Embedded entrepreneurship in the creative re-construction of place

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A B S T R A C T

This paper focuses on ways in which entrepreneurs engage with place and community. Drawing on the ideas of embeddedness and transferring value across spheres, we develop insight about how the relationship between entrepreneurs and communities influences entrepreneurial practices and outcomes. Employing an ethnographic perspective including participant observation, we explored the situated practices of entrepreneurs in two depleted communities in the Northwest of Ireland. We found that entrepreneurs not only drew on the community in running their business, but were also involved in a wide range of "other" activities that engaged, involved and worked with the community. This entrepreneurship produced a range of projects that addressed social and economic issues (unemployment, employability and emigration) and the depleted sense of place which was adversely affecting these communities. We show how social bonds and an affinity to community enable entrepreneurship to create, renew and reify a positive identity of place by combining understanding with entrepreneurial purpose.

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1. Executive Summary

Context is now recognised as a critical factor in explaining the situatedness of entrepreneurial processes. According to this view entrepreneurs are embedded in networks, places and communities which socially frame resources and opportunities. While much research views entrepreneurial embeddedness as a "one-way relationship" with context and community as given, calls have been made for more understanding about the actual relationship and dynamics between entrepreneurs and the communities in which they operate. Responding to this call, this paper focuses on ways in which entrepreneurs engage with place and community.

To investigate this dynamic view of entrepreneurship, we look at two depleted communities straddling the Counties of Derry and Donegal in Northwest Ireland. An ethnographic, qualitative approach is used employing participant observation and the phenomenological interviewing technique with purposefully selected respondents. Participant observation and field work were conducted by one member of the research team who was familiar with the area. Two theoretical lenses are used to make sense of the data; Granovetter's (1985) embeddedness and Barth's (1969) transfer of value across spheres. Drawing on both perspectives offers a mechanism for understanding the relationship between individuals and communities and how this engagement shaped entrepreneurial practices and outcomes.

The main contribution of this paper is to synthesise and apply existing conceptual insights to provide a more local and contextually sensitive view of entrepreneurship as a socio-economic process. This paper pushes the embeddedness perspective forward by

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demonstrating how important social resources can be, and how through social bonds, entrepreneurship recreates, renews and reifies the identity of place. This extends Barth's interpretation by demonstrating how entrepreneurs can bring about social change by being engaged and working with the community in which they are embedded. For practice, this research shows the value embeddedness can bring to entrepreneurs and communities. While entrepreneurs have to recognise the benefits of engaging with the community and what this can bring about, communities also need to appreciate that entrepreneurship can bring about change. This change can be both social and economic. When a social focus is combined with economic outcomes, gains follow and the very fabric of a community can be changed.

2. Introduction

This study seeks to understand how entrepreneurial processes are enacted in context. It looks beyond entrepreneurship with context as background (Zahra, 2007), to envisage entrepreneurship as the engagement with place and community. Two theoretical lenses are used to study the engagement of entrepreneurs with place; Granovetter's (1985) embeddedness and Barth's (1969) transfer of values across spheres. We argue that entrepreneurship arises in places (Steyaert and Katz, 2004), is socially situated (Cope, 2005; Fligstein, 2001) and extends beyond the economic domain (Gartner et al., 2006; Watson, 2013); but entrepreneurship involves some novel recombining of resources (Alvarez and Busenitz, 2001). Conceptually, embeddedness infers how context socially frames resources and opportunities, and draws focus on the micro-social role and skills of entrepreneurs in the communities in which they operate (Fligstein, 2001, p.106; Marti et al., 2013). Entrepreneurial embeddedness, the connections to place and community, becomes a situated condition from which new entrepreneurial combinations arise. Seen in this light, context is the milieu (Julien, 2007) for enterprise and can become a resource in itself.

To investigate this dynamic view of entrepreneurship, we look at two communities straddling the Counties of Derry and Donegal in Northwest Ireland, ‘Insigrianan’ and ‘Blighsland’. These communities were tired from their past troubles, passed over in post-industrial modernity, had exhausted their resources and seemed to have lost their identity and purpose, but had acquired dependency. They can be described as depleted communities (Gaddefors and Cronsell, 2009; Johnstone and Lionais, 2004). While some places experience economic growth, depleted places experience a spiral of economic decline and a host of associated social problems.

We chose this context to gain insight of what Schumpeter conceived as the Socialokonomik (Swedberg, 1991), which is the dynamic of the social and economic. Schumpeter (1934a, 1934b; p.3) followed Max Weber's approach to economics as a subset of social life, “The social process is really one indivisible whole. Out of its great stream the classifying hand of the investigator artificially extracts economic facts”. Swedberg (1995) describes this as the interaction between economic and social elements and shows how Schumpeter applied this in the final chapter of Theorie, where he re-embeds the economic “facts” in the original “social process”. Accordingly, we see the social embeddedness of enterprise in place as a useful and novel way to explore entrepreneurially wrought change.

Our research questions are — what is the nature of entrepreneurial engagement with place and community? And, how can we explain it? These open questions allow us to use a qualitative method with ethnographic techniques to generate a grounded understanding to help theorise relationships between entrepreneurship and place.

The main contribution of this paper is to synthesise and apply existing conceptual insights from the literature to provide a more local and contextually sensitive view of entrepreneurship as a socio-economic process. This paper pushes the embeddedness perspective forward by demonstrating how important social resources can be, and how through social bonds, entrepreneurship recreates, renews and reifies the identity of place. Welter (2011; p.175) noted how much research assumes a “one-way relationship” between entrepreneurship and context, where entrepreneurs have to take context as given. We challenge this view and respond to Zahra’s (2007) call for more understanding about the relationship and dynamics between context and entrepreneurship. Our account of entrepreneurship as situated enactment extends existing concepts of embeddedness by showing how entrepreneurial anchoring in place may involve more than a configurating process. We demonstrate how place and a sense of place, as a resource, can become a fundamental part of the entrepreneurial process, enabling and constraining possibilities for both entrepreneurs and communities.

Sarason et al. (2006) call for more reflective accounting of the role and process of structure and entrepreneurial agency. We present structure as the depleted community to examine the role of the entrepreneur (and entrepreneurship) as agent. Our analysis expounds the structuration process whereby entrepreneurial agency, as embedded in the community, modifies that community. Johannisson and Nilsson (1989) and Lyons et al. (2012) recognise that the role of community in entrepreneurship is critical, but not well studied. We show how entrepreneurship through the community has the ability to recreate, renew and reify a purposeful identity for places and their future. Finally, we add to the literature on resources by drawing attention to how resources can be renewed and invigorated (Barney, 1991). We show how a Schumpeterian recombination of social resources can be conceived as an entrepreneurial process. This is achieved through a socialised explanation of entrepreneurship where social resources can be understood in similar ways to material resources (Steyaert and Hjorth, 2006). This frees up entrepreneurship accounts from an econometric ghetto to provide a human (Polanyi, 1957) and spatial dimension (Steyaert and Katz, 2004).

