THE RESOURCE MOBILISATION PROCESS OF COMMUNITY VENTURES

The Case of Cultural Events in Rural Communities

Ingebjørg Vestrum

Ph.D. dissertation submitted to Bodø Graduate School of Business for the degree of Ph.D.

University of Nordland

Ingebjørg Vestrum
The resource mobilisation process of community ventures - the case of cultural
events in rural communities

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Ingebjørg Vestrum
Bodø, April 2014.
Abstract

This thesis builds theory on the resource mobilisation process of community ventures. Community ventures are emerging organisations, networks, or institutions aiming to develop social wealth in their communities. A plethora of community ventures exist in local communities that address a range of societal challenges and/or opportunities. In this thesis, I focus on community ventures in the form of emerging non-profit organisations that aim to increase the attractiveness of their communities by introducing new cultural events.

Community entrepreneurs play a crucial role in initiating and driving the resource mobilisation process. To increase the opportunity for social change in their local communities, entrepreneurs often mobilise a range of actors and resources in the community into a collective action. Thus, the local community is a key participant in the process of mobilising resources. I develop a multi-level conceptual framework to explore the role of both the community entrepreneurs and the local communities in this process.

The results emerged from an iterative process between longitudinal case studies following the development of music festivals and theoretical interpretations. This thesis comprises four papers that illuminate different aspects of community venture development. The results and conclusions rely upon triangulation of the four theoretical approaches used in these papers.

Three research questions explore different parts of the resource mobilisation process. The first research question is about the mechanisms that are likely to facilitate this process. Building upon insights from the resource dependence theory, legitimacy, and social embeddedness approaches, I identify three resource mobilisation mechanisms working at different levels.

First, the legitimacy building is a mechanism that works at the institutional level in the local community. It illustrates how the venture needs to conform to and manipulate norms and culture within the community to be considered appropriate among potential resource holders in the community. Second, increasing
embeddedness is a mechanism that works at the dyadic level, between the emerging community venture and each resource holder, and at a network level among all resource holders. It explores whether the venture needs to develop a close network with trust and common understanding to engage local resource holders. Finally, managing resource dependence works at the dyadic level, between the emerging community venture and each resource holder. It illustrates how the venture needs to conform to and alter the demands and goals from powerful resource holders. These three resource mobilisation mechanisms run in parallel throughout resource mobilisation process and reinforce each other. Simultaneously, the importance of each mechanism changes during this process, illustrating the importance of studying the venturing process over time.

The second research question explores the role of community entrepreneurs in the resource mobilisation process. Community entrepreneurs influence this process and behave differently according to their knowledge and networks. Notions from the entrepreneurial orientation approach are used to explore how entrepreneurs that were less embedded within the local community behave in innovative, risky, and proactive ways. The studied entrepreneurs introduced networks, resources, and norms from the external environment to stimulate social change in the local community. However, these entrepreneurs had less knowledge about local norms and culture, and mobilising resources was a time-consuming and complex process. The entrepreneurial behaviour was constrained and altered by the local community.

Community entrepreneurs who were more embedded within their communities built upon existing activities and resources. These entrepreneurs had legitimacy in the community, and it was easier for them to develop relationships with local resource holders based on trust and common understanding. They initiated incremental changes in the local community. However, extended knowledge and the development of networks within the local community or externally may lead to changes in the entrepreneurs’ behaviour.

The third research question pertains to the role of the local community in the resource mobilisation process. The role of the local community changes from passive to active during venture development. First, the local community had a passive role
because the venture needed to adapt to existing resources and social capital within the local community. The holders of critical resources for venture development were included to build legitimacy, manage resource dependence, and increase embeddedness of the venture. Thus, over time, the local community became more actively involved in the process by introducing demands and goals.

The external environment is a critical entity in the resource mobilisation process because this environment enhances the social change potential of community ventures. The community entrepreneurs worked as a link between the local community and the external environment because the two environments had different social capital, resources, goals and demands. However, over time, the local community extended their social capital, resources, and expectations, and it became easier to mobilise resources for the more radical activities.

The main contribution of this thesis is related to a multi-level framework of the resource mobilisation process of community ventures that integrates insights from the resource dependence theory, legitimacy, social embeddedness, and entrepreneurial orientation approaches. These approaches enabled me to explore how mechanisms and actors are likely to work at different levels and times throughout the process of mobilising resources. The results from this thesis will hopefully assist practitioners and policy makers in stimulating more community ventures within local communities.
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1. Introduction

1.1 Research topic and approach

This thesis aims to enhance understanding of the resource mobilisation process of community ventures in local communities. Community ventures are emerging organisations, networks, or institutions aiming to develop social wealth in their communities (Haugh, 2007, Peredo and Chrisman, 2006, Teasdale, 2010). Community entrepreneurship is not a new phenomenon, and there exists a plethora of community ventures that address a range of societal and social welfare problems and opportunities (Vestrum et al., 2010). These enterprises are valued for their potential to create social wealth and for their focus on the “economic, societal, health, and environmental aspects of human welfare” (Zahra et al., 2008: 118). Community ventures contribute to their communities by introducing novel activities (Bridgstock et al., 2010), increasing quality of life (Haugh, 2007), bridging and linking social capital (Teasdale, 2010), or facilitating the creation of new commercial activities and job opportunities (Johannisson, 1990, Johnstone and Lionais, 2004).

To participate in the global competition, local communities need to be presented as attractive, with satisfactory social and cultural activities. Increased economic wealth among the inhabitants in Scandinavian communities over the last few decades has created opportunities for community ventures aiming to enhance the social and cultural life of people in local communities (Borch et al., 2008, Haugh and Pardy, 1999). Cultural activities such as music festivals can be a rich source of economic, social, and cultural capital for their local communities (Delamere, 2001, Gursoy et al., 2004). Local arts and cultural activities may strengthen sense of place and community identity and enhance civic participation, social interaction, and the well-being of inhabitants (Mayes, 2009).

Making the community more attractive may contribute to increased recruitment and job opportunities or reduce the number of people leaving the community (Hjalager, 1989, Lyons et al., 2012, Johnstone and Lionais, 2004). This thesis focuses on the development of new cultural events as a means to increase the attractiveness of local
communities. Social change in local communities is often initiated by community entrepreneurs who “question conventional practices and push limits in order to expand the opportunity pool for oneself and the community” (Lyons et al., 2012: 11). To facilitate social change in local communities, a range of actors and organisations needs to be mobilised (Montgomery et al., 2012). Thus, the local resource holders are key actors in the resource mobilisation process of community ventures (Peredo and Chrisman, 2006, Di Domenico et al., 2010, Haugh, 2007).

Earlier research on community entrepreneurship highlights the importance of community entrepreneurs (Johannisson, 1990, Partzsch and Ziegler, 2011, Meyskens et al., 2010), ventures (Datta and Gailey, 2012, Meyskens and Carsrud, 2013), and the local community (Handy et al., 2011, Nissan et al., 2012, Tapsell and Woods, 2010) in the resource mobilisation process. A multi-level analysis of this process, involving the role of both the community entrepreneurs and the local community, is needed to better understand how community ventures are created and developed. Moreover, most research on community entrepreneurship is cross-sectional, but to understand how resources are mobilised, it is important to study the process over time. This thesis aims to develop a multi-level framework to explore the resource mobilisation process of community ventures over time. The overall research question for this thesis is:

_How does the resource mobilisation process of community ventures evolve within local communities?_

Policy makers have emphasised cultural activities as a means to stimulate the local spirit and culture and that they play an important role in regional development (Bjerkli, 1995). Increased knowledge about the mechanisms that facilitate the resource mobilisation process may inspire policy makers to develop tools to help practitioners mobilise resources for their ventures. Through exploring success histories of community venturing processes, this thesis may inspire practitioners regarding how they can mobilise communities into collective actions to facilitate social change (Peredo and Chrisman, 2006, Johannisson, 1990).
1.2 The research questions

The overall aim of this thesis is to explore the resource mobilisation process of community ventures. Acquiring and organising resources are core elements in the venture development process (Shane, 2003, Stevenson and Jarillo, 1990) and have even been included as a part of the definition of entrepreneurship (Ucbasaran et al., 2001). The resource acquisition process of commercial ventures has been viewed as the realisation of an idea into a resource base of an emerging venture (Brush et al., 2001). I conceptualise the resource mobilisation process of a community venture as the realisation of a community venture idea into a resource-base of a community venture to develop social wealth in the local community. The resource mobilisation process of community ventures is found to be collective where different sectors and actors are combined to promote social change in their communities (Montgomery et al., 2012, Tapsell and Woods, 2010, Bridgstock et al., 2010, Corner and Ho, 2010).

Community ventures may be an organisation, network, or institution (Haugh, 2007, Teasdale, 2010, Johannisson and Nilsson, 1989). I focus on community ventures in the form of emerging non-profit organisations that are likely to stimulate social change through developing new cultural events (Haugh, 2007, Defourny and Nyssens, 2009). The overall research question will be explored by three sub-questions that focus on different parts of the process. This section presents these three specific research questions.

1.2.1 The mechanisms in the resource mobilisation process

The resource mobilisation process of community ventures is challenging. First, the emerging community venture needs to satisfy different goals and demands from a range of actors in the public, private, and/or voluntary sectors (Corner and Ho, 2010, Morris et al., 2011, Borch et al., 2008). Often, these actors represent a mix of commercial, cultural, and social objectives. Second, the community venture needs access to voluntary support and other resources that are not readily available in an open market. Third, the community venture may not have the commercial platform necessary to buy the resources needed. It relies on non-economic exchange for resources and depends on mobilising resources below the market price, such as
volunteers, grants, and sponsoring (Haugh, 2007). Finally, the resources needed for the development of the community venture are embedded in the local community (Borch et al., 2008).

