

Author's accepted manuscript (postprint)

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Published in: Entrepreneurship & Regional Development

DOI: 10.1080/08985626.2022.2055152

Available online: 31 Mar 2022

Citation:

Korsgaard, S., Wigren-Kristoferson, C., Brundin, E., Hellerstedt, K., Alsos, G. A. & Grande, J. (2022). Entrepreneurship and embeddedness: process, context and theoretical foundations, *Entrepreneurship & Regional Development*, 34(3-4), 210-221, doi: 10.1080/08985626.2022.2055152

“This is an Accepted Manuscript version of the following article, accepted for publication in *Entrepreneurship & Regional Development*. Korsgaard, S., Wigren-Kristoferson, C., Brundin, E., Hellerstedt, K., Alsos, G. A. & Grande, J. (2022). Entrepreneurship and embeddedness: process, context and theoretical foundations, *Entrepreneurship & Regional Development*, 34(3-4), 210-221, doi: 10.1080/08985626.2022.2055152 It is deposited under the terms of the Creative Commons Attribution-NonCommercial License (<http://creativecommons.org/licenses/by-nc/4.0/>), which permits non-commercial re-use, distribution, and reproduction in any medium, provided the original work is properly cited.”

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**ENTREPRENEURSHIP AND EMBEDDEDNESS: PROCESS, CONTEXT AND  
THEORETICAL FOUNDATIONS**

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## ABSTRACT

In this article, we introduce the special issue on entrepreneurship and embeddedness. We do so by providing a brief overview of existing research on the topic focused on three important conversations related to process, context and theoretical foundations. The overview highlights essential contributions from extant research and suggests that expansion and advancement in the research conversation can be accomplished by focusing on dynamic and multilayered conceptualisations of embeddedness and by broadening the theoretical foundations of our research. We also present and position the papers in the special issue within the conversations on process, context and theoretical foundations in entrepreneurship research on embeddedness.

**Keywords: Entrepreneurship, Embeddedness, Process, Context**

## INTRODUCTION

Leading up to the announcement of this special issue, as we were discussing research on entrepreneurship and embeddedness, we found ourselves recurrently calling for a reconceptualization of embeddedness. It was clear to us that significant advances had been made to establish that entrepreneurs are embedded in various contexts, and that this embeddedness shapes what entrepreneurs want and are able to do, as well as some of the underlying dynamics through which the shaping of entrepreneurial activities takes place. However, our conversations also were characterised by a kind of impasse, an experience of needing to problematise our current frameworks and concepts to continue our interesting and fruitful conversations on the role of embeddedness in entrepreneurship. This experience was confirmed in the literature review about embeddedness that some of the special issue editors were working on at the time (Wigren-Kristoferson et al., 2022) and mirrored in recent calls for

renewed efforts to further develop our understanding of context, a theme intimately related to embeddedness research (Welter and Baker In press; Welter, Baker, and Wirsching 2019; Zahra, Wright, and Abdelgawad 2014). Our discussion came to focus on how entrepreneurs are embedded into contexts, seeing embeddedness as the link between the entrepreneurs and contexts. The call for contextualising entrepreneurship research required a focus on embeddedness, as we saw it.

In the call for papers for this special issue, we suggested that at the heart of the need for a problematization is a predominance of research relying on somewhat static, single-layered and binary notions of embeddedness (Wigren-Kristofersen et al. 2019). The purpose of our special issue consequently became to go beyond the status quo of existing literature on embeddedness and to carve out possible paths that extend what has been achieved into new lines of inquiry on embeddedness and entrepreneurship. Specifically, in our call, we thus looked for papers that would unfold dynamic, processual and multilayered accounts of embeddedness and disembeddedness as well as break new theoretical ground. Seemingly, we were not alone in our hope to expand the research conversations on entrepreneurship and embeddedness, as we received 50 submissions, of which about half were sent for review. We were overwhelmed with not only the number of submissions but also with the quality of the majority of them. The reason for the exclusion of some papers was rarely a lack of quality or potential but rather a lack of what we subjectively regarded as a fit with the call, or in some unfortunate cases, a competition for lack of space where the included papers were regarded as a priority. After two review rounds, we were left with five papers, which we included in this special issue.