In the remainder of this paper, we first present an overview of the literature, drawn on to provide theoretical understanding. This is followed by a detailed account of our method and the ethnographic qualitative approach we used. Thereafter, the findings from our study are presented. We then present our analysis of these findings. Finally, our conclusions are presented along with suggestions for future research.
3. Literature review: finding the questions

3.1. Embeddedness and entrepreneurship

While entrepreneurship is traditionally related to economic conceptions of profit-oriented growth, development and transformation (Baumol, 1996; Davidsson et al., 2006), a growing body of work views entrepreneurship as a socialised process (Drakopolou Dodd and Anderson, 2007; Hindle, 2010). As Downing (2005; p.196) states, “entrepreneurship, like the rest of social life, is a collaborative social achievement”.

This relationship between entrepreneurial self and society is explained in the concept of embeddedness (Granovetter, 1985; Jack and Anderson, 2002; Uzzi, 1997). Embeddedness explains how context and community influence perceived possibilities in particular situations (McKeever et al., 2014; Welter, 2011). Embeddedness may enable or constrain entrepreneurial activity (Johnstone and Lionais, 2004). Yet it can also help create local opportunities, often aligned with the needs and capabilities of particular communities (Korschning and Allen, 2004; Peredo and Chrisman, 2006). This notion of embeddedness is grounded in Polanyi’s (1957) challenge to the assumptions of classical economics, that there is a socially disembedded sphere of economic relations. Embeddedness describes how change is not driven by purely economically rational individuals with stable preference functions, but instead recognises different and changing social norms and values. It captures the idea that economic actors re-entangle economic relations in a nexus of social relations, as Adam Smith (1937) suggested. It also emphasises the interwoven interdependencies of the economic and social spheres and the crucial interplay between social, economic and local institutional contexts (Fligstein, 2001; Kloosterman et al., 1999).

As metaphor and method, embeddedness enables understanding of how membership of social groups influences and shapes actions (Portes and Sensenbrenner, 1993). Embeddedness represents the nature, depth and extent of an individual’s ties into the environment and is typically perceived as a configurating element of business process (Dacin et al., 1999; Uzzi, 1997; Whittington, 1992). It is also the mechanism whereby the entrepreneur becomes part of the social context through systems of social relations, networks, bonds and local ties (Aldrich and Zimmer, 1986; Granovetter, 1985; Hite, 2003; Kalantaridis and Bika, 2006; Larson and Starr, 1993; Murdoch et al., 2000; Oinas, 1999). It is within and through these persistent social structures that entrepreneurs can create and extract value from their environments (Hansen, 1995). Embeddedness, and its related artefact of social capital, shows entrepreneurs extending their immediate capabilities and generating strategic options (Bowman and Hurry, 1993) through accessing and using what can be understood as ‘socialised reservoirs’ of knowledge, experiences and other localised, useful resources (Jack et al., 2008). Portes and Sensenbrenner (1993) explained that embeddedness is an important mechanism for identifying opportunities and for understanding the protocols through which resources are distributed, shared and put to use. This is because embeddedness provides and connects (Anderson et al., 2012) shared values, within-group trust, historical reciprocity and bounded solidarity which are privileged aspects of local belonging (Aldrich and Waldinger, 1990). Embeddedness also offers localised standards of behaviour, moral obligations, and awareness of the benefits and responsibilities of membership (Anderson and Miller, 2003).

Embeddedness thus emphasises the importance of the social in shaping entrepreneurial practices. Hjalager (1989) argued that by focusing on situated roles and relationships, and how these influence action, a more holistic and situated view of entrepreneurship can be generated. But as Uzzi (1997) insightfully notes, Granovetter’s account lacks detail of how and in what ways embeddedness integrates with enterprise. This signals an opportunity to explore one social relationship, entrepreneurial ties to place.

3.2. Place, community and entrepreneurship

As Johannisson posits (1990; p.61), “all human endeavour manifests itself locally”. Places are not simply sites of production and consumption, but areas of meaningful social life. Places become complex systems of social relations and material objects (Hudson, 2001). Places give meaning and identity (Anderson, 2000a). Places are a construct of relations of social life (Johnstone and Lionais, 2004). Certainly attachment to place is well-recognised for business location decisions. Dahl and Sorenson (2009) found that social factors are four times more influential than economic factors in entrepreneurs’ decisions about location. Places locate social capital and offer a fulcrum for leveraging local ties, representing a fertile arena of economic, political and social relationships. Places are geographically collective, self-defining and organising contexts (Johannisson and Nilsson, 1989). Places offer possibilities (Anderson and McAuley, 1999), yet shape what is possible as an entrepreneurial milieu.

Barth (1969) noted how entrepreneurial acts impact at a local level (Greenfield and Strickon, 1981). Moreover, because localised entrepreneurs understand social structures and the specifics of their local environment they can credibly link and co-ordinate locally oriented actions that serve both public and private interests (Korschning and Allen, 2004). In this sense, entrepreneurs are involved in envisioning, articulating and managing loosely coupled processes (Lyons et al., 2012) that engage their credibility and social skill to facilitate brokerage, commitment and the mobilisation of resources (Fligstein, 2001; Peredo and Chrisman, 2006). This entrepreneurial brokerage between spheres of influence to re-combine resources is central to Barth’s (1963) thesis. Barthian agency (Dana, 1996) draws on local identity to create or transfer values. Thus “authentic” legitimised (Anderson and Smith, 2007) entrepreneurs are able, licensed even, to tap into “community” resources. For the purposes of this research we adopt Jennings et al. (2013, p.2) view of communities as ‘enduring, but not explicitly instrumental, relationships among actors, often with geographic bounds’, but which can span from local and regional to transnational and global communities (Dejlic and Sahlin-Andersson, 2006). Stewart (2003) describes this situated role of entrepreneurs as dialectic between moral and instrumental authority. In other words, they can draw down on the legitimacy accorded to them as entrepreneurs to act in other spheres (Anderson and Warren, 2011).

Central to Barth’s (1963) argument is the importance of the entrepreneur’s identity, largely influenced by their community origin and background. Barth, (1969, p.15) proposes that this identity enables an understanding that community members are “playing the
4.2. Sampling process describes an area in need of both social and economic regeneration. While Barth’s (1969) focus was on the interaction between the community and the entrepreneur, Granovetter’s (1985) was concerned about how social embeddedness enables and constrains behaviour and organisation. Drawing on both perspectives offers a mechanism to understand the relationship between individuals and communities and to examine how this engagement shapes entrepreneurial practices and outcomes.

If entrepreneurs are embedded in and committed to their community, then emergent developments are more likely to fit with the needs and capabilities of both the entrepreneur and the community. This becomes particularly important for entrepreneurs operating in depleted communities, contexts which are defined in terms of their social and economic problems and the relative underachievement of their residents. But in these communities entrepreneurial activity offers great potential for improving economic and social vitality (Korsching and Allen, 2004). Moreover, Lyons et al. (2012) believe relationships between the entrepreneur and the community are underexplored, not well theorised and offer the next frontier of entrepreneurship research. We explore this relationship between entrepreneur, place and community through the questions, what is the nature of entrepreneurial engagement with place and community? And, how can we explain it?