To increase knowledge about how community ventures can solve these challenges, this thesis will identify mechanisms that are likely to facilitate the resource mobilisation process. The first research question of this thesis is:

Research question 1: What are the mechanisms that facilitate the resource mobilisation process of emerging community ventures within local communities?

1.2.2 The role of community entrepreneurs

Community entrepreneurs have a critical role in mobilising resources for emerging community ventures (Johannisson, 1990, Partzsch and Ziegler, 2011, Meyskens et al., 2010). Community entrepreneurs can be conceptualised as individuals who initiate and drive the resource mobilisation process of community ventures to facilitate social change in their communities.

Earlier research has identified the local networks and knowledge of community entrepreneurs as critical for the mobilisation of local resources (Johnstone and Lionais, 2004, Johannisson, 1990, Jones et al., 2008). Although these studies emphasise that the community entrepreneurs should be from the local community, outsiders may be more able to stimulate social change by introducing new resources and impulses to the local community from their external networks and knowledge (Hjalager, 1989).

The entrepreneurial behaviour of the community entrepreneurs is an important part of the resource mobilisation process (Weerawardena and Mort, 2006). Community entrepreneurs need to act radically to stimulate changes in the local community (Shaw and Carter, 2007). This thesis aims to explore how the entrepreneurs’ networks, knowledge, and entrepreneurial behaviour evolve throughout the resource mobilisation process through exploring the second research question:
Research question 2: What is the role of community entrepreneurs in the resource mobilisation process of emerging community ventures within local communities?

1.2.3 The role of the local community

The role of the local community in the resource mobilisation process has been emphasised by various authors (Shaw and Carter, 2007, Peredo and Chrisman, 2006, Haugh, 2007). A community is understood as a group of people sharing an interest or culture (Bell and Newby, 1971, Smith, 2001). Thus, a community can range across municipalities, regions, and nations (Smith, 2001). Some community entrepreneurship studies have focused on a geographical area, such as a municipality, village, region, or town (Johannisson, 1990, Haugh, 2007). This thesis conceptualises local communities as a group of people with shared norms, language, and culture that are developed as a result of living in the same geographical area, such as a municipality (Peredo and Chrisman, 2006, Johannisson, 1990).

Important characteristics of local communities may be related to social capital and other resources facilitating opportunity recognition and resource mobilisation (Di Domenico et al., 2010, Rønning et al., 2010). The emerging community venture is likely to stretch local structures, norms, and resources, and the characteristics and role of the local community are likely to change (Montgomery et al., 2012, Morris et al., 2011, Westlund and Gawell, 2012).

To create social wealth for the local community, the community venture depends on active and broad involvement from the community’s inhabitants (Di Domenico et al., 2010, Teasdale, 2010, Montgomery et al., 2012). In other words, community ventures are found to be embedded in their local communities, and their activities are altered by community members (Peredo and Chrisman, 2006, Morris et al., 2011). Thus, the demands and goals of the resource holders are likely to influence the process. The community is viewed to be important as a context, a key actor, and a result of the process of mobilising resources. This thesis aims to explore how the local community is likely to evolve throughout this process. The third research question is:
Research question 3: What is the role of the local community in the resource mobilisation process of emerging community ventures?

1.3 Intended contribution

This thesis aims to increase the understanding of entrepreneurial activities that are not primarily commercial. The focus within commercial entrepreneurship research has been on entrepreneurs who acquire resources from resource holders to develop economic value for themselves and the stakeholders (Villanueva et al., 2012, Van de Ven et al., 2007). This description of an entrepreneur might prevent individuals who have other characteristics and aims to engage in entrepreneurial processes. This thesis aims to increase the understanding of a broader set of entrepreneurial activities by studying collective resource mobilisation processes where the goal is to develop social wealth for the members of a community (Borch et al., 2008, Steyaert and Katz, 2004). Broadening the definition of entrepreneurship to include non-profit activities may make commercial entrepreneurs aware of their capability to create a venture for the common good of a community. Furthermore, commercial entrepreneurs may prosper from engaging in collective activities to gain access to the resources needed.

The main contribution of this thesis is related to a multi-level, conceptual framework for exploring the resource mobilisation process of emerging community ventures in local communities. This framework is developed from combining the results of four papers. Each paper focuses on different mechanisms that are likely to facilitate the process. The framework integrates insights from the resource dependence theory (RDT), legitimacy, social embeddedness, and entrepreneurial orientation (EO) approaches. The particular assumptions of each approach enable me to explore how the resource mobilisation mechanisms worked at different levels in the process. Moreover, the use of different approaches makes it possible to explore the role of both the community entrepreneurs and the local community in the process. Finally, I identify how the mechanisms and role of different actors change over time. To stimulate social change in the local community, the external environment is critical actor in the resource mobilisation process.
To explore how community ventures mobilise resources, this thesis relies on a case study design and a qualitative method (Easton, 2010). I collected and analysed the data using a narrative technique to explore how this process evolves over time and to reduce the problem of retrospective bias often met by studies of entrepreneurial processes (Katz and Gartner, 1988, Davidsson, 2004). A multi-level design identifies the role of the community entrepreneurs and the local community and their interaction. Participant observation of the festival events and meetings provides real-time data (Davidsson, 2004). The time frame of this study was the early stages of the venture formation process until the venture had developed a sustained resource base, indicating that the venture succeeded in mobilising the local resource holders into collective action.

1.4 Outlines of the thesis

This thesis proceeds as follows. Chapter 2 develops a theoretical framework to explore the resource mobilisation process of community ventures. This chapter starts with conceptualising the term community venture and discusses earlier research on the resource mobilisation process of community ventures. Then, the theoretical approaches this thesis builds upon to explore how community ventures mobilise resources are presented. Finally, the multi-level theoretical framework is presented. Chapter 3 presents the methodology. The research design, data collection and analysis, as well as quality of data and ethical questions are discussed. In Chapter 4, the four papers are presented and their contribution to the thesis discussed. Then, the complete papers are provided in Chapter 5. Chapter 6 starts with presenting the results related to the research questions outlined in Sections 1.2.1-1.2.3. Then, the contributions to the literature are discussed and implications for practitioners, policy makers, and local communities are outlined. Finally, the limitations of the studies and suggestions for further research are presented.
2. Theoretical platform

2.1 Introduction

This chapter presents the theoretical approaches this thesis builds upon to explore the resource mobilisation process of community ventures. The thesis integrates the RDT, social embeddedness, legitimacy, and EO approaches to provide a multi-level, conceptual framework of this process. Each of these approaches provides different insights into the key mechanisms that facilitate the mobilisation of resources. The combination of these theoretical approaches makes it possible to explore how community entrepreneurs act strategically to alter their environments as well as how the local community influences the process of mobilising resources.

This chapter starts by conceptualising the community venture concept before I discuss the existing literature related to the resource mobilisation process of community ventures. Then, the theoretical approaches used to explore this process are presented. Finally, a conceptual framework that integrates the different approaches is discussed.

2.2 The community venture concept

Research on community entrepreneurship has increased considerably in recent decades and explores the phenomenon in different contexts. Thus, a range of approaches and concepts are related to community entrepreneurship. Social entrepreneurship is a closely related research area that has received considerable research interest in the last few decades (Chell, 2007, Zahra et al., 2009). Some researchers have seen community entrepreneurship as a part of social entrepreneurship (Shaw and Carter, 2007, Spilling, 2011), while others explain them as two separate phenomena (Lundqvist and Middleton, 2010). Because both approaches focus on ventures driven by social goals, I view them as closely connected. In the next section, I will review the literature on community entrepreneurship in general and the relevant parts of the social entrepreneurship literature. However, a deeper discussion on the social entrepreneurship concept and
literature is beyond the scope of this thesis. Table 2-1 shows different definitions of the community venture concept. See Appendix A for more conceptualisations.

Table 2-1 Conceptualisations of community venture

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<td>Defourny and Nyssens (2009)</td>
<td>Social enterprises are not-for-profit private organisations providing goods and services directly related to their explicit aim to benefit the community. They generally rely on a collective dynamics involving various types of stakeholders in their governing bodies; they place a high value on their autonomy, and they bear economic risks related to their activity.</td>
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<td>Haugh (2007)</td>
<td>Community-led social ventures are owned and controlled by the members of the community where they are based, and any financial surplus is either reinvested in the venture or used to support other ventures that further enhance community benefit. They have the potential to revitalise communities via meeting local needs, developing the capacity of a community to be independent and generating social capital between individuals and communities.</td>
</tr>
<tr>
<td>Barraket et al. (2009)</td>
<td>Social enterprises are not for personal profit organisations that exist to produce public benefits and trade in the marketplace to fulfil their mission, such as producing benefits for a specific local population.</td>
</tr>
<tr>
<td>Tracey et al. (2005)</td>
<td>Community enterprises have a strong commercial ethos and generate a substantial part of their revenue through trading. Furthermore, they are based on strong local linkages and have democratic structures that allow the involvement of organisational members in the governance of the enterprise. Finally, they are multifunctional organisations responsible for a variety of local initiatives.</td>
</tr>
<tr>
<td>Johnstone and Lionais (2004)</td>
<td>Community business organisations are embedded in and use the market, albeit in novel ways. Community business entrepreneurs have wider social goals, such as the development of the entire community.</td>
</tr>
<tr>
<td>Di Domenico, Haugh et al. (2010)</td>
<td>Social enterprises seek to attain a particular social objective or set of objectives through the sale of products and/or services and, in doing so, aim to achieve financial sustainability independent of government and other donors. At their core, social enterprises are businesses that are market driven with commercial interests and activities used to affect social and community benefits.</td>
</tr>
<tr>
<td>Weerawardena and Mort (2006)</td>
<td>Social entrepreneurship is a behavioural phenomenon expressed in a not-for-profit organisation context aimed at delivering social value through the exploitation of perceived opportunities.</td>
</tr>
<tr>
<td>Spear (2006)</td>
<td>Social enterprises are trading organisations within the social economy, such as co-operatives, mutual, and voluntary organisations.</td>
</tr>
<tr>
<td>Curtis (2008)</td>
<td>State-sponsored social enterprises are enterprises that emerge from the</td>
</tr>
</tbody>
</table>
deliberative activity of public sector agencies ostensibly to meet a need that is unmet by the public sector.