In this introductory editorial to the special issue, we try to reveal some of the central insights of past research that we believe provide essential insights for entrepreneurship research on the importance of embeddedness. In continuation of this, we also suggest some avenues of expansion from these

central insights and discuss how the papers included in the special issue contribute to the advancement of our understanding of embeddedness and disembeddedness for entrepreneurship.

## **THE CONVERSATIONS ON EMBEDDEDNESS AND ENTREPRENEURSHIP - AND HOW TO EXPAND THEM?**

Entrepreneurship has historically been conceptualised as a market phenomenon involving alert actors seeking to profit from economic exchanges with other market actors (Hebert and Link 1988). This heritage is visible in much of the research discourse, yet contemporary research offers rich and convincing evidence that entrepreneurial activities are not simply market exchanges between more or less alert actors acting on heterogeneous information about resources, demands and prices. Indeed, it is today generally acknowledged that entrepreneurs and entrepreneurial activities are embedded in social, institutional, and spatial relations that significantly shape what entrepreneurs do (Dacin, Ventresca, and Beal 1999; Thornton 1999). Entrepreneurial activities are embedded, meaning that they are situated in contexts that enable and/or constrain certain manifestations of entrepreneurship as well as certain entrepreneurial activities, actions and strategies. Accordingly, entrepreneurship is a fundamentally embedded activity, and as a result, it will unfold differently as contexts vary (Thornton 1999; Zahra 2007).

The dominant perspectives of embeddedness in entrepreneurship research followed the general observation that any market interaction is embedded in social relations. Specifically, the works of Granovetter (2005, 1985, 1973) have been used to point out that the networks of entrepreneurs are pivotal in their access to opportunities and information, showing how interpersonal relationships (ties) can enhance an entrepreneur's ability to succeed by, e.g., gaining access to idiosyncratic information (Klyver and Hindle 2007; Hite and Hesterly 2001; Ruef 2002; Hoang and Antoncic 2003). Drawing on

a broader base of sociological and institutional research, entrepreneurship researchers also have shown how network relations can help entrepreneurs gain access to resources on favourable terms and legitimise the entrepreneur and the venture (e.g., Thornton 1999; Burt 2000, 2004; Gnyawali and Madhavan 2001; Baum, Calabrese, and Silverman 2000; Anderson and Jack 2002; Jack and Anderson 2002; Jack 2005; Jack, Dodd, and Anderson 2008). Thus, the entrepreneur derives advantages from beneficial positions and connections in social structures.

Having firmly established the importance of social embeddedness in networks, the entrepreneurship research community has expanded its attention to explain the importance of embeddedness in other forms of contexts beyond the social, such as the institutional and spatial (see e.g. Steyaert and Katz 2004; Anderson 2000; Johannisson and Nilsson 1989) and to some degree how the social, economic, institutional and spatial interweave in shaping contexts for entrepreneurship (Trettin and Welter 2011; Welter 2011; Müller 2016). Similarly, much research incorporating an embeddedness perspective has adopted Bourdieu's notion of capital to show how the positions of entrepreneurs in various groups and segments have allowed them to build and deploy different forms of capital in their entrepreneurial efforts (Pret, Shaw, and Drakopoulou Dodd 2015; Anderson and Jack 2002; Anderson, Park, and Jack 2007; Anderson and Miller 2003).

The exploration of the significance of embeddedness for entrepreneurs and entrepreneurship has gone hand in hand with the increasing attention to context and the effort to entrepreneurship research (Welter, Baker, and Wirsching 2019; Gaddefors and Anderson 2019; Baker and Welter 2017; Pasillas, Brundin, and Markowska 2017; Zahra, Wright, and Abdelgawad 2014). Overall, the landscape of contemporary entrepreneurship scholarship is filled with descriptions and conceptualisations of contexts for entrepreneurship. Studies of family entrepreneurship (e.g. Arregle et al. 2015; Alsos, Carter, and Ljunggren 2014), rural entrepreneurship (e.g. McElwee, Smith, and Somerville 2018;

Gaddefors and Anderson 2018), academic entrepreneurship (e.g. Wright 2014; Rasmussen 2011), gendered structures and dynamics of entrepreneurship (e.g. Minniti and Naudé 2010; Marlow and Patton 2005), social entrepreneurship (e.g. Dacin, Dacin, and Matear 2010; Vannebo and Grande 2018), community entrepreneurship (e.g. Vestrum and Rasmussen 2013; Haugh 2007; Johannisson 1990), and entrepreneurship in emerging economies (e.g. Pasillas, Brundin, and Markowska 2017) have all illustrated the importance of context for entrepreneurship and directly and indirectly increased our understanding of how being embedded or disembedded shapes what entrepreneurs want, experience and do.