4. Method

A qualitative lens was adopted to examine the relationships between entrepreneur, place and community. Such an approach was appropriate because our objectives were in understanding this relationship and the way people live their lives (“how and why”) rather than measuring (“how many”) (Gartner and Birley, 2002; Oinas, 1999; Pratt, 2009). A qualitative approach also offered a way to locate the issues of concern in context, both conceptually and empirically. To do so, we used the theory as the underlying framework for both asking questions and to probe how the data answered those questions (Gartner and Birley, 2002). Thus, we go beyond description to provide explanations about what entrepreneurship is, how it occurs, the forms it can take and the variety of situations it encounters.

4.1. Context

Given our approach, it is important to describe our context (Pratt, 2009). Two communities were chosen; ‘Inisgrianan’ and ‘Blighsland’. Both places have a long history of small scale farming, manufacturing and processing of textiles, auto parts and foodstuffs. Between 1987 and 2000 these communities had almost full employment after an American clothing manufacturer’s $200 million investment created 3000 jobs. However, between 2000 and 2008 over 6000 semi-skilled jobs were lost through a combination of branch plants relocating, decline of the construction sector and general economic downturn. This declining economic condition brought about a local sense of malaise, such that the community could be described as “depleted”; suffering from a lost sense of identity and purpose. Bryden (1991) described how the loss of control over its economic destiny leaves a depleted community without a belief in its own worth and its own capacity to change things. As Thompson (2010) argues, the term ‘depleted community’ describes an area in need of both social and economic regeneration.

4.2. Sampling process

Our sampling was purposeful (Gartner and Birley, 2002; Pratt, 2009). Depleted communities seemed to offer an ideal social and economic location for observing entrepreneurial socio-economic practices in community regeneration (Berlgund et al., 2012). Johnston (2013, p.2) explains, “in distressed communities, where capitalistic relations are less robust, the entrepreneurial process can, and from time to time does, adapt and follow a different approach. These innovative entrepreneurial actions use knowledge of local conditions, to respond in creative ways to the unique circumstances of the host community”.

We selected these communities because they are small, socially and geographically self-defined; thus they offered easier observations and some transparency of social process and influences (Koestler, 1964). We were also purposeful in our selection of respondents who operated within these contexts.

Ten principal respondents were purposefully selected from diverse fields as described in Table 1. This sample was theoretical in having the characteristics that fitted our enquiry. Conceptually, this sample comprised entrepreneurs known to be actively engaged in entrepreneurial change practices. Some were identified from local knowledge, but continued presence in the research site allowed identification of additional respondents through snowball sampling. The choice of new respondents was driven primarily by what they might contribute to the emerging theory (Alvesson and Sköldberg, 2000).

4.3. Data collection

An ethnographic, qualitative approach was used employing participant observation and the phenomenological interviewing technique with purposefully selected respondents (Cope, 2005, 2011). Combining these techniques provided a way to generate understanding about experiences and practices of respondents (Thompson et al., 1989). Interviews were loosely structured, starting with broad questions with subsequent questions arising through the dialogue between researcher and respondent (Cope, 2011). Thus, insight was allowed to emerge from the data.

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Participant observation and field work were conducted by one member of the research team who was very familiar with the places. Although he no longer lived there, his past experiences provided considerable local knowledge. His return as a researcher after 8 years of absence involved a major shift in his role to one better described as observer rather than participant. Nonetheless, his own identity, understanding about the locality and local ties served as an introduction to local people and local processes to re-establish rapport. As a researcher, he was theoretically sensitised with the knowledge, skills and awareness required for carrying out qualitative research (Glaser and Strauss, 1967) but strove to remain neutral and non-judgemental in interviewing and reporting (Blackburn and Ram, 2006).

Informal interviews provided data about context (Steyaert and Katz, 2004; Welter, 2011) and information about the history, activities and backgrounds of respondents, from non-entrepreneurial sources (Denzin, 1979). These interviews and observations were used to provide thick description (Geertz, 1973; Jack, 2005; McKelvey, 2004) and a general picture of what was going on (Steyaert and Bouwen, 1997). “Conversations” took place wherever and whenever possible; chatting over coffee, lunch or a drink at the local pub, chance meetings on the street or in a local shop, community events and local get-togethers. These conversations enabled appreciation of how respondents had acted, deepening understanding of process in context. They also helped triangulate the data (Sarason et al., 2006) and clarify meaning about ways in which the phenomena were seen (Stake, 1994). Combining these verbal data with observations allowed more complete interpretations to surface (Arnould and Wallendorf, 1994). The conversations were natural, unplanned, happenchance and spontaneous, but became purposeful. They were unstructured, usually beginning by asking why the researcher had returned, often leading to dialogue about the topic. Judicial probing then became possible without disrupting naturalness and flow.

These conversations and observations located individuals in the local and socio-economic fabric of the communities, generating a fuller understanding about how individuals, communities and place came together. Circumstances often prevented recording or note taking at the time. Field notes were key at all times, but writing up often meant escaping to any convenient private place immediately after the engagement – restroom, bedroom, alleyway, garden or car – to carefully detail relevant elements about what was seen, said and the detail around these engagements, including facial expressions, posture and appearance. Alongside the patterns, links and photographs, these notes helped to determine how these communities fitted together.

Our main source of data was the entrepreneurial narratives of ten respondents. Interviews often lasted several hours and were akin to the un-structured and phenomenological approach used by Cope (2005). The course of discussion was largely set by respondents, but responded to broad questions (Thompson et al., 1989). Follow up interviews took place some six months later after our preliminary analysis of the early data. The follow up interviews, lasting between one and three hours, enabled us to revisit emergent themes for fuller explanations (Bryman, 2001). Most interviews were at respondents’ premises. These were recorded and later transcribed. We stopped interviewing when we felt confident that we had sufficient useful data to address our questions, that theoretical saturation had been reached with theoretical possibilities exhausted (Pratt, 2009).

4.4. Data analysis

Like previous work in entrepreneurship (Jack, 2005; Jack and Anderson, 2002; Jack et al., 2010), the constant comparative method was used as an inductive approach to data analysis. This technique is similar to the analytical element of grounded theory (Alvesson and Sköldberg, 2000; Glaser and Strauss, 1967; Silverman, 2000). Eisenhardt (1989) suggests that data analysis should start by first sifting through all data, getting rid of material which is less relevant and drawing together the more important elements. The next
Table 2
Descriptive category to analytical category.