4. Broad and global conceptualisations.

<table>
<thead>
<tr>
<th>Reference</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Moss et al. (2011)</td>
<td>Social ventures refer to organisations that pursue innovation with a social objective, which can include for-profit, non-profit, or hybrid forms of organising.</td>
</tr>
<tr>
<td>Bridgstock et al. (2010)</td>
<td>Community, voluntary, and public organisations as well as private firms working to solve social problems that have not been solved by the traditional mechanisms.</td>
</tr>
<tr>
<td>Townsend and Hart (2008)</td>
<td>Social entrepreneurs appear to be organising under both for-profit and non-profit organisational forms to engage in essentially the same activities. Combining elements of a for-profit focus on efficient use of economic resources with a non-profit focus on social value creation.</td>
</tr>
</tbody>
</table>

Table 2-1 divides the community venture concept into four sub-categories. The narrow and broad dimensions refer to the legal form of the nascent community venture. Some conceptualisations are narrow and include only the non-profit form of organisation in their definitions (Bacq and Janssen, 2011). Others are broader and include for-profit ventures. Some researchers explain that community ventures represent a hybrid type of organisation. They can be seen as business-like alternatives to the traditional non-profit organisations where the surplus is reinvested in the business (Dart, 2004) or in the form of for-profit ventures that are driven by social goals (Wilson and Post, 2013).

Broad conceptualisations may blur the lines between community and commercial ventures because commercial ventures may also create social wealth in their communities. To ensure that the social goals of the venture are more important than the commercial goals, this thesis uses a narrow conceptualisation and includes only non-profits and non-profit hybrids. A non-profit organisation uses any surplus to pursue its goals rather than distributing dividends to owners or shareholders (Sharir and Lerner, 2006, Shaw and Carter, 2007, Austin et al., 2006). In other words, the profit is not seen as an end but as the means to an end (Anderson et al., 2006). A community venture is, however, not synonymous with a non-profit organisation unless it uses innovative solutions to create social wealth for a local community (Weerawardena and Mort, 2006).
The other dimension of community ventures ranges from local to global in terms of the geographical scope of entrepreneurial activities. A community can refer to a specific interest group or a religious group, and the community venture’s activities may be global (Smith, 2001). Many community entrepreneurship researchers emphasise a local scope of community ventures and link their resource mobilisation activities to a specific geographical area (Peredo and Chrisman, 2006, Johannisson, 1990). This thesis focuses on a development of community venture that aims to increase the attractiveness of local communities facing the challenges related to a lack of leisure activities and to depopulation (Lyons et al., 2012). I conceptualise the community venture as narrow and local in this thesis.

Most conceptualisations of community ventures focus on social wealth creation as the main aim (Defourny and Nyssens, 2009, Zahra et al., 2009). Moreover, community ventures have been found to be a source for renewing local communities and may stimulate social change (Haugh, 2007). Thus, social wealth creation must be a part of the conceptualisation. Community ventures can be in the form of networks, activities, services, and institutions for the common good of a community (Austin et al., 2006, Morris and Jones, 1999, Borch et al., 2008). Commercial entrepreneurship research tradition conceptualises a venture as the creation of a new organisation that emerges from combinations of familiar or new elements in pursuit of an opportunity (Katz and Gartner, 1988, Kirzner, 1997). The community venture in this thesis is conceptualised as an emerging non-profit organisation that aims to develop social wealth for a local community.

2.3 The resource mobilisation process of community ventures

The acquisition and organisation of resources are seen as a crucial part of venture development processes (Shane, 2003, Stevenson and Jarillo, 1990, Ucbasaran et al., 2001). Similarly to other types of ventures, the nascent community venture requires access to a range of resources from local resource holders, such as financial, physical, human, and intangible resources (Meyskens and Carsrud, 2013). The community venturing process is about mobilising actual resource holders to be actively involved in the venture rather than only acquiring their resources (Haugh, 2007). This section reviews existing knowledge about the resource mobilisation process of community
ventures that have emphasised the role of the entrepreneurs and the context. Appendix B summarises the research on community entrepreneurship.

Most research on the resource mobilisation process of community ventures is explorative and identifies particular characteristics of this process (Weerawardena and Mort, 2006). The process has been described as the re-organisation of resources and activities in a local community to create social wealth (Brush et al., 2001, Haugh, 2007, Perrini et al., 2010). Resources in the local community are assembled into the resource base of an emerging community venture. Social wealth has been regarded as economic, social, and/or environmental values for the common good of a local community. This can improve life in the community through developing new job opportunities, offering social services, or creating cultural activities (Peredo and Chrisman, 2006).

Community ventures require that lead actors, such as community entrepreneurs, mobilise support and resources for the new venture creation (Shaw and Carter, 2007). Community entrepreneurs build upon their personal networks to mobilise resources (Zahra et al., 2008, Johannisson and Nilsson, 1989, Mair and Schoen, 2007). To be provided with trust and local credibility, the community entrepreneurs are closely connected to their local communities (Johnstone and Lionais, 2004, Partzsch and Ziegler, 2011, Johannisson, 1990). Moreover, the entrepreneurs’ knowledge about local history and traditions promotes local resource mobilisation (Lindgren and Packendorff, 2006).

Community entrepreneurs are also found to behave entrepreneurially to stimulate social change in the local community. These entrepreneurs can assume the role of change agents and can initiate innovative recombinations of local resources (Shaw and Carter, 2007, Mair and Marti, 2006, Bacq and Janssen, 2011, Dees, 2001). The entrepreneurial behaviour is influenced by the social goal of the venture and the characteristics of the local community (Weerawardena and Mort, 2006, Haugh, 2007, Ratten and Welpe, 2011). How community entrepreneurs behave is related to the need for change in the local community (Rønning et al., 2010). Austin et al. (2006: 9) asserted: “Indeed, an adverse context may often lead the social entrepreneur to seek
to change the context itself, as often the social problem is deeply embedded in contextual factors”.

Social capital in particular has been identified as an important resource in a local community (Heilbrunn, 2010, Westlund and Gawell, 2012, Anderson et al., 2006). Social capital is the trust, norms, and networks that bind the community members together and facilitate collective action (Nahapiet and Ghoshal, 1998). To initiate social change within a local community, the community venture builds upon existing social capital to promote collective action and simultaneously extend the community’s social capital (Montgomery et al., 2012, Westlund and Gawell, 2012). Resources and social structures within the local community are therefore suggested to be an input, a means, and an output of the resource mobilisation process (Peredo and McLean, 2006).

Much of the community entrepreneurship research has been performed within communities that have economic and social problems related to poverty, unemployment, and poor living conditions (Di Domenico et al., 2010, Weerawardena and Mort, 2006, Sharir and Lerner, 2006). The main goals of these community ventures are to stimulate economic development and increase the socio-economic condition of the communities. These types of ventures emerged especially in the US and most European countries during the 1970s and 1980s as a response to declining public support for non-profits and/or the withdrawal of welfare services that traditionally had been organised by the public sector (Partzsch and Ziegler, 2011, Defourny and Nyssens, 2009, Shaw and Carter, 2007). The community ventures were set up to fill a gap in services left open by the public or private sectors. The non-profit community ventures needed to use market-based solutions and business-like models to pursue financial sustainability and to compete for donors and grants (Nissan et al., 2012, Weerawardena and Mort, 2006, Di Domenico et al., 2010). In this situation, the community entrepreneurs’ roles are likely to be similar to those of commercial entrepreneurs because they develop a non-profit community business to offer services to marginal and poor groups (Weerawardena and Mort, 2006, Johnstone and Lionais, 2004). The actors within the local community may, in this situation, play a rather passive role as clients or customers.
Another stimulus for the development of community ventures was the restructuring and shutting down of industries in Western economies, leading to unemployment and societal crisis during the 1970s and 1980s (Vestrum et al., 2010). Earlier attempts to solve societal problems within communities by “top-down” efforts driven by the government had failed to develop the new social structures needed to stimulate economic development (Dupuis and de Bruin, 2003, Johannisson and Nilsson, 1989, Lotz, 1989). The social life and the commercial activities of a community were seen as closely connected and local mobilisation and grassroots actions were needed to create new jobs and stimulate economic development. The community ventures needed to mobilise the local community as an active part, which implies greater responsibility for own socioeconomic development (Haugh, 2007). The role of the community entrepreneur in this situation is to stimulate active and broad involvement from the community’s inhabitants (Di Domenico et al., 2010, Teasdale, 2010). Thus, the mobilisation of resources can be seen as a collective process involving a range of actors from different sectors in the local community to stimulate social wealth creation (Montgomery et al., 2012, Tapsell and Woods, 2010, Bridgstock et al., 2010, Urbano et al., 2010). The community venture needs to satisfy a range of goals and demands from the actors involved in the process (Borch et al., 2008). Similarly, the actors have different types of knowledge and information that facilitate access to distinct types of resources (Meyskens and Carsrud, 2013). In this situation, the local community is seen as important both as a context and an actor of the venture (Peredo and Chrisman, 2006, Vestrum et al., 2010, Haugh, 2007).