In addition, the study of the social, spatial and institutional embeddedness of entrepreneurship has enhanced our general understanding of the heterogeneity of entrepreneurial responses to external conditions and demonstrated how structural factors influence entrepreneurial processes at the micro level (cf. Welter and Smallbone 2011; Thornton 1999; Welter 2011). Such studies constitute a vital element for entrepreneurship theorising (Zahra 2007) by making the theorising sensitive to the many contexts in which entrepreneurship is embedded (Welter 2011; Welter, Baker, and Wirsching 2018).

A complete overview of the theoretical understanding of embeddedness and entrepreneurship derived from the efforts alluded to above lies well beyond the scope of this introductory article. However, to provide an explanation and platform for what we have wanted to achieve with the special issue, we outline three central conversations in the existing research on embeddedness and entrepreneurship that we see as essential to build on and continue to expand and enrich our understanding of embeddedness in entrepreneurship. In doing so, we hopefully acknowledge the central contributions made already and point out some potential for expanding the conversations. This will serve as the basis from which we present and position the papers included in this special issue and the future avenues of research that they indicate.



## **Embeddedness in entrepreneurial processes**

The first conversation on embeddedness and entrepreneurship that we want to highlight starts from the predominant finding that entrepreneurs derive advantages from being embedded. Being embedded in, e.g., social networks, institutions, places, families, communities, (higher) social classes or other contexts, groups or segments provides entrepreneurs with privileged access to information, resources, legitimacy, support and other elements generally considered essential for entrepreneurs to succeed in venture formation and development (see e.g. Arregle et al. 2015; Jack, Dodd, and Anderson 2008; Lee and Jones 2008; Burt 2004; Anderson and Jack 2002; Ruef 2002; Hite and Hesterly 2001; Dacin, Ventresca, and Beal 1999; Johannisson 1988; Treffers et al. 2019). It has even been argued that this enabling effect of access might be stronger in specific contexts, such as families, peripheral areas and close-knit communities, when these contexts are characterised by a sense of shared purpose and mutual dependence (Jack and Anderson 2002; Korsgaard, Müller, and Welter 2021; Alsos, Carter, and Ljunggren 2014).

While most of the research on embeddedness and entrepreneurship has emphasised the enabling effects of embeddedness, there is evidence of possible detrimental effects. Contexts, whether institutions, places or communities, exert direct and indirect pressures towards conformity. Being embedded in certain contexts may therefore limit the ability to perform the breaks and discontinuities with existing patterns of resource use needed to engage in successful entrepreneurship. Being embedded necessarily involves some level of compliance with the accepted norms in a particular (social, spatial, or other) context, which may not only enable but also restrict entrepreneurial activity (Berglund, Gaddefors, and Lindgren 2016). For example, a strong masculine norm of entrepreneurship may restrict women embedded in this context from engaging in entrepreneurial activities (Roos, 2019).

Similarly, overembeddedness in a context where waged employment is a strong norm makes it challenging for individuals seeking to become entrepreneurs (Nielsen 2005). Notably, involuntary inclusion in social segments related to, e.g., gender, ethnicity or social class, may lead to negative assessments from others that constrain entrepreneurial activity (Martinez Dy 2020; Anderson and Miller 2003).

Indirect effects of embeddedness also can be evidenced in research. Being embedded in institutions, places and communities carries cognitive framings that fundamentally shape how embedded individuals experience the world and subsequently the opportunities that can be created. One example of this in regard to entrepreneurship is the perception of resources (Penrose 1959; Dew, Sarasvathy, and Venkataraman 2004). As noted by, e.g., Felin and others (2016), resources have indefinite affordances for possible uses, yet embeddedness may entail a cognitive inability to see possible new uses of resources if these are functionally fixed by shared conventions in the institution, community, or place (Gaddefors, Korsgaard, and Ingstrup 2019). Entrepreneurship therefore requires an element of provocation, misfit or tension with the established norms, practices and routines of the context(s) (Berglund, Gaddefors, and Lindgren 2016), oftentimes introduced by outsiders. Delicate balances between conformity and provocation, e.g., through blending local involvement and outside influences, thus seem to be a crucial element of entrepreneurship, one that is disclosed through an embeddedness perspective (Müller and Korsgaard 2018; Dubois 2016; Gaddefors and Cronsell 2009).