<table>
<thead>
<tr>
<th>Theme</th>
<th>Examples from the raw data are:</th>
<th>This tells us entrepreneurs practice:</th>
<th>Core to this is the:</th>
<th>This in turn produces:</th>
<th>The consequence is:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Embeddedness</td>
<td>“I was born in that house, and there’s the chapel where I got married.” (Brian); “It was about a nice place to live and for families to have a chance to grow.”(Raymond)</td>
<td>Closeness to place</td>
<td>Importance, attachment, social bonds and sense of ownership</td>
<td>Knowledge and understanding of place and community</td>
<td>Knowing (about locality)</td>
</tr>
<tr>
<td></td>
<td>“I love Blighsland... I came home because I am a [Blighslander].” (Paddy); “I saw a great job. But I parked that because it was in Cork. I would have to leave and give this up.”(Ryan); “I was in the civil service in Limerick for about 8 years. I was never right happy there. So I came home.” (Gerald)</td>
<td>Attachment to place</td>
<td>Shared concern for each other: “we” are all in this together</td>
<td></td>
<td></td>
</tr>
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<td></td>
<td>“[Inisgrianan] is literally dying. But you have to keep trying Eddie, you can’t give up.”(Martin); “You’ll go to a funeral to say I was there, I was seen. But there is a culture of support which underlies that.” (Joe); “If somebody died we sent over a pot of soup and maybe made them sandwiches. You were part of the community.” (Brian)</td>
<td>Familiarity over time and through experience</td>
<td></td>
<td></td>
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</tr>
<tr>
<td></td>
<td>“It’s very tight knit.” (Paddy); “Everything is visible.” (Eugene); “The family relationships are very complex and ramified.” (John); “You knew everything that was going on.” (Brian); “My eldest daughter is maybe starting to see that [Blighsland] wasn’t so bad.” (Eugene); “That eight years I was with the council was invaluable because I knew all of them personally.” (Raymond)</td>
<td>A sense of ownership of place</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Engagement</td>
<td>“Creating the basis for our collective future.” (John); “There is solidarity there...they grew up, went through school, maybe university together and they made their mark on their own town together.” (Joe); “It [the community] has helped us in many ways and we should give a bit of that back.”(Raymond); “We are now trying to come up with a vision for the future. We have to try and find work for the people.” (Paddy)</td>
<td>A wanting to engage, recognising need to engage and the building of place</td>
<td>Engaging with place to build the locale and local business practice</td>
<td>Enforcing and re-enforcing the local “rules of the game”</td>
<td></td>
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“When we would find people coming to us for work you would look to see where they came from… You might ring your counterpart and say will this leave you in the lurch” (John); “I would say to my secretary, who could do that? She knew the area very well. She would say missus such and such’s husband does that.” (Raymond);

“On a Friday I spend about 5 minutes in each house. You really get to know what is going on in the area.” (Ryan); “I meet the [Blighsland] committee every two weeks. I get all the problems and bring them to the council. I then bring an answer back.” (Raymond)

“AAfter the council meeting I bring all the officers into the mayor’s parlor for a drink. We have a good discussion and I get to know what is going on. That is much better than you would ever get at a formal meeting.” (Raymond); “I sit on a number of boards like county enterprise and IBEC, basically businesses coming together to promote north-south relations.” (John); “You would try to support as much local business as possible.” (Martin)

“No matter, I always square them up at the end of the month. Always square up.” (Michael); “If you tell the truth all the time. Don’t try to bluff, it works. Because if you are caught out on one lie, then…” (Gerald); “You have to treat everyone the same. When you start making differences, people would just go in reverse.” (Hugh); “That’s just the way of the place. It’s very community oriented.” (Brian)

“We grew the whole thing from the floor up based on local expertise.” (John); “The evidence is on the ground of what we were prepared to do.” (Paddy); “It’s now more about local needs. We need a laundry which a lot of the hotels would support. It would be a co-operative sort of thing.” (Brian)

“We would sponsor one or two of the lesser people [for hotel school] who were never going to make it.” (Brian); “I would always take a couple of apprentices from the local school.” (Eugene); “We sponsored a local program for employees to do the leaving cert while working in the factory.” (John); “We employ a lot of locals; We have trained and employed thousands of people.” (Paddy)

“They can interview very well after they leave here. It is great for social skills and confidence.” (Golf club manager); “When they all started I used to say to them, out of your wages a mortgage and get a house. And they all did, and they are still here.” (Brian); “That’s us in Florida building houses after the earthquake. It’s a great all round experience and to see people who are worse off.” (Paddy);

You would tell them. Go off to England, go through the ranks and then come back as a chef [with their own restaurant or B&B].” (Brian)

Outcomes

The need to be fair and recognising this as important
A need to be engaged for local knowledge
Supporting of the locale
Local understanding
Building (the local)
Building (the workforce)
Building (the people)

Reflected in recognition of local needs and ways in which they are addressed and acted on through entrepreneurial practice
Shaping of entrepreneurial practice and purpose in the locale
step consists of searching the remaining data for patterns (Halinen and Tornroos, 2005). Large amounts of data were generated. This had to be sorted before analysis took place.

The sorting process meant transcribed interviews, collated field notes and observations were synthesised and then organised around themes which fitted our interests. Independently, we sorted raw data into categories (Eisenhardt, 1989) and potential themes which were then agreed through discussion and comparison of notes about incidents and experiences, observations and responses. By continually comparing with others within emerging categories, these descriptive themes were then considered more conceptually and sorted into explanatory themes (Wolcott, 1990) by asking “what is really going on here” (Bruton and Ahlstrom, 2003; Halinen and Tornroos, 2005). These explanatory themes identified in the data and also present in the literature were embeddedness, engagement and outcomes. These themes emerged from data and reinforced the literature. Data were examined for detail relating to these themes and Table 2 provides a detailed account of emergent themes and refined categories. So, throughout the analysis process, emergent ideas were constantly held up against the literature and so we were heavily reliant on the constant dance between theory and literature (Anderson et al., 2012). This constant comparative approach to data analysis (Alvesson and Sköldberg, 2000; Glaser and Strauss, 1967; Silverman, 2000) involves an iterative reviewing of the data with emerging categories and concepts. This is a typical analytical approach for understanding entrepreneurship in context (Hill et al., 1999; Human and Provan, 1996; Jack, 2010). For this study, this process helped to improve description, understanding and explanations. It also helped build confidence in our interpretations.

4.5. Reflection on method

There is broad consensus that when tackling social phenomena, rich detail is so essential to the research process that qualitative studies are preferred (Bansal and Corley, 2012; Hoang and Antoncic, 2003; Jack et al., 2010; Pratt, 2009; Uzzi, 1997). Additional benefits of qualitative approaches include that they allow for sensitivity to the detail about processes but within an intensive investigation (Aldrich, 2001; Johannisson, 1996; Larson, 1992). Understanding was our concern and this approach provided a way to undertake empirical research which was informed by theory and used the literature to generate pre-understanding (Finch, 2002; Jack and Anderson, 2002; Jack et al., 2010). Hence, we used a conceptual toolkit to inform us about the sort of data we should look for and the patterns and themes to explore. Thus, it shaped our research questions while guiding our interests. We were dealing with complex issues, embedded practices and elements of process that take place over time (Curran and Blackburn, 2001; Oinas, 1999). We sought understanding about “the how” rather than measuring “the how many” (Oinas, 1999; Pratt, 2009). We believe the techniques provided sufficient depth and scope of data to allow us to address our research questions. The unit of analysis was relationships between individual, place and community. We believed that understanding these relationships was best achieved by studying individuals in context. Accordingly, we ethnographically engaged with context in order to know what questions we ought to be asking to work out “what is really going on here” (Bruton and Ahlstrom, 2003).