While community entrepreneurship research typically has studied communities with low economic wealth and/or a lack of public services (Johannisson, 1990, Johnstone and Lionais, 2004, Weerawardena and Mort, 2006), some recent studies have investigated communities with higher economic wealth (Campbell-Hunt et al., 2010, Lundqvist and Middleton, 2010, Westlund and Gawell, 2012). This is especially relevant for the Scandinavian context, which is characterised by high economic wealth among its inhabitants and a strong and active public sector that delivers welfare for the inhabitants (Lundqvist and Middleton, 2010, Stryjan, 2006). Poverty and insufficient health service are almost absent in these communities. Scandinavian communities rather meet challenges related to negative reputation or attitude, lack of sufficient leisure activities, low attractiveness among the youth, and depopulation.
Community ventures in these types of communities may have other goals, such as offering leisure and cultural activities for the community members (Westlund and Gawell, 2012).

This thesis explores how community ventures introducing new cultural events in Scandinavian communities mobilise resources. The aim of these ventures is to stimulate social change. Thus, these ventures need to mobilise the local community into collective action rather than only offering services for the local community (Montgomery et al., 2012, Lundqvist and Middleton, 2010). The local community, therefore, influences the resource mobilisation process both through their existing resources and social capital and their demands and goals (Peredo and Chrisman, 2006, Haugh, 2007). In this situation, the community entrepreneurs need to behave entrepreneurially to stimulate social change. The networks and knowledge of the community entrepreneurs are also important for understanding the process of resource mobilisation. While earlier research has emphasised that community ventures are likely to evolve outside the public sector (Weerawardena and Mort, 2006, Di Domenico et al., 2010), the public sector may play an important role in mobilising resources for community ventures within Scandinavian communities.

The specific characteristics and challenges of the resource mobilisation process of community ventures call for a theoretical framework that enables the exploration of collective and dynamic processes. However, the majority of existing research and frameworks are cross-sectional (Tapsell and Woods, 2010). The few studies exploring resource mobilisation over time have described the process in stage models outlining the characteristics and activities of each phase in the process (Haugh, 2007, Perrini et al., 2010). Identifying phases that are identical to all resource mobilisation processes is tricky because not all ventures necessarily follow the same sequences. The specific context of the local community and the community entrepreneurs’ action may lead to differences in the stages of the process. Moreover, stage models offer little explanation of how the ventures are able to mobilise resources and move from one stage to the next. As a result, research has moved towards identifying factors triggering or hindering new venture creation (Jack and Anderson, 2002, Chell, 2007). This thesis identifies mechanisms that are likely to facilitate the process of mobilisation of resources of community ventures. I build upon theoretical approaches
that are suitable to explore multi-level and dynamic processes. The theoretical approaches are presented below.

2.4 Theoretical approaches

In this section, the theoretical approaches that are used to explore the resource mobilisation process of community ventures are presented, as illustrated in Table 2-2.
Table 2-2 Theoretical approaches used to explore the resource mobilisation process of community ventures

<table>
<thead>
<tr>
<th>Theoretical approaches</th>
<th>Social embeddedness</th>
<th>The resource dependency theory (RDT)</th>
<th>Legitimacy</th>
<th>EO</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Focus</strong></td>
<td>Trust and reciprocity and network structure guide behaviour of individuals and organisations.</td>
<td>Actors with more power guide the behaviour of an organisation.</td>
<td>Trust and reciprocity guide the behaviour of an organisation.</td>
<td>Cultural-cognitive and normative forces in the environment guide the action of individuals and organisations.</td>
</tr>
<tr>
<td><strong>Unit of analysis</strong></td>
<td>Dyadic relationships, network level, organisational/individual behaviour.</td>
<td>Dyadic relationships, organisational behaviour.</td>
<td>Dyadic relationships, organisational behaviour.</td>
<td>Institutional level, organisational/individual behaviour.</td>
</tr>
<tr>
<td><strong>Resource mobilisation strategies</strong></td>
<td>Increase embeddedness through developing closer networks and increasing trust and common understanding among resource holders.</td>
<td>Minimise interdependences through conforming to the demands of resource holders or increasing power.</td>
<td>Increase trust through increasing interdependences between the venture and resource holders.</td>
<td>Build legitimacy through conforming to and manipulating local norms and culture.</td>
</tr>
</tbody>
</table>
All the theoretical approaches presented in Table 2-2 focus on how organisations manage to stimulate their access to and/or organisation of resources. The theories emphasise different levels and strategies of the multi-level resource mobilisation process of community ventures. Hence, the combination of these theories makes it possible to explore different parts of the process. Each theoretical approach is presented below, with reference to Table 2-2.

2.4.1 The social embeddedness approach

In the 1980s, economic and sociologic theorists used the concept of social embeddedness to better understand how social structures affect economic behaviour (Uzzi, 1997). Granovetter (1985: 504) stated that “most behaviour is closely embedded in networks of interpersonal relations”. Embeddedness promotes the closeness of ties and develops trust and a common understanding between actors (Uzzi, 1997, Simsek et al., 2003).

As illustrated in Table 2-2, the social embeddedness approach states that actions and outcomes of behaviour are affected both by the actors’ dyadic relationships and the broad structure of their overall network of relationships (Granovetter, 1985). Relational embeddedness relates to the dyadic exchange between actors, which may take the form of trust, reciprocity, and norms (Simsek et al., 2003, Uzzi, 1997). Structural embeddedness relates to the overall pattern of relationships between actors with regard to the absence or presence of ties between actors in the form of closure, density, connectivity and hierarchy (Simsek et al., 2003). Relational and structural embeddedness are the most used dimensions within the social embeddedness approach. Some researchers have also discussed the cognitive dimension of embeddedness (Dequech, 2003, Simsek et al., 2003). Cognitive embeddedness means similarity among network actors regarding their views about which issues are supposed to be important.

Table 2-2 shows that one resource mobilisation strategy, according to the social embeddedness approach, is to increase embeddedness in the environment through promoting trust, closeness, and a common understanding between resource holders in a network. Earlier research has investigated how commercial entrepreneurs or
ventures become embedded in a local community to acquire resources for their business (Jack and Anderson, 2002). Being embedded in local structures gives business entrepreneurs access to opportunities (Jack and Anderson, 2002, Villanueva et al., 2012, Moran, 2005) and resources that are below market prices (Newbert and Tornikoski, 2013). This may be important for community ventures that rely upon volunteers, sponsoring, and other resources below market price (Bridgstock et al., 2010, Newbert and Tornikoski, 2013). Moreover, non-profit community ventures are dependent upon mobilising local resource holders by using noneconomic exchange (Dees, 2001, Sharir and Lerner, 2006).

Highly embedded networks are found to improve the resource mobilisation and value creation of all actors in the networks and to motivate the resource holders towards joint action to solve collective interests (Gulati and Sytch, 2007, Somerville and McElwee, 2011, Villanueva et al., 2012). Trust and reciprocity increase the cooperation of actors in the creation of collective values (Borch, 1994, Hite, 2003, Bellandi, 2001) because they develop a better coordination among the goals of key actors (Uzzi, 1997, Zahra et al., 2006).

Being embedded in local structures is critical for community ventures to develop local engagement and create social wealth for the local community (Morris et al., 2011, Besser et al., 2006, Montgomery et al., 2012). However, how community ventures actually become embedded in local structures is not well understood. Increasing the embeddedness may be more challenging for community ventures than for commercial ventures. Business entrepreneurs become embedded in local structures to discover new opportunities and acquire resources (Jack and Anderson, 2002). The entire community venture needs to be embedded within local structures to engage potential resource holders, simultaneously as it needs to generate changes in these structures (Johannisson and Nilsson, 1989, Di Domenico et al., 2010, Haugh, 2007).

2.4.2 The RDT

RDT draws from sociology and political science and has furthered understanding of the behaviour of organisations and individuals engaged in a resource exchange relationship (Pfeffer and Salancik, 2003, Ulrich and Barney, 1984). RDT views
organisations as coalitions of interests where groups and individuals with different goals come together and engage in exchanges. The coalition participants define the activities of the organisations, and the organisations need access to resources from the environment to continue these activities.

As illustrated in Table 2-2, both the social embeddedness approach and RDT explore how organisations may handle dyadic relationships between an organisation and resource holders in the environment. However, in contrast to the social embeddedness approach, RDT does not explore how an organisation works at the network level between the organisation and all resource holders in the network (Pfeffer and Salancik, 2003, Rowley, 1997).

Table 2-2 shows that while social embeddedness identifies trust and reciprocity as an exchange for resources, RDT views power as a critical factor that will form dyadic exchange between actors (Pfeffer and Salancik, 2003). RDT asserts that resource holders controlling important resources for organisational survival are likely to have power to influence the organisation’s behaviour and decisions. The organisation needs to manage the demands from these resource holders. This is particularly relevant if an organisation is dependent upon resources controlled by a limited number of resource holders, which can be the case for community ventures (Desa, 2012, Di Domenico et al., 2010). Similarly to other types of nascent venture, community ventures lack a track record and power, both in their environment and in their relationships with resource holders (Santos and Eisenhardt, 2009). In addition, non-profit community ventures are found to be highly dependent upon external sources of funding and need to mobilise volunteers and staff for below-market wages (Sharir and Lerner, 2006).