In empirical studies of entrepreneurs, the individual entrepreneur or the entrepreneurial venture is typically considered to be embedded in the social, local, institutional or other context(s) in which the entrepreneur lives and operates the business. This may well be true in many cases and be a useful operationalization of embeddedness in large-scale quantitative studies of embeddedness and entrepreneurial outcomes. Taking embeddedness as given by, e.g., location or formal membership,

however, is not a good starting point in the effort to explore the intricacies of embeddedness and disembeddedness at the microlevel and in the dynamic and temporal interplay between entrepreneurial agency and context.

Being embedded in a network, place, community, institution, etc., is not an either-or binary (Wigren-Kristoferson, et al., 2022). Learning the norms, taking on the cognitive frames, and obtaining access to the resources of the context are processes that take time. Furthermore, as contexts change, remaining embedded requires effort. Reproducing routines and modes of action in a context that changes will likely lead to some level of disembeddedness. Understanding embeddedness as a concept in its own right and its role in entrepreneurial processes and outcomes further and deeper thus requires us to continuously problematise notions of embeddedness if they remain binary and too stable. A continued conversation on embeddedness as a dynamic process of embedding and disembedding is necessary. Significant advances on this topic have already been made, most notably in studies exploring the dynamics of entrepreneurial agency and context. Studies have thus shown how entrepreneurial agency develops and reconfigures contexts such as local and regional places, economies and institutions (Anderson, Warren, and Bensemann 2018; McKeever, Jack, and Anderson 2015), yet the complexities of dynamic structure-agency dualisms have been less developed in entrepreneurship research (Müller 2016).

Tracing the dynamics of both embedding and disembedding stands out as a central element in several contributions in this special issue. Most prominently, perhaps, this is shown in the paper by Redhead and Bika (This issue), where they explore embeddedness as a process of adoption and disconnection. In the peripheral area of Great Yarmouth, a depleted town on the coast of East Anglia in England, they show how the locals, caught in negative perceptions of the prospects of the place engaged in entrepreneurial activities that were disembedded, reinforced their disconnection from the

place. In-migrant entrepreneurs on their part “adopted the place” through their entrepreneurial efforts, seeking local collaborations and engaging in activities to develop the area.

Another demonstration of the value of the dynamic perspectives of embeddedness can be seen in the paper by Larsen, Lauvås, and Sørheim (This issue). Here, the authors explore the local embeddedness of SMEs in the salmon industry in Norway. The paper incorporates a well-known story of how SMEs and entrepreneurs in a peripheral area are highly embedded in their local communities and collaborate intensely on shared challenges and cocreate solutions to mutual benefit. Notably, the paper goes a step further by exploring the disembedding of some salmon businesses, those that consolidate into corporations and disconnect from the local communities and collaborations. The disembedding of the corporates and the ensuing consolidation of the industry into fewer and larger firms means that the SMEs that were already embedded seek local embeddedness and collaborations even more (Larsen, Lauvåsa, and Sørheim This issue). This shows how embeddedness must be understood as dynamic processes that can involve both embedding and disembedding, where firms take different paths, even from similar starting conditions, and the embedding and disembedding trajectories are interrelated at, e.g., regional and industry levels. The disembedding of some firms makes it necessary for others to embed further, and perhaps vice versa, if local networks and communities are too close-knit (see e.g. Kibler et al. 2015).

Embeddedness as a dynamic process also is accounted for in another contribution to this issue. Harima (This issue) shows how refugee entrepreneurs in Germany, after becoming disembedded from their home country, subsequently start to re-embed and rebuild resources. This results in a loss of access to resources in the home country while starting as underembedded in their host country. At some point, a process of re-embedding with the home country also starts, and thereby, the refugee entrepreneurs are able to reactivate their home country resources. This means that they, at different

points in time, may experience dual resource disadvantages or dual resource advantages. Harima's contribution offers a dynamic perspective that extends the insights of mixed embeddedness research in which mixed embeddedness has often been treated as a stable characteristic of migrant entrepreneurs.