Our approach enabled the inductive emergence of novel concepts and categories, but at the same time these were grounded in existing theory and were empirically informed (Finch, 2002). Nevertheless, both data collection and analysis were very time consuming. They involved considerable trial and error and things did not always come together smoothly. However, time, discussion and thought lead us to believe that what we present works and represents the real lived-in situations of our respondents. We are therefore confident about our interpretations.

The sample is not representative of the population as a whole, but characterises entrepreneurs active as Barthian change agents. Our context, similarly purposeful, offered a data rich environment of what Schumpeter conceived as the Socialokonomik (Swedberg, 1991), ideal for building theory on entrepreneurial practices (Pratt, 2009).

Our presentation is informed by Bansal and Corley’s (2012) suggestions about how qualitative research should be written up. We present our data using “power quotes” to tell the story from the perspective of respondents and the communities in which they are embedded, attempting to demonstrate how our work is fully grounded (Bansal and Corley, 2012; Pratt, 2009; p.860).

5. Findings

Having set out to explore how entrepreneurship can be understood at the level of the community, our findings use embedded experiences and participatory practices to demonstrate what is going on and how this can be explained. Embedded experiences and participatory practices help to explain entrepreneurship as a community phenomenon and how the social impacts on practices.

5.1. The entrepreneurs in social context

Table 1 described the respondents’ backgrounds, activities and relationship with the community. This shows that while careers, activities and previous experience varied, respondents all held a strong affinity to the area and community and had lived in the community for a considerable time. Table 2 shows what this meant for respondents, how this had affected them, the community, and the ways in which lives within the community were lived. From the locals’ perspectives, all respondents were considered established members, even pillars, of the community and had all grown “local” ventures. They also had immediate and extended families living and working locally. These connections highlighted the importance of location and place. Phrases like “trapped on the edge” (Raymond) and “stuck up in the corner” (John) were used to convey a sense of geographic isolation and peripherality, but also a sense of shared reality. Respondents described a region gripped by deep recession; and “transition”, “adjustment” and “settling

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were terms used to describe the realities confronting these communities and the on-going process of de-industrialisation and branch plant closure.

All could have moved to live elsewhere, but strong connections to family, community and commitment to place caused them to remain, in spite of the considerable problems of running businesses in depleted communities (Johnstone and Lionais, 2004). Paddy had even returned from England. Yet, “staying” contradicted any idea of profit maximisation. Instead it represented an attempt to create new sets of benefits, for and within the community and place. These decisions were a consequence of the strong local bonds, which also influenced the way each respondent carried out their entrepreneurial endeavours. We noted too, how each respondent became engaged in managing aspects of community development that reached well beyond their own business.

5.2. Entrepreneurs in business

Although each venture was different, what was common was the significance of locality — both community and place. Moreover, respondents attributed the community as a key factor in their success; “it’s the secret” (Brian). Respondents described this community “secret” in terms of local support, local approval and of being at home; “we employ a lot of locals” (Eugene); “I’ve never felt that I couldn’t go into the boiler house and have a cup of tea” (John); “they are very loyal” (Hugh); “they treat it like their own” (Brian). This mutuality was demonstrated on walking into Brian’s hotel kitchen and placing an order for “two steaks, one rare, one with peas” the chef replied, “is that Charlie O’Kane?” (a local resident). Brian felt that this type of connection demonstrated at oneness with Inisgrianan and that “you can’t operate here like you would in a city.” This intimacy with the local community extended to sourcing goods and services locally; “Our fish man is local. We get our vegetables locally. I try to deal with those who employ in the town” (Hugh); “I try to work in concentric circles” (John); “It’s like a bush telegraph” (Raymond). This demonstrated willingness, even a moral preference for dealing locally and supporting as much local industry as possible. In this sense all respondents had a high degree of affiliation and loyalty to their communities. But, perhaps what is more interesting is that we found this extended to participating in activities aimed at improving the vitality and survival of the wider community.

5.3. Entrepreneurs in their community

Beyond running their own business, we found participation in a range of development activities including what Johannisson and Nilsson (1989) see as community entrepreneurship; inspiring and assisting individuals and communities to start their own businesses and take control of their own destiny. Table 3 illustrates the diversity of the “other” things in which our respondents were involved. These ranged from the profoundly social – like organising dances and attending the local debating society – to participating in trade and political activities and to founding and managing a range of community businesses; including a community owned and run museum, golf club, creche and shopping centre. While not entrepreneurship in any conventional sense, these involvements demonstrate the extent and scope of embedding.

From Table 3 it is clear that respondents were actively involved in founding and supporting community organisations. When probed about why they were doing these things, a range of issues closely related to their embeddedness were raised, for example unemployment (“We need more jobs” (Raymond)); employability (“I’ve seen people at their best and worst. Many don’t have qualifications. They never seem to leave” (Brian)) and emigration (“If they are qualified they go away” (Eugene)). There was also recognition of services which were not available in the community; “It doesn’t have a pub, or a bank or a chemist” (Brian); “It’s only just got an ATM” (John). Ryan told us about becoming annoyed whenever some local described the locality as “a hole.” These views pointed to concern that the social fabric of the community was gradually being eroded as the most talented moved away (Florida, 2002). Decline in the composite demographics of the area, including shifts in ethnic composition, wealth, education levels, employment rates and regional values were of concern (Putnam, 2000). The majority linked this to the purpose and quality of life in the area; “It’s really a search for new meaning, a new identity, people can’t see a way out yet” (Town Clerk; Inisgrianan). It was organising around these issues which seemed to be important for respondents.

We found the activities of Paddy and Brian particularly informative. Paddy worked in England for 10 years but made the decision to return “home”. Having established his own building company, he was concerned about the high levels of youth unemployment in Blighsland. At a local community development conference a professor from Dublin asked about what he did; “I said I build. He said what? I said houses. He said why don’t you build people as well?” It was this connection which led to the establishment of ‘Inner City’; “I took a walk around and wrote up the story of what could happen and took it to a man in the civil service….I took this old building and took on about 150 young people off the dole and gave them work under a government scheme….We started from scratch and all the experience went to young people.” On a trip to the US, Paddy persuaded Irish-Americans in three cities to sponsor the purchase of three run-down buildings; “We named them Philadelphia, Boston and Pittsburgh House.” He described this as “an entrepreneurial streak”, but one from which he had not profited personally. He went on to later develop a hotel, shopping arcade and sheltered housing complex under the auspices of the Inner City Trust.