As shown in Table 2-2, two approaches to the RDT have emerged that focus on different strategies of managing the dependences to resource holders; these are the asymmetric and the joint dependence approach.

The asymmetric dependence approach considers a relation of asymmetric dependence with more powerful resource holders as a liability because the resource holders may constrain the behaviour of the organisation (Pfeffer and Salancik, 2003,
To handle this dependence situation, the organisation needs to minimise its environmental dependencies. The organisation may either conform to the requirements of the resource holders or attempt to alter the environment by increasing its power related to key resource holders. Thus, the community venture may adapt its activities to the goals and demands of the local resource holders to mobilise the local community (Peredo and Chrisman, 2006). In addition, community ventures need to increase their power through rally enthusiasm for the novel parts of their ventures by altering the requirements from local resource holders (Lindgren and Packendorff, 2006).

Most studies on how organisations minimise environmental dependencies are related to the use of hard power tactics by resource-rich established firms (Santos and Eisenhardt, 2009). Nascent ventures that lack resources and legitimacy in the environment tend to use indirect soft power tactics, such as the illusion of deception, exploitation of others’ tendencies, and timing, to increase their power. The soft power tactics are relevant for emerging commercial ventures aiming to increase their power in nascent markets; however, to ensure community interest, community ventures may act less competitively.

A more recent approach to RDT is joint dependence (Hillman et al., 2009, Villanueva et al., 2012). The joint dependence approach argues that an organisation’s dependence on a resource holder may not always favour the strongest actor (Gulati and Sytch, 2007). Instead of focusing on the differences in the actors’ dependencies on each other, the joint dependence approach considers the sum of dependences on each other in dyadic relationships. This approach builds upon the logic of social embeddedness that was presented in Section 2.4.1 (Villanueva et al., 2012).

Similarly to the social embeddedness approach, the joint dependence approach argues that trust and reciprocity are likely to guide the exchange between actors. Thus, developing relationships of joint dependence develop qualitatively deep relationships, allowing both to generate more benefits (Villanueva et al., 2012, Van de Ven et al., 2007). As shown in Table 2-2, the ventures manage their resource dependence by increasing their interdependences to resource holders. Developing relationships of joint dependence is likely to be a fruitful strategy for non-profit
community ventures aiming to develop social wealth within their communities (Hillman et al., 2009, Ridley-Duff, 2008). Nascent community ventures and resource holders with relationships of joint dependence are mutually dependent upon each other to meet their goals.

Earlier research has contrasted the asymmetric and joint dependence approaches of RDT to identify which approach best explores the resource mobilisation process (Villanueva et al., 2012). RDT is not used to explore how community ventures mobilise resources, and it is unknown which of the approaches may best explore this process. The two approaches may run in parallel or explain different parts of the process.

2.4.3 The legitimacy approach

Legitimacy is one of the most important approaches within institutional theory and refers to “a generalised perception or assumption that the actions of an entity are desirable, proper or appropriate within some socially constructed system of norms, beliefs, and definitions” (Suchman, 1995: 574). Legitimacy can be viewed as an instrumental resource necessary to acquire other resources from the environment (Zimmerman and Zeitz, 2002). It is a socially constructed resource reflecting the behaviours of the actor and the shared belief of a social group (Stringfellow et al., 2013).

While the social embeddedness approach and the RDT focus on how an organisation may operate on the dyadic and network level, the legitimacy approach emphasises how organisations and individuals are likely to work at the institutional level (Suchman, 1995, Pfeffer and Salancik, 2003). Moreover, according to the legitimacy approach, the behaviour of an organisation or individuals is dependent upon the shared belief of a group of actors and independent of the belief of each actor in the group. In other words, the legitimacy approach focuses on how organisational actors are constrained, developed, and permitted by cognitive and normative forces within their environment.
Building legitimacy has been seen as a mechanism for nascent ventures to be viewed as appropriate among key resource holders (Ueberbacher, 2013, Lounsbury and Glynn, 2001). In fact, one of the greatest challenges for nascent ventures and entrepreneurs is that they lack the legitimacy needed to convince resource holders to back their ventures (Tornikoski and Newbert, 2007, Zimmerman and Zeitz, 2002). Similarly to other types of ventures, community ventures are likely to meet challenges related to the liabilities of their newness and smallness, making the resource holders redundant to exchange resources. In addition, community ventures are not driven by a profit motive nor is their success measured in terms of the profit they generate (Austin et al., 2006, Haugh, 2007). Thus, community ventures need to legitimate their role towards resource holders and to convince resource holders to accept non-financial gains in exchange for resources.

Suchman (1995) distinguishes between strategic and institutional legitimacy. Institutional legitimacy stresses conformity to societal expectations, whether in the form of legal requirements and social norms or cultural-cognitive frames of reference. Strategic legitimacy explores how organisational actors can “instrumentally manipulate and deploy evocative symbols in order to garner societal support” (Suchman, 1995: 572). The legitimacy approach seems appropriate to explore how a community venture may mobilise resource holders through both conforming to expectations and norms in the local community as well as acting strategically by manipulating the existing culture and norms (Montgomery et al., 2012).

### 2.4.4 The EO approach

EO has emerged as an important approach within the strategic management and entrepreneurship literature during the last decades (Covin et al., 2006). EO has primarily explored the strategies and actions of key actors related to new-venture creation within an existing firm context (Lumpkin and Dess, 1995, Wiklund, 1998). Wiklund (1998: 223) conceptualised EO as ‘taking advantage of opportunity by novel combinations of resources in ways that have impact on the market’.
While the RDT, social embeddedness, and legitimacy approaches explore how the environment is likely to influence the behaviour of actors within an organisation, the EO approach focuses on how the behaviour is shaped by strategic processes within the organisation, as illustrated in Table 2-2. Moreover, EO is a disposition to act and promote a specific entrepreneurial behaviour according to the manner in which a firm builds its resource base to exploit new opportunities (Covin and Lumpkin, 2011, Simsek et al., 2003).

Risk-taking, innovativeness, and proactiveness are the most used dimensions of EO (Bojica et al., 2011, Lumpkin and Dess, 1995). Risk-taking is related to the commitment of resources to projects where the cost of failure is high or the outcomes are unknown. The innovativeness dimension explains the exploitation of new ideas and departing from established practices by developing novel combinations of resources. Proactiveness is associated with behaviour related to acting on future needs by discovering opportunities not related to the present line of operations. According to how firms score on the different dimensions of EO, they can be placed along a continuum that ranges from conservative to entrepreneurial (Barringer and Bluedorn, 1999). Conservative firms are likely to have a lower degree of EO and are risk averse, less innovative, and not very proactive. Entrepreneurial firms have higher EO scores and are described as being risky, innovative and proactive. These types of firms are likely to combine resources in new and different ways.

Entrepreneurial behaviour has been found to be a source of competitive advantage, and firms with high EO scores are found to perform better related to sales growth and employment growth (Covin et al., 2006, Madsen, 2007). EO has mostly been used to explore the entrepreneurial behaviour of commercial ventures and for-profit corporations. The assumptions within the EO approach need to be modified to illustrate how the entrepreneurial behaviour in community ventures may be restricted by its social goals, economic sustainability, and the local community (Weerawardena and Mort, 2006).
2.5 The conceptual framework

Based on the research questions and earlier community entrepreneurship research, a multi-level conceptual framework that integrates the different theoretical approaches discussed above is presented in Figure 2-1. The framework illustrates concepts and dimensions that have been investigated through theoretical discussions and findings in each paper included in this thesis.
The main unit of analysis is the resource mobilisation process of community ventures. This thesis explores resource mobilisation mechanisms that are likely to facilitate this process, as shown in Figure 2-1. Moreover, I identify the community entrepreneurs and the local community as embedded units of analysis.

### 2.5.1 The actors in the resource mobilisation process

Similarly to earlier research, I included networks, knowledge, and entrepreneurial behaviour of community entrepreneurs as critical parts of the resource mobilisation process.
(Weerawardena and Mort, 2006, Shaw and Carter, 2007, Johannisson, 1990). This is illustrated in the box of community entrepreneurs in Figure 2-1. I build upon insights from the EO approach to explore how risky, innovative, and pro-active entrepreneurs mobilise local resource holders to stimulate social change in their communities.

Moreover, the social capital, resources, demands, and goals of the local community are also included in the multi-level framework in Figure 2-1. To increase engagement in the local community, the venture needs to build upon existing social capital and resources (Di Domenico et al., 2010, Peredo and Chrisman, 2006, Desa, 2012). Moreover, the social capital and other resources in the community are likely to be sources of opportunities for community entrepreneurs and the results of the resource mobilisation process. In Scandinavian communities, the community entrepreneurs may see the opportunity to stretch the social capital of remote areas (Kalantaridis and Bika, 2006a). The local community also needs to be actively involved in the venture, and their goals and demands are included in the framework in Figure 2-1 (Haugh, 2007).

To improve the social change potential, some community ventures introduce resources from outside the local community (Johannisson and Nilsson, 1989, Hjalager, 1989). Thus, I include the resources, social capital, demands, and goals in the external environment in the framework of the resource mobilisation process of community ventures, as illustrated in Figure 2-1.