### **Embeddedness and contexts**

The second conversation extends the abovementioned conversation by pointing to the potential for entrepreneurs to be embedded in multiple contexts. This allows them to bridge or connect between contexts and establish advantages related to information, opportunities, and resources (Burt 2004; Anderson, Dodd, and Jack 2012). An example of this is the research on mixed embeddedness, where institutional and spatial contexts also serve as a source of information, resources and legitimacy if the entrepreneur is embedded in multiple such contexts (Müller and Korsgaard 2018; Kloosterman, Van Der Leun, and Rath 1999; Kloosterman 2010; Ram, Jones, and Villares-Varela 2017; Vannebo and Grande 2018). Mixed embeddedness can afford advantages if the entrepreneur is able to access resources and markets in multiple contexts, which would explain, e.g., the general overrepresentation in numbers and better overall economic performance of in-migrant entrepreneurs in rural areas (Kloosterman, Van Der Leun, and Rath 1999; Kloosterman 2010; Kalantaridis and Bika 2006). Marti and colleagues (2013) identified a similar bridging mechanism in play at the community level, where "known strangers" bridging the boundaries between a local impoverished community and outside resources enabled community development that would have been impossible through the agency of the locals alone.

Many studies thus focus on one dimension of embeddedness (Wigren-Kristoferson et al., 2022), e.g., social embeddedness in networks. This is partly due to the theoretical anchoring of many studies in social network theory, social capital theory, human geography or institutional theory, which each

emphasises the importance of one dimension of context, such as networks, social capital, places and institutions, respectively. While this is important in order to understand the role of, e.g., the social networks in which entrepreneurs are embedded, an even fuller understanding of embeddedness and entrepreneurship, one that advances beyond the current understanding of the topic, will surely benefit from exploring embeddedness in multiple dimensions. For example, how does social embeddedness and disembeddedness interact with spatial, institutional, and other forms of embeddedness and disembeddedness? It is well established and well described that social networks are often spatially anchored in places and communities, or are under the influence of institutional factors, yet the exploration of simultaneous embeddedness in multiple context dimensions remains somewhat underresearched. Notable studies have taken up the challenge by studying how networks, communities and places coevolve (see e.g. Marti, Courpasson, and Dubard Barbosa 2013; Anderson, Warren, and Bensemann 2018). This is an important line of inquiry, as evidenced by the rich and deep understanding of the emergence of entrepreneurship and local change presented in these papers (Kibler et al. 2015; Anderson, Warren, and Bensemann 2018).

Furthermore, including multiple context dimensions when we take an interest in embeddedness would allow for taking intersectional effects into account. Most studies of intersectional effects emphasise the negative aspects and serve as a much-needed and valuable warning against overly optimistic perspectives of the emancipatory and developmental prospects of entrepreneurship that may be missed if we consider, e.g., local, social or spatial embeddedness without taking into consideration other important embeddedness dimensions such as institutions or gender (Barrett and Vershinina 2017; Dy, Marlow, and Martin 2017; Romero and Valdez 2016). An example of this can be found in the rural countryside. Here, female entrepreneurs find themselves embedded in a rural spatial context and a patriarchal institutional structure. These dual structural conditions mutually reinforce the creation of

severe challenges for female rural entrepreneurs (Ní Fhlatharta and Farrell 2017). Such examples show the potential of continuing our conversations in a way that emphasise the multilayered and multidimensional character of embeddedness in entrepreneurship.

This conversation is taken up by papers in this special issue in various ways. Alshareef (This issue) points to the relationship between spatial and social embeddedness by examining how movements between contexts with different gender norms influence the social embeddedness of women entrepreneurs. Her study of Saudi women entrepreneurs operating within or outside Saudi Arabia illustrates that the dominating gender norms in a spatial context enable or restrict women entrepreneurs' behaviours to be socially embedded to access relevant resources. Hence, spatial and social embeddedness should not be studied as independent forms but as interacting in complex ways.

Redhead and Bika (This issue) use the concept of elective and selective belonging as a means to explore and explain the dynamics between entrepreneurs and their different ways of embedding with the context. They propose “adopting place” and “accepting place” as specific manifestations of the entrepreneurial embedding process and distinguish between the options “place as it could be” and “place as it is”. In this way, Redhead and Bika (This issue) show how in-migrant and local entrepreneurs embed and disembed themselves in fundamentally different ways within the social, structural, and relational conditions of place. They illustrate the dynamics of the (dis)embedding process in a proposed model called the “dynamic process of entrepreneurial embeddedness within place”, which demonstrates embeddedness as much more complex, multilayered and dynamic than pure networks, residence or locality.