In Brian’s case, he had just sold his hotel and built a self-catering holiday complex in Inisgrianan. He and a group of fellow golfers recognised the golfing potential of a parcel of disused community dune land. A local meeting was arranged where it was decided to make a proposal to the government tourism body and county enterprise board who supported the capital costs of the project. At the same time the co-ordinator post for the local employability scheme became vacant which Brian applied for and got; “We then had 10 men, 5 working one week and 5 working the next.” With the golf course complete, attention then turned to improving the physical infrastructure of the community including painting the houses of elderly residents and supporting them to stay in their homes. What this, and Table 3, demonstrates is that respondents were clearly embedded. It also shows that while being embedded in community

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might come about in different ways, it always seemed to relate to key factors. These factors were social interests, business and community partnerships, business respect and/or community engagement. Moreover, these factors were all grounded in the locality.

While Table 3 was about being embedded, Table 4 provides an overview of the entrepreneurial enactment of community values and resources. Note how the involvement and engagement of the community changed. This was clearly evidenced when Paddy’s Inner City Trust secured a piece of land where they sought to build a hotel; “I got European aid [for the site and foundations]. I then wrote a letter to...” but was turned down. A man in the civil service told me to bring the chairman of the nationalist party to the next meeting.” He described this as “the shadow” which eventually returned a positive response to his funding application. These processes show community embeddedness at work, and the range of social and professional participants involved. Individuals initiated these activities because they were socially connected. But John argued that this was not simply about helping his own business. In fact he explained that his private business did not benefit much from locals. This indicates that for the likes of John, Brian and Paddy, they were not “extracting” i.e. mining the local community for self-serving purposes. It really seemed to be more of a building process, where they were enabling the community to enact a better brighter environment and solve a range of social and economic issues through entrepreneurship. John described this in terms of “having done well and not just materially, it’s just a way of giving something back, making a difference and maybe creating the basis for our collective future”. From Table 4 we see how respondents use embedding and how Barthian transfer takes place.
### Table 4
Entrepreneurial community process: opportunities, viability and resourcing.

<table>
<thead>
<tr>
<th>Name</th>
<th>Opportunity</th>
<th>Location</th>
<th>Employs</th>
<th>Opportunities, viability and resourcing</th>
</tr>
</thead>
<tbody>
<tr>
<td>John</td>
<td>Museum</td>
<td>Inisgrianan 10</td>
<td>10</td>
<td>“We [brothers] bought it. It is managed by a volunteer board, some are retired soldiers. We got some EU and enterprise funding. It almost breaks even with admission fee and shop.” Site purchased privately. Managed by volunteer board. Developed with EU grant; Operations covered by entrance fee, gift and coffee shop sales.</td>
</tr>
<tr>
<td>Brian</td>
<td>Golf Course</td>
<td>Inisgrianan 28</td>
<td>28</td>
<td>“We [committee] got a mandate from the government to build it for £1 million. We used the men on the [unemployment] scheme. Most now work on the course.” Site claimed in trust for community. Managed by volunteer board. Developed through capital grant from Irish government. Operations covered by membership and clubhouse sales.</td>
</tr>
<tr>
<td>Patrick</td>
<td>Hotel Retail</td>
<td>Blighsland 55</td>
<td>55</td>
<td>“We got the O’Doherty clan back for the opening. It was opened by the President. The trust now has a track record of putting these types of developments together.” Sites purchased and developed through EU and UK grants and private gift. Managed by volunteer board. Operations covered by anchor tenants and residential rents. Now has CEO.</td>
</tr>
<tr>
<td>Ryan</td>
<td>Radio Station</td>
<td>Inisgrianan 12</td>
<td>12</td>
<td>“It’s a community station. The presenters and board are all local volunteers. With business people on board the government has more confidence. That’s our role.” Bid for licence to operate on behalf of UK government. Managed by volunteer board. Funded by grant and advertising revenue.</td>
</tr>
<tr>
<td>Raymond</td>
<td>General Practice</td>
<td>Blighsland 8</td>
<td>8</td>
<td>“It’s about understanding... Caring for a community can be complicated. [As mayor] I would ring public health and ask them to make a report. Housing can be the main source of the [health] problem.” Bought practice and developed privately. Capital development through EU. Services funded by UK NHS.</td>
</tr>
<tr>
<td>Eugene</td>
<td>Retirement Association</td>
<td>Blighsland 6</td>
<td>6</td>
<td>“I bought the ground myself. Older people are less bothered. It has grown more into a social service, a self-managed community. We are working closely with the housing and health boards at the moment.” Site purchased and developed privately. Partnership with local social housing body. Rents paid privately and through housing benefit.</td>
</tr>
<tr>
<td>Joe</td>
<td>Shopping Centre</td>
<td>Blighsland 10</td>
<td>10</td>
<td>“It’s on the site of the old [Blighsland] factory. The committee is supported by a couple of well-known local business people. That integrity goes a long way [with funders and the local community].” Disused factory site taken over on nominal rent. Developed through UK and EU capital grants. Managed by a volunteer board. Rented to mix of private retail and community service providers. Supported by Big Lottery.</td>
</tr>
<tr>
<td>Philip</td>
<td>Wind farm</td>
<td>Inisgrianan 2</td>
<td>2</td>
<td>“The developer wants to partner with the community who get planning permission. Access to the grid is now harder and finance scarce. Around here the options are limited, this is the collective option.” Energy company provide technology and maintenance. Community provide land, access and planning permission. Managed by co-operative of members. Revenue from Ireland’s national grid divided between both parties.</td>
</tr>
<tr>
<td>Hugh</td>
<td>Football Club</td>
<td>Blighsland 30</td>
<td>30</td>
<td>“We’re tenants, the council own the stadium. The board is a mix of local residents and business people. Funding is mainly from gate receipts, sponsorship and selling the better players.” Local council own and maintain stadium. Main shareholders are local business leaders and supporters clubs. Managed by volunteer board. Operational revenue from gate receipts, Irish Football and player sales.</td>
</tr>
<tr>
<td>Michael</td>
<td>Childcare</td>
<td>Blighsland 10</td>
<td>10</td>
<td>“Land came available when it was left to the community...There were grants available for this type of thing. It made sense because of our location and the amount of people who commute.” Building gifted in trust to community. Managed by volunteer board. Developed through government grant. Customer revenue funds operating costs.</td>
</tr>
</tbody>
</table>

5.4. **Outcomes**

Table 4 shows the main benefit was local employment; over 170 jobs were created and sustained in the 10 cases. Yet many of the jobs were filled by those who came through the training schemes run by Paddy and Brian. The ‘jobs’ and ‘the training’ were seen as the major impacts; "it [the golf course] now employs 17 full time green keepers and men out working on the course. They employ a manager, three in the office and probably 8 or 10 bar and catering staff. So there is a lot more employment now.” Even the jobs serving in the bar and restaurant were seen in a positive light. The manager explained how these service jobs were; “great for social skills and confidence. They can interview very well after they leave here.” This rise in self-confidence often led to the hatching of small business ideas during break times in the staff canteen; “All the schemes are raised. What could you make money at? We had a guy who went off and started his own transport business, another went into making videos. It all started from there, a few of them took the initiative” (Brian). Based on this success the board of the golf club “are now trying to encourage all the local businesses to form a chamber of commerce, and maybe get a Christmas tree and lights, a place for us to come together”. This shows clearly that the input to – and output from – the process was the social resource. It also shows how the social not only shaped and influenced the activities of that place but also added to the very fabric of community, making it more entrepreneurial and aspiring – a stronger, more positive sense of self and purpose.