The EO approach focuses on how the community entrepreneurs strategically mobilise resources without taking into account the influence of the environment. This thesis combines the EO approach with insights from the RDT, social embeddedness and legitimacy approaches to explore how the local communities influence the entrepreneurs’ behaviours. These approaches see organisations as open and/or embedded in networks of interdependencies and relationships (Granovetter, 1985, Pfeffer and Salancik, 2003, Uzzi, 1997). Moreover, the theoretical approaches illuminate different dimensions of the social context of an organisation (Chung and Luo, 2013). Consequently, combining the theoretical approaches enables an exploration of how different parts of the local community influence the resource mobilisation process. Thus, incorporating these theoretical approaches in the same framework allows me to explore how community entrepreneurs mobilise resources for a new venture. At the same time, I can explore how the local community may influence the process.
2.5.2 The mechanisms in the resource mobilisation process

Insights from the RDT, social embeddedness, and legitimacy approaches seem appropriate to explore the resource mobilisation mechanisms. As illustrated in Figure 2-1, the social embeddedness approach explores increasing embeddedness as a mechanism that facilitates the resource mobilisation process of community ventures through developing close ties characterised by trust and common understanding in a network of local resource holders (Corner and Ho, 2010, Teasdale, 2010, Morris et al., 2011). The social embeddedness approach explores how the community venture becomes a part of local structures through conforming to networks, demands, and goals of local resource holders. However, this approach does not enable an exploration of how a community venture may act strategically to develop novel ideas that depart from existing practices. To emphasise how community entrepreneurs manage to embed the community venture into the structures of the local community and simultaneously stretch these structures, the social embeddedness approach is combined with notions from the RDT, legitimacy, and EO approaches.

RDT explores how organisations address dyadic relationships and enable the exploration of managing resource dependence with resource holders as a mechanism that facilitates mobilisation of resources, as shown in Figure 2-1. Similarly to the social embeddedness approach, one strategy may be to conform to the demands and goals of powerful resource holders. Moreover, RDT explores how community ventures can act strategically to change requirements in dyadic relationships. However, it does not explore how the ventures perform at the institutional level within the local community. Thus, the theoretical framework would benefit from including insights from the legitimacy approach.

Finally, the legitimacy approach operates on the institutional level and enables the exploration of mechanisms that facilitate access to resources through legitimacy building. This approach states that to build legitimacy, the community venture need to adapt to social norms and cultural-cognitive forces in the local community. In addition, the legitimacy approach enables me to explore how community ventures can act strategically to mobilise resources for the more radical part of the venture through manipulating norms and culture within the local community.
3. Methodology

3.1 Introduction

This chapter presents the methodological approach used to answer the research questions outlined in Section 1.2 related to the resource mobilisation process of community ventures. The research design in this thesis is guided by the critical realism paradigm. This paradigm calls for knowledge about deeper structures and mechanisms that cause real phenomena. Thus, the first research question explores the mechanisms of the resource mobilisation process. The critical realism paradigm is presented in the next section of this chapter.

The research design of this study is presented in Section 3.3. Case studies are often used within critical realism research and are suitable for exploring the first research question as well as the second and third research questions related to the role of the community entrepreneurs and the local community in the resource mobilisation process. The case study design is discussed with reference to data collection and analysis in Sections 3.4 and 3.5. The following section outlines quality issues related to critical realism standards. The chapter concludes with a section about the ethical issues related to the collection and use of data.

3.2 Critical realism paradigm

The paradigm of critical realism was selected to build theory on how community ventures mobilise resources. A paradigm is a researcher’s world view and understanding of reality (Healy and Perry, 2000). It represents a framework within which the researcher works. Each paradigm has ontological and epistemological considerations that will guide the selection of the research question and research methodology. In the following section, the critical realism paradigm will be discussed and compared with the two contrasting paradigms of positivism and constructivism. The paradigm of positivism holds that reality is real and understandable and that it is possible to collect quantitative data that objectively represent a reality (Bjerke, 2007). In contrast, the constructivism paradigm sees reality as constructed. The researcher and reality are seen as inseparable, and a researcher constructs pictures
from his/her own way of understanding. Thus, the meanings of actions are complicated and cannot be quantified. The critical realism view also understands reality as socially constructed; however, it is simultaneously real and exists independent from researchers (Easton, 2010). Table 3-1 summarises the main differences between the three paradigms.

Table 3-1 Paradigm of research (adapted from Healy and Perry (2000))

<table>
<thead>
<tr>
<th>Component</th>
<th>Critical realism</th>
<th>Constructivism</th>
<th>Positivism</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ontology</td>
<td>Reality is real but only imperfectly understandable.</td>
<td>Reality is socially constructed.</td>
<td>Reality is real and understandable.</td>
</tr>
<tr>
<td>Epistemology</td>
<td>Modified objectivist: findings are probably true.</td>
<td>Subjectivist: findings are created.</td>
<td>Objectivist: findings are true.</td>
</tr>
<tr>
<td>Research questions</td>
<td>How, why?</td>
<td>How, why?</td>
<td>Who, what, where, how many, how much?</td>
</tr>
<tr>
<td>Common methodologies</td>
<td>Case studies: triangulation, interpretation of research issues, mostly by qualitative methods.</td>
<td>Hermeneutical/dialectical: researcher is a participant within the world being examined.</td>
<td>Experiments/surveys: hypothesis testing, mainly quantitative methods.</td>
</tr>
</tbody>
</table>

The ideas and methodology within the critical realism paradigm enabled me to build theory on the complex resource mobilisation process of community ventures. The epistemological and ontological considerations of critical realism are discussed in the next section.

3.2.1 Ontological considerations

Ontology relates to the way in which the researcher understands reality (Healy and Perry, 2000). Critical realism explains that reality is complex and difficult to predict (Gerrits and Verweij, 2013). Four properties about reality have been discussed in the critical realism paradigm.
First, reality is non-decomposable, and it is not possible to describe the components of reality as discrete entities. Real structures and processes are the results of interactions between these components. Thus, it is not possible to separate community entrepreneurs or the local community when studying the process of mobilising resources because their interactions will impact the process.

Second, the reality is contingent upon time and place. Some mechanisms will therefore be in operation at given points of time and in a specific community, while others will not. Thus, the same mechanism can produce different outcomes, and different mechanisms can produce the same result. I therefore take into consideration the specific context and time when studying how community ventures mobilise resources.

Third, critical realism argues that the explanation of reality is reductionist. Because of limits in the researchers’ understanding and for practical research purposes, some of the properties of reality will be lost through any attempts to explain it. Although this thesis is comprehensive, with the aim of exploring mechanisms and actors in the resource mobilisation process, it is not possible to cover all parts of this process. Thus, my explanation of the process will be limited to my focus and understanding of the phenomenon.

Finally, time is asymmetric, and it is difficult to predict the future. I focus on the earliest stages of the resource mobilisation process of emerging community ventures until the venture has developed a sustainable resource base. It is not possible to predict how the process will continue after the venture has developed its resource base by using my results.

3.2.2 Epistemological considerations

Epistemology addresses the relationship between the researcher and the nature of knowledge. The critical realism paradigm explains meaning as interpretative rather than only externally descriptive (Easton, 2010). Thus, meaning must be understood and cannot be measured or counted. Critical realism accepts that it is possible to know reality because it exists independent from the researchers. Research allows us
to come closer to reality. Critical realists argue, however, that it is difficult to capture the real world and that researchers can only observe and experience empirical events, processes, and behaviour (Easton, 2010, Gerrits and Verweij, 2013). Obtaining a complete understanding of a phenomenon is not possible, as explained by Easton (2010: 123): “We see just the tip of an iceberg”.

According to critical realism, causality is real and can be researched. Causality is the actual causal mechanisms that are involved in particular events or processes. Thus, it can generate a temporary explanation of what drives processes by asking for the cause: “what makes it happen?” I aim to identify the mechanisms that are likely to facilitate the resource mobilisation process. Following the critical realism paradigm, I conducted a longitudinal case study to explore how this process unfolded in chronological order (Easton, 2010). The time frame of the study was limited to the earliest stages of venture development until the community venture had developed a sustained resource base likely to stimulate social change in the local community.

3.3 The case study design
The research design is a logic plan that explains how the data were gathered and analysed to answer the initial research question of the study (Yin, 2003). A case study design is especially appropriate to build theory in areas that have less-defined variables and frameworks. The research on community entrepreneurship is in its infancy, and there exist few conceptual frameworks exploring how community ventures mobilise resources. Furthermore, the research question in this study is in the form of “how” and supports the selection of a case study approach. This thesis aims to contribute to theory development by building upon a qualitative case study design.

3.3.1 The research process
The mode of generalisation for case studies is “analytic generalisation”, where the empirical results from the case study are compared with a theoretical framework. An initial conceptual framework was developed based on the existing literature and serves as a direction for the case study. However, the case study research process is
characterised as iterative and non-structured, and the components in this process are not developed separately or in an exact order (Pettigrew, 1990). Thus, the initial conceptual framework and research questions were moderated during the research process, as shown in Table 3-2.