In the longitudinal process study by Harima (This issue), the refugee entrepreneur is treated as an agent, moving between contexts in an immigration process where connections to the country of origin are lost from the displacement and resources need to be rebuilt in the new context. To access

resources, refugee entrepreneurs engage in a learning and relearning process in an iterative and highly uncertain process of disembedding, underembedding and re-embedding between the home country they fled from and the new host country. Harima thus describes “autonomous entrepreneurial agents” who are able to navigate in multiple and multilayered contexts wherein they are embedded.

### **Theoretical foundations of embeddedness research**

As described above, much of the research on embeddedness and entrepreneurship has emphasised the enabling effect of embeddedness through access by being well positioned in social structures. This fundamental insight builds primarily on the work of Granovetter, and to a lesser extent on Bourdeau’s analysis of forms of capital. The theoretical foundation of embeddedness research in entrepreneurship thus fundamentally extends a Granovetterian heritage. The primary mechanisms used to disclose the role of embeddedness point to the positioning in social or institutional structures that enable access to various forms of resources such as financial, physical, immaterial, human or technological resources on better than market terms, providing an instrumental advantage. Other benefits of positioning include access to idiosyncratic information or legitimacy by affiliation (see e.g. Thornton 1999; Burt 2000, 2004; Gnyawali and Madhavan 2001; Baum, Calabrese, and Silverman 2000; Anderson and Jack 2002; Jack and Anderson 2002; Jack 2005; Jack, Dodd, and Anderson 2008). The Granovetterian perspective places relations and the social aspect at the heart of our understanding of action and thus incorporates a skepticism of pure economic rationality that is essential in understanding the effects of embeddedness on entrepreneurial activities (Krippner and Alvarez 2007). Importantly, by emphasising action, embeddedness is placed as a concept related to the individual level of analysis. It is the individual entrepreneur and venture that is embedded and derives instrumental value from being embedded. The focus on embeddedness at the individual level of analysis, implied in the view of Granovetter, has been



vital in understanding embeddedness through the mechanisms of access and resource mobilization. However, it is well established in sociology that there are many ways of conceptualising embeddedness that range across different levels of analysis, different fundamental analyses of economic activities, and different perspectives of the relation between markets and the social dimensions of context (Hess 2004; Krippner and Alvarez 2007). Being conceptually curious about other theoretical frameworks is thus an important avenue for further conversations about how embeddedness unfolds in our focal field of entrepreneurship.

In sociology and geography, a plethora of alternative theoretical perspectives of embeddedness have been widely discussed, and some have already found their way into entrepreneurship. Examples include the use of Polanyi as suggested by, e.g., Roy and Grant (2020), intersectionality theory (Martinez Dy 2020; Romero and Valdez 2016), or poststructuralism (see e.g. Nadin 2007). In this special issue, the conceptual curiosity in exploring other theoretical frameworks is most explicit in the paper by Nowak and Raffaelli (This issue), which explores the influences of the institutional and social embeddedness of innovative social enterprises from a Polanyian perspective. Polanyi represents a strong alternative route in sociology to explore embeddedness (Krippner and Alvarez 2007). Polanyian analysis of embeddedness, as pointed out by Krippner and Alvarez (2007), shares with Granovetter a skepticism of pure economic rationality and an ambition to place relations and the social aspect at the heart of our understanding of action. Polanyi, however, explores embeddedness as a question of the relationship between markets and the social aspect, thus locating the locus of analysis at the macro level. While a Polanyi-inspired exploration of entrepreneurship may be less poignant for the individual entrepreneur, it raises promising inquiries into how entrepreneurship and its subforms, such as social or community entrepreneurship, emerge as a phenomenon among the market, state and social spheres (see Rehn and Taalas 2004, for a different take on this question).