Through Paddy’s work, some specialist crafts, such as stonemasonry and stained glass had been introduced; “There must be 40 people who learned to make stained glass windows and export them all over the world.” One of these individuals had recently been commissioned to recreate the stained glass dome for a new Titanic exhibit in Belfast. So, Brian and Paddy were using their businesses and life skills to informally coach and mentor would be entrepreneurs. These types of experiences support the view of
Anderson (2000a, 2000b) that additional new businesses are often able to build upon an existing base no matter how limited it might be. Interestingly we found that most new businesses were vocational and achieved through apprenticeship rather than formal education. These were the “ordinary people from the dole” (Paddy). In this way respondents “fitted” with and built on the limited capabilities of the communities.

This same enactment created community owned physical assets, which in Paddy’s case became substantial; “We now have £14 million worth of property on our books.” So as the unemployed youth were training in bricklaying, carpentry and plumbing, they were also contributing to the value of the trust’s property portfolio. In each case, a management board drawn from the community managed the organisation’s affairs. However, the most profound impact was on the confidence of community itself. This reassertion of confidence was vividly evident in our informal conversations. People not only were starting to believe in themselves but also in the community and place as a location to live. John told us; “The lifeboat is run by people [volunteers] who come from every walk of life in the community. They then take those connections with them into other spheres.” He went on to explain that Brian’s use of the employment scheme to decorate the houses of Inisgrianan’s elderly residents was “running to the very core of the social fabric. People are becoming more social and the values of community are making a comeback”. Through ‘joining in’ and ‘taking part’ in community initiatives, respondents commented on how; “people’s energy has been redirected” (John); “they are happier in themselves and have more time for each other” (Gerald); “people might actually be relieved at having regained some of their quality of life” (Ryan). John and Ryan used the term “converting” to capture what they saw as the understood but unarticulated needs of the community into both formal and informal organisational solutions.

6. Interpretation and analysis: entrepreneurship by context

These entrepreneurs were very aware of being embedded in place through the social bonds developed by being a part of the community. Individuals did not see themselves as separate and distinct but as being immersed in community; “I have never seen myself as any better or any different” and that socialising in the community represented “a very much open and even forum” (John). Entrepreneurs were intent on justifying the way they lived “a life” in the community. However, this was a life very much based on socialised appreciation and understanding of the nature and habits of their place. Familiarity with the context over time and through experience led to interest in each other’s activities and a shared concern for each other. It meant place was important to respondents. Not only were they attached to place but they wanted to take pride in its development. Social bonds and a sense of ownership produced “knowing” and understanding of place and community, i.e. the locality.

Yet, the outcomes and process in which they were immersed demonstrate considerations much broader than economic profit. The desire was to be “a person of the community” and to be respected “for more than you have in your bank balance” (John). Eugene explained how working on community initiatives meant “not losing the run of yourself”, being mindful of membership role and status. But, this could only be achieved through familiarity with the social context and the rules of engagement, the protocols and etiquettes associated with time and place. The outcome of these activities was not prestige in an economic or individual sense, but at the level of community and place in that it was about changing the fabric of a community and raising it. Yet, all this was achieved through entrepreneurial endeavours.

Entrepreneurs understood this relationship in terms of reciprocity, mutuality and common purpose and realised it by working with the community. Respondents wanted to engage; they recognised the need to engage and how engaging would lead to the building of place. Yet, there was a real understanding about the need to be fair and this fairness was practiced. Engaging with the possibilities and limitations of place provided a basis for building and sustaining both the locale and local business practices. Through the consistency of their engaged practices respondents enforced and re-enforced a particularly local “game”. This reinforcing meant continuity of business practice and ultimately fairness but in conjunction with the community. So we see how community looms large in both entrepreneurial content and process; we see how being embedded means being enmeshed, entangled and engaged with the meanings, the purposes and identities of place.

These actions did not happen accidently or in isolation, but were within communities and across institutional boundaries. Entrepreneurs were engaging the ability and credibility of community members in collective action by providing identities and cultural frames which made sense of circumstances and motivated local support (Fligstein, 2001). But their mobilisation efforts were framed by the overlap of their commercial, community and political embeddedness. Because the majority of our entrepreneurs lived, worked and socialised in the “fishbowl” of Inisgrianan and Blighsland, their local “belonging” made a particular repertoire of choices, actions and reactions both possible and appropriate (Marti et al., 2013). They extended outwards to attract people like; the mayor, two bishops, a Presbyterian clergyman, an accountant and an architect, entrepreneurs were working with “the town” in a way “which would satisfy the government” (Paddy). In constructing and supporting these credible developmental nuclei, people like John and Ryan, as members of the enterprise board understood implicitly “who these people were”, and could vouch for their credibility. These politically active entrepreneurs understood the local vision through their own community belonging. They saw their role as unlocking resources through convincing their political peers that their social opportunities were lucrative, sustainable and worthwhile. John described it as “overcoming intransigence” by providing an informed translation of local ambitions and possibilities into language of government. Drawing the link between his distribution of milk to the county, being a county councillor and chair of the community radio station, Ryan explained; “it might be for the benefit of the community, but the fundamentals of running any business are the same”. In the language of Barth (1967, p.89), entrepreneurs were crossing the boundary between business, community and politics, and drawing upon their embeddedness and social capital in these spheres to create new possibilities; “entrepreneurs effect new conversions between forms of goods that were previously not directly convertible. They thereby create new paths for the circulation of goods, often crossing barriers between formerly discrete spheres of circulation”. In doing so,
entrepreneurs were building the local workforce. But, they were also building the local people, their skills and abilities, individually and jointly. This came about through the recognition of local needs. The ways in which they were addressed and acted on came about through entrepreneurial practice. This led to shaping of entrepreneurial practice and purpose in the local.

Apart from the jobs and self-employment opportunities described, there was a sense that what was being collectively achieved was a gradual redefinition of community and economy. In the sense intended by Anderson (2000a, 2000b), communities were being brought together through entrepreneurial purpose. However, it was the entrepreneurs understanding of “business fundamentals” and a wide range of contacts which took ideas to fruition. Nonetheless, developments involved and extended the capacity of the local community to further engage. Brian explained; “We are looking for more funds and get five or six more businesses. But the emphasis will be that the businesses would be for the people, not corporate or anything”. So entrepreneurial embeddedness helped them understand the market place, the labour market, political priorities and business opportunities which would work for the community. They knew both the limitations of available resources and the local potential. This knowledge empowered the community to become involved.