Table 3-2 The research process

<table>
<thead>
<tr>
<th>Activities</th>
<th>Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>Read prior studies and developed initial RQs and a theoretical framework.</td>
<td>2005-2006</td>
</tr>
<tr>
<td>First case selected (Jazz). Data collected from this case were used to answer initial RQs.</td>
<td>2006</td>
</tr>
<tr>
<td>Analysis of the first case (Jazz) led to the redefinition of initial RQs and theoretical framework.</td>
<td>2006-2010</td>
</tr>
<tr>
<td>Selected and collected data from two other cases (Musical and Rock) to compare the results from the first case.</td>
<td>2006-2007</td>
</tr>
<tr>
<td>Wrote the narrative of the resource mobilisation process of two of the cases (Jazz and Rock).</td>
<td>2007</td>
</tr>
<tr>
<td>Started with Paper 3 (Rock case replicated the findings from Jazz case): How community ventures mobilise resources: Developing resource dependence and embeddedness.</td>
<td>2007 (published in 2012)</td>
</tr>
<tr>
<td>Discovered building legitimacy and increasing embeddedness mechanisms when working with Paper 3.</td>
<td>2007-2009</td>
</tr>
<tr>
<td>Wrote Paper 2 (Rock case replicated the findings from Jazz case): A longitudinal study of community venture emergence through legitimacy building.</td>
<td>2009 (published in 2010)</td>
</tr>
<tr>
<td>Developed a comparative analysis of two cases (Jazz and Musical) that resulted in Paper 1: How entrepreneurs develop relationships for community ventures within local communities.</td>
<td>2010-2014</td>
</tr>
<tr>
<td>Conducted an in-depth analysis of one case (Jazz) by writing the narrative of the embedding process, leading to Paper 4: How entrepreneurs embed emerging community ventures: Creating a music festival in a rural community.</td>
<td>2010-2014</td>
</tr>
<tr>
<td>Developed a multi-level framework of the resource mobilisation process based upon the four papers (see Figure 2-1).</td>
<td>2013</td>
</tr>
</tbody>
</table>

A multiple case study design was chosen to build a theory on the resource mobilisation process. A replication of the empirical phenomenon is key to establishing reality (Mir and Watson, 2001). Relying on more than one case provided more robust and powerful results and conclusions (Yin, 2003). Simultaneously, this thesis aimed to explore how the complex mobilisation process evolves, and the
number of cases was limited to three. Table 3-3 illustrates the methodology, unit of analysis, and number of cases used in each paper included in this thesis.

Table 3-3 Methodology used in the papers

<table>
<thead>
<tr>
<th>Title of paper</th>
<th>Unit of analysis</th>
<th>Type of study</th>
<th>Number of cases</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. How entrepreneurs develop relationships for community ventures within local</td>
<td>Community entrepreneurs and relationships of community ventures with local</td>
<td>Comparative case study – differences.</td>
<td>2 (Musical and Jazz).</td>
</tr>
<tr>
<td>communities.</td>
<td>resource holders.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. A longitudinal study of community venture emergence through legitimacy</td>
<td>Community ventures.</td>
<td>Comparative case study – similarities.</td>
<td>2 (Jazz and Rock).</td>
</tr>
<tr>
<td>building.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>and embeddedness.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>festival in a rural community.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The first three papers are multiple-case studies that compared two cases each. Paper 1 identified differences in how the two cases mobilise resources with respect to different backgrounds and behaviours of community entrepreneurs. Papers 2 and 3 looked for similarities between the two cases according to how they mobilised resources by building legitimacy and managing resource dependence. Paper 4 explored the embedding process through an in-depth analysis of the narrative story of one case. Each paper focuses on different parts of the resource mobilisation process, and consequently, different units of analysis are defined, as discussed in the next section.

3.3.2 Unit of analysis

The unit of analysis is related to the definition of the case and the research question (Yin, 2003). The overall research question explores how the resource mobilisation
process of community ventures evolves within local communities and represent the overall unit of analysis in the study. Thus, the activities and behaviours performed by the community venture to mobilise resources are the main units of analysis.

Community entrepreneurs were critical entities because they initiate and lead resource mobilisation by questioning “conventional practices and push[ing] limits to expand the opportunity pool for oneself and the community” (Lyons et al., 2012: 11). Thus, the community entrepreneur is an embedded unit of analysis in the resource mobilisation process of community ventures (Yin, 2003). The local community is an embedded unit of analysis because local resource holders’ actions and resources are likely to be critical parts of the resource mobilisation process. Multi-level studies are required to explore the complexity of entrepreneurship processes (Davidsson, 2004).

Because different actors are likely to participate in particular parts of the mobilisation process, the units of analysis are likely to change over time. Community entrepreneurs are critical actors, especially in the earliest part of venture development. Before the venture has developed local engagement, the community entrepreneurs’ behaviour is likely to be decisive for the venture. However, the local community is likely to become more engaged in mobilising resources over time. A venture that has become very integrated in the local community might be difficult to study as a separate unit from the local community.

3.3.3 Research context

Because reality is contingent upon its context, the knowledge obtained from reality is context-dependent (Gerrits and Verweij, 2013, Flyvbjerg, 2006). To facilitate cross-case comparisons, the community ventures chosen for this study shared similar environmental and organisational contexts. The context of the study is music festivals in rural communities. The characteristics of rural communities and music festivals provide an opportunity to develop a nuanced understanding of the mechanisms and entities involved in the process of mobilising resources within these specific contexts.

The music festivals studied emerged within remotely located rural communities (Kalantaridis and Bika, 2006b). Several community entrepreneurship studies have
used rural communities as the context for their studies (Johannisson, 1990, Haugh and Pardy, 1999, Haugh, 2007). Many rural communities struggle with a declining agricultural base, a homogenous population, depopulation, and an ageing population (Gibson and Connell, 2012). Thus, to increase the attractiveness of rural areas, new activities, and the facilitation of social change may be important for their resilience (McManus et al., 2012). Simultaneously, rural communities can provide an opportunity for collective action because of the shared history and culture that support the development of strong social ties and relationships among inhabitants (Peredo and Chrisman, 2006). Even inhabitants who are not directly involved in the community venture might become indirectly involved through their networks and interactions with other inhabitants engaged in the venture. Moreover, many rural communities are sparsely populated (Kalantaridis and Bika, 2006b, Meccheri and Pelloni, 2006), and the emerging community venture needs to involve different actors and sectors within the community.

The rural community context has some methodological advantages. The relationships between ventures and villagers are more apparent because the individuals in this type of community are more visible (Jack and Anderson, 2002). In addition to the open culture and the transparent Norwegian society, these factors provide good access to data for this study. The villagers in rural communities were generally willing to give interviews and tell their stories. However, studying rural communities creates some ethical challenges related to protecting the privacy of the informants. This may have also influenced what type of information the informants provided.

The organisational context is non-profit music festivals that aim to develop social wealth in their local communities. Music festivals can be found in many rural communities around the world (Gibson and Connell, 2012). They vary in size and scope and are often connected to a specific genre (Cinnéide, 2005, Gursoy et al., 2004). They are arranged over a short time period with highly intensive activity at particular times of the year (Klaic et al., 2004). Music festivals need to mobilise a range of actors from the local community to provide different activities, such as shopping, eating, drinking, and social meeting arenas.
Many non-profit music festivals have a local focus, such as community development and the promotion of local artistic talent (Quinn, 2005, Gibson and Connell, 2012). Music festivals make significant impacts on their communities by facilitating social change and renewed spirit in the communities (Lindgren and Packendorff, 2006), by developing infrastructure and new opportunities in the rural communities (Haugh and Pardy, 1999), and by enhancing community identity and well-being (Delamere, 2001, Gibson and Connell, 2012). They also develop local skills in leadership, organisation, management, and cultural performance (Gibson et al., 2010). Hence, music festivals in rural communities are likely to influence most inhabitants directly or indirectly.

Exploring the emergence of music festivals is likely to increase the knowledge about the how community ventures mobilise resources, particularly with respect to collective participation, where the goal is to stimulate social change in the local community. Other types of ventures may not engage as many local actors as music festivals do, and the results in this thesis may therefore not be directly transferable to all types of community ventures and communities.

### 3.3.4 Case selection

Three emerging non-profit music festivals were selected as cases of community ventures. The cases were suitable to increase the understanding of the resource mobilisation process of community ventures (Eisenhardt and Graebner, 2007, Healy and Perry, 2000, Easton, 2010). These festivals were likely to improve their communities by introducing cultural and leisure activities as well as expanding social capital. Table 3-4 summarises the aim, community size, years when the festivals were organised, and time of data collection for each case included in this thesis. The Rock festival was last held in 2011, while the Jazz and Musical festivals continue to occur. The Rock case was discontinued after I stopped collecting data, and the events leading to this discontinuation are not discussed in this thesis. The festivals are given fictitious names due to the ethical guidelines outlined in Section 3.7.
**Table 3-4 Cases included in this thesis**

<table>
<thead>
<tr>
<th>Festival</th>
<th>Aim</th>
<th>Community size</th>
<th>Years organised</th>
<th>Data collected</th>
</tr>
</thead>
</table>

*Jazz* is an annual jazz music festival that has been organised over five days in August since 2005. Jazz provides a meeting place with workshops and clinics where amateur musicians are instructed by, and have the opportunity to play with, professional musicians. As a result of Jazz, the local community has attracted positive media attention and developed new year-round cultural activities within the community.

*Rock* was a two-day rock festival that took place over one weekend in July and had been held annually since 2003. At the festival, international and national rock artists and groups performed outdoor concerts on a river beach. The festival provided instructional courses for children and youth. The festival successfully developed positive media focus on the community. The festival was not continued after 2011.

*Musical* is an annual festival organising 7-9 musical concerts during two weekends in May. Musical creates an arena for separate music groups and organisations in the community to collaborate. Musical has become well established in the community and has attracted participants and visitors from across the region. Some of the youth who have moved away from the community return to participate in the festival.

More information about the cases is given in the individual papers. I conducted comprehensive research of the Jazz case, studying it from its first to sixth years. I had good access to data from this case because of geographical closeness to the local community and an opportunity to live in a family house during the data collection process. Rock and Musical either replicated or contrasted the findings from Jazz. Rock had already been established for four years when I started to collect data, and
Musical had been underway for seven years. I collected data from Rock and Musical over one and two years, respectively. By studying the cases over several years as well as using narrative interview techniques, I explored how the resource mobilisation process evolved over time.

