discussion

- Contributions
 - Sustainable entrepreneurship
 - Embeddedness – Importance of context
 - Shifting from *What* to *How*
 - Embeddedness
 - Outcomes of embeddedness
- Future research
 - Embeddedness vs. individual values
 - Stakeholder management in sustainable vs. conventional entrepreneurship