While social bonds enable entrepreneurs to more effectively exploit economic opportunity, what we demonstrate here is how this can work for a community. We also show that the opportunities already existed, but it was only through entrepreneurial action that these opportunities were made manifest. Yet, this was only achieved through understanding, caring about and cherishing the actual and sense of community in which individuals were embedded; “you have to cherish the place where you do business” (Ryan).

What these entrepreneurs demonstrate is that by entrepreneuring they can build, sustain and develop communities with the intention of making them collectively more entrepreneurial. The use of entrepreneurial skills enabled the alleviation of problems to overcome the resource and attitudinal limitations. Our findings show how entrepreneurs adjust their orientation to use the tools and techniques accumulated in Schumpeter (1934a, 1934b) economic sphere to address issues in the communities of which they are a part. They also link to Barney’s (1991) resource-based view in showing the power of location and how it seems to offer something very special, valuable and rare – something hard to imitate and substitute for – a source of sustainable competitive advantage. So, place becomes something of value for entrepreneurs. What is evident is that the entrepreneurs sought to bring about social transformation and improvement – looking at the longer game – in a way closely linked to their relationship with the community. In this way the activities only made sense through a lens of unified action, informed by embeddedness that made sense in the reality of the local and to those embedded within it (Johannisson and Montgomery, 1997).

It is also clear that connection to place has two related but different dimensions, emotional and physical. Attachment to place works to tie people to places. In the emotional sense place creates a sense of identity of self and of circumstance, people and places. In turn this is linked to a sense of responsibility about place. In the practical sense, local knowledge and networks lead to local social capital benefits. Eventually this leads to a fuller understanding of the local place which better equips the entrepreneurial process. So, being embedded offers both anchor and fulcrum of change.

7. Conclusion

This study sought understanding about how entrepreneurial practices are enacted in context. The questions explored were what is the nature of entrepreneurial engagement with place and community? And, how can we explain it? We found that communities can be shaped by entrepreneurship but communities also shape and form entrepreneurial outcomes. This is explained in terms of the relationship between the entrepreneur and their community, a relationship which can be critical for entrepreneurial processes. To understand this relationship concepts and methods are needed that allow change to be observed and described (Barth, 1969).

Employing the ideas of Granovetter (1985) and Barth (1969) and using an ethnographic approach allow a deeper appreciation of these events and processes as entrepreneurially wrought change.

The contribution of this work is two-fold. First, this study shows the relevance and importance of social resources. However, it also shows how the combining of resources with entrepreneurial skills can influence entrepreneurial endeavours in a way that shapes and changes a community as well as an entrepreneurial venture. Second, this study demonstrates how through social bonds and an affinity to community and place, entrepreneurship recreates, renews and reifies the identity of a place, its understanding and purpose. Indeed, mutual dependency seems key and a critical element of the process involved. It seems the combining of entrepreneuring and the qualities of place brings about effective change. This study illustrates that entrepreneurship clearly has a social value. Not only is entrepreneurship real to the communities in which it takes place, it can also revitalise communities. Entrepreneurship offers opportunities and experiences that go beyond economic rationality. When a social focus is combined with economic outcomes, gains follow and the very fabric of a community can be changed. This extends Barth’s (1969) interpretation by demonstrating how such individuals can bring about social change by being engaged and working with the community in which the entrepreneur is embedded (Swedberg, 2006). Hence, this study reinforces the point that entrepreneurship is interdependent but shows that entrepreneurial practices are both constrained and enabled by the social context (Aldrich et al., 1985; Gartner and Birley, 2002; Jack and Anderson, 2002). In our cases, entrepreneurship reconstituted the local.

In terms of research approach, it is only by using a qualitative lens and inductive analysis that the interesting processes, actions and dynamics like those considered here can be truly explored. Our ethnographic approach was critical for generating understanding of the realities entrepreneurs and communities face. So although social theorising may tell us much about macro changes, it is only by analysing the actions of the entrepreneurs, their realities and social context, that further understanding of the breadth of the entrepreneurial process can be developed.

For policymakers, there are implications of this work, especially in terms of economic development initiatives and the collective “long run” in which communities exist and persist. This research demonstrates that policymakers need to re-evaluate the role of...
the local entrepreneur and how their relationship with the local context often supports a more sustainable, culturally aware and socially sensitive form of growth and development. It also shows that rather than a one size fits all strategy, policy might be better geared towards addressing local needs from the ground up and in conjunction with communities and their entrepreneurs. In this study, needs were quite specific but it was the depleted community who understood what these needs were, the circumstances from which they had arisen, the issues encountered and the nature of change that was required.

For practice, this research shows the value embeddedness can bring to entrepreneurs and communities. While the entrepreneur has to recognise the benefits of engaging with the community and what this can bring about, communities also need to appreciate that entrepreneurship can bring about change and that such change goes beyond merely having a business in the locality. This change can be social and economic; the quality of community can be simultaneously and synergistically raised at social and economic levels.

In terms of directions for future research, we purposefully chose to examine what might be described as a relatively extreme context. While we suspect similar patterns might emerge from work in other contexts that have faced comparable difficulties, it would be useful if future work examined these further and in different parts of the World. We feel it would also be useful if future work purposefully identified how the relationships we identify here might limit or even constrain the ability of the entrepreneur to operate within community. It might be that in some contexts and/or situations the position of the entrepreneur is compromised by the community in which he/she is embedded. So, it would also be interesting to reflect on how this concept of being embedded means entrepreneurs both use and are used by the local community. A further avenue of enquiry is to consider more prosperous communities and the consequences of their relationship with entrepreneurs. This would allow for a more complete understanding of the interplay between community, entrepreneurship and location. Interestingly, we examined what might be construed as social capital, how conceptually fascinating it would be to relate this to the cultural capital attributed to being an entrepreneur.

Finally in addressing our research questions, we realise there are limitations to our study in that it focused specifically on depleted communities, was located in one country, in a single region and with a limited number of respondents. While we recognise the institutional setting and how this shapes outcomes (Bruton et al., 2010) future work could consider these in other settings. However, our intentions were to consider in-depth the real situations and experiences of respondents and to examine these in context. We feel the research questions posed and the approach used allowed us to achieve this. We have shown how this relationship has worked for our communities of interest. While similar patterns have been found in rural and peripheral locations (Jack and Anderson, 2002), we appreciate that this relationship might not always work in the way portrayed here.

Attachment to place allows a synthesis of the social and economic mapping of place. However, this suggests that social and economic milieus must be worked together if they are to be a critical force. The reality of looking at these together is difficult, but if we are to appreciate and understand the realities of entrepreneurship and its real impact on communities, more work is needed. Here, we have shown one way in which more understanding might be achieved.

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