3.4 Data collection – Triangulation of data

Triangulation of data is often used in critical realism studies to become closer to the actual reality (Bøllingtoft, 2007, Healy and Perry, 2000). In this thesis, multiple sources provided rich data about the context, process, and activities of the actors involved. Furthermore, using multiple sources reduced the risk of misinterpretation. The data collection methods and their contributions are summarised in Table 3-5.
Table 3-5 Data collection

<table>
<thead>
<tr>
<th>Data collection techniques</th>
<th>Number</th>
<th>Years of data collection</th>
<th>Descriptions</th>
<th>Contribution</th>
</tr>
</thead>
</table>
| Interviews                | 39     | 2006-2010                | Narrative interviews with key participants in the process. | • Main source of data.  
• Provided information about the narrative, chronological process from different views. |
| E-mails                   | 275    | 2004-2006                | Sent to and from the community entrepreneur to key actors in the Jazz case. | • Provided real-time data from the inception of the idea until I started to collect data.  
• Provided data unaffected by the research process. |
| Direct observations       | 16     | 2006-2010                | Observed 13 festival meetings and festival events for 3 years. | • Provided real time data.  
• Discovered new informants.  
• Gave overall information and understanding of different parts of the process. |
| Participant observations  | 2      | 2007                     | Participated as a volunteer at festival events for 2 years. | • Provided real time data.  
• Developed personal contacts and increased the level of trust with the interviewees.  
• Discovered new informants.  
• Gave deep information and understanding of some parts of the process. |
| Written documents         |        | 2006-2010                | Newspaper articles, evaluations, and plans. | • Access to data unaffected by the research process.  
• Supplemented and validated data from other sources. |

3.4.1 Narrative interviews

Interviews are an effective way to collect rich empirical data (Eisenhardt and Graebner, 2007) and were the main source of data for this thesis. The interviews were conducted with the informants in their homes, at their workplaces, at the festival arenas, or by telephone, and the duration of the interviews ranged from a half-hour to three hours. The interviews were conducted between 2006 and 2010. A narrative interviewing technique was used to obtain chronological data on the resource mobilisation process (Czarniawska-Joerges, 1998). Narrative interviews are
“chronological relation of events that occurred under a specific period of time” (Czarniawska-Joerges, 1998: 29).

I asked the respondents to tell their story from the first time they heard about the venture until the date when the interview was conducted. An interview protocol with questions was used to solicit information that the interviewees did not explain in their narratives, such as the background of the informants and their goals, among other details. Using a narrative interviewing technique made it possible to get closer to the real world because the informants could decide which events were important and which concepts and metaphors were used (Czarniawska-Joerges, 1998).

The respondents were selected through theoretical sampling (Eisenhardt and Graebner, 2007, Strauss, 1987), and the selection of respondents and respondent order was determined by the theory that was being formulated. The unit of data collection consisted of key individuals who had knowledge and different views about the resource mobilisation process (Healy and Perry, 2000). Interviewing them decreased the risk of retrospective interpretation (Eisenhardt and Graebner, 2007). These actors emerged during the research process because they had important roles in the mobilisation process.

3.4.2 Access to e-mail correspondence

The widespread use of the World Wide Web with internet and e-mail access has provided the opportunity to use e-mails in qualitative research (Wakkee et al., 2007). To date, however, e-mails have mainly been used in quantitative research to distribute surveys. Some qualitative research has used e-mail correspondence between the researcher and informants as a means to collect data. Few researchers have used e-mails to explore entrepreneurial processes.

In my study, the e-mail connections between the community entrepreneur and other actors in the Jazz case were used to support an understanding of the real-time process that had occurred before I began the interviews. By analysing the information in these e-mails, I was able to understand reality as perceived by the person sending
the e-mail (Wakkee et al., 2007). The e-mails represent data that were not affected by the research process.

**3.4.3 Observations**

Both direct observations and participant observations were used to increase the understanding of the resource mobilisation process. Direct observation occurs when the researcher visits the field to observe relevant behaviours or environmental conditions (Yin, 2003). This observation type increases the scope of knowledge about reality. I was present at the Jazz and Rock festivals. Additionally, I observed meetings arranged by the Jazz, Rock, and Musical festivals. Field notes were taken during the observations. In the direct observations, I talked to people and asked questions, but I did not participate in the process, which made it possible to observe different parts and actors involved in resource mobilisation.

To obtain a deeper knowledge and understanding about some parts of the festivals, I participated as a volunteer in the Jazz and Rock festivals. Participant observation is an observation technique in which the researcher assumes a role within the case study and participates in the events being studied (Yin, 2003). Participating as a volunteer made it possible to perceive reality in real time and from the viewpoint of someone inside the case rather than that of someone external to it. Volunteer participation also led to the development of personal contacts who facilitated the establishment of trust with the interviewees and the identification of new informants. However, participant observation made it difficult to have time to ask questions and make field notes. By working as volunteer at the festivals, I had specific responsibilities, and it was often difficult to be at the best place at the right time from a research perspective.

Combining participant observation with direct observation compensated for these problems. Using both observation techniques provided access to both broad and deep information about the resource mobilisation process. The observations increased the understanding of the norms and cultures of the different contexts (Angrosino and Mays de Pérez, 2000) as well as the behaviour of the actors involved (Yin, 2003).
3.4.4 Written documents

Documents, such as newspaper articles, festival plans, evaluations, and lists with names of volunteers, sponsors, and artists were collected for several reasons (Yin, 2003). First, the documents were used to correct spelling and names that were mentioned in the interviews. Second, the documents helped me identify new informants. Third, documents were used to check my interviews to obtain accurate, narrative information about the resource mobilisation process. Finally, the documents were used to triangulate the data to increase the understanding of how community ventures mobilise resources. The documents represented data that were not affected by the researcher or the research process. Data collected from newspaper articles and other written documents were used as supplementary sources of data and were not directly used in the data analysis.

3.5 Data analysis

The case studies provided an understanding of the complex resource mobilisation process, which would be difficult to reveal through quantitative data and techniques alone (Eisenhardt and Graebner, 2007). The interviews were recorded and transcribed, and the interview transcripts and other materials were read and re-read. Emerging themes were refined, and information was verified through repeated interviews with the main players (Yin, 2003). The views of the different respondents from each case were also compared. The evaluated patterns emerged throughout the analysis by considering both the data and the theory (Eisenhardt and Graebner, 2007, Borch and Arthur, 1995).

Following the critical realism approach, I used retroduction to develop general conclusions about how community ventures mobilise resources (Easton, 2010). Thus, I empirically explored how the mobilisation process evolved before I identified the mechanisms behind this process. The analysis was conducted by completing the following steps. First, a narrative pertaining to the resource mobilisation process was written in chronological order (Van de Ven and Engleman, 2004). Second, the entities and their power and liabilities to influence this process were identified. Third, the mechanisms that were likely to facilitate the mobilisation process of the community
venture were identified. Nvivo software and Excel spreadsheets were used to code the themes and report the narrative story of the process (Yin, 2003). The key entities and mechanisms involved in this process are presented in Table 3.6.

Finally, to receive analytical generalisation, the findings were discussed with regard to prior research to build a theory. Theoretical replication logic was used to identify similar and different types of entities and mechanisms in the different cases. In two of the articles, the Jazz and the Rock cases were compared to replicate the findings from the Jazz case with the findings from the Rock case. The Jazz case was also compared with the Musical case in another article to identify differences between the cases. The theory-building process was performed iteratively, and the steps described above were not followed in a linear process because I moved up and down between the steps. Hence, the initial theoretical framework of the resource mobilisation process was modified throughout the research process.
Table 3-6 Critical realist’s components of the resource mobilisation process of community ventures

<table>
<thead>
<tr>
<th>Critical realist’s components</th>
<th>Description</th>
<th>Components of the resource mobilisation process identified in this study</th>
</tr>
</thead>
<tbody>
<tr>
<td>Events</td>
<td>Empirical outcomes that can be measured and recorded.</td>
<td>Increased involvement of local actors in the resource mobilisation process of community ventures.</td>
</tr>
</tbody>
</table>
| Entities                    | Objects that are likely to facilitate events, processes, and behaviour. | • Community entrepreneurs.  
 • Local community.  
 • External environment. |
| Causal powers and liabilities | Entities have causal powers and liabilities to influence the events, processes, and behaviour. | The power and liabilities of community entrepreneurs, local community, and external environment to facilitate the resource mobilisation process. |
| Structure of entities       | Structure involves the capabilities and quality of the entities that give them causal power to influence the events, processes, and behaviour. | Community entrepreneurs:  
 • Networks and knowledge.  
 • Entrepreneurial behaviour.  
 Local community’s and external environment’s:  
 • Social capital.  
 • Resources.  
 • Resource holders’ goals and demands. |
| Mechanism                   | Ways in which structured entities act and cause particular events, processes, and behaviour. | • Increasing embeddedness.  
 • Legitimacy building.  
 • Managing resource dependence. |

Following the critical realism approach, I triangulated the data by using different theoretical approaches and identified increasing embeddedness, building legitimacy, and managing resource dependence as mechanisms that facilitated the resource mobilisation process of community ventures. The community entrepreneurs, the local community, and the external environment were identified as entities in this process. By virtue of the structures of the community entrepreneurs, the local community, and the external environment, these entities had causal power and liabilities to facilitate the mobilisation process (Blundel, 2007). Building upon longitudinal and multi-level data, this thesis explores how the role of the entities and mechanisms change throughout the process.
3.6 The quality of study

Following critical realism, I assessed the quality of the study by following the six criteria outlined by Healy and Perry (2000), summarised in Table 3-7.

Table 3-7 The quality of case studies (Adapted from Healy and