In Nowak and Raffaelli's paper (This issue), the focus is the expanding role of social enterprises in the UK, driven in part by changes at the policy level towards an increased marketization of care, social work and social innovation. At the macro level, the qualitative study shows how institutional and regulatory shifts shape how social innovation and entrepreneurship can manifest as an overall phenomenon. The force of institutions is thus enacted not solely through the provision of resources, etc., to individual entrepreneurs, but through the catalysation of the emergence of new forms of entrepreneurial ventures (social enterprises) and changes to these forms as marketization of the social economy intensifies (Nowak and Raffaelli This issue). Taking the analysis into a multilevel exploration of how policy shifts influence the daily operations of the social enterprises, Nowak and Raffaelli also shed important light on the social embeddedness of the ventures in their local contexts, bringing out four interconnected layers of embeddedness. These four layers help show how the intensified marketization through pressures on the social enterprises led to a general erosion of organisational resources, poorer conditions for employees and beneficiaries and overall lower quality of the services offered by the social enterprises.

As such, Nowak and Raffaelli's (This issue) study is a precise and disheartening example of how the creation of markets and subsequent disembeddedness of these markets from the social sphere can have devastating effects on society and its ability to provide care for its citizens. A Polanyian perspective, as adopted by Nowak and Raffaelli, will help us avoid the naïve import of simple distinctions among the market, the social aspect and the state. According to Polanyi, the notion of a disembedded market is utopian, as the social aspect always precedes the market, and pure market relations would break down without the social and institutional (e.g., state) foundations. Simple marketization, as evidenced in Nowak and Raffealli's study, is thus problematic at best and destructive at its worst.

While Polanyi's work is certainly contested and carries political implications, we would suggest that it represents one among multiple theoretical foundations that can supplement the instrumental view of embeddedness in entrepreneurship research.

## CONCLUSION

With this special issue, we have aimed to provide a platform for continuing and expanding our conversation on the important topic of embeddedness in entrepreneurship research. We have called reconceptualizations of embeddedness a dynamic, multidimensional and interdependent concept. Embeddedness is fluid and something that has degrees and qualities that differ and change over time and encompass multiple levels of analysis. Furthermore, it is clear that entrepreneurs engage with and are included in different contexts and settings simultaneously, which calls for a multitude of perspectives from which we can study embeddedness. The entries of this special issue highly contribute to this ambition and continue and expand the conversation about embeddedness.

Overall, what we find across the papers is that the ability to engage dynamically with embeddedness is an ongoing challenge for entrepreneurs. Navigating contexts and the enabling and constraining dynamics of embeddedness is an inevitable task facing entrepreneurs at every turn and corner of the entrepreneurial journey. Furthermore, the complex nature of embeddedness challenges us to not think of embeddedness as either good or bad; this is something entrepreneurs should exploit by deepening their embeddedness within some contexts and also by going beyond it at times, when the commitments and lock-ins of embeddedness become too constraining. Balancing embedding and disembedding by exploiting the advantages of a context, while also exploring new contexts, becomes a central issue for entrepreneurs.

As social individuals, we are all embedded. Embeddedness is a central mechanism in the formation of social life, as contexts hold norms, resources and structures that entrepreneurs learn to use and behave in accordance with. A consequence can be that our own way and perspective of the world become our truth. This might be comfortable, but we also might run the risk of becoming too embedded, neither exploiting available resources to the maximum nor exploring all available opportunities.

The (dis)embedding process can be compared with handling ambidexterity, with the need to both exploit and explore. Being able to do so is crucial since “maintaining an appropriate balance between exploration and exploitation is a primary factor in system survival and prosperity” (March 1991, : 71). The challenge is to make use of the resources at hand that are accessible as part of embeddedness but also make sure that this embeddedness does not create a lock-in effect of not seeing the forest because of all the trees. Being part of given contexts might imply that things tend to be taken for granted, even if incremental changes might very well take place. However, it also might result in a status quo of acceptance.

We would assume that an entrepreneur behaves entrepreneurially during certain phases. To explore new opportunities, there are probably changes taking place that might push for this, such as human interaction, new colleagues, business partners, new contexts opening for renewal and the recreation of existing capabilities. This might, however, demand a need to move beyond the status quo and to explore new contexts, e.g., new networks of people, new markets, and new customer segments. This requires an openness for newness to move beyond the already well-known. Ambidextrous embeddedness, i.e., being embedded but not too embedded, is a concept that is interesting to explore further and holds the promise to extend our conversation about embeddedness. Ambidextrous

embeddedness raises contradictory pressures, as it implies loyalty towards the known and curiosity towards the unknown, including a new perspective on time, looking back and forward at the same time.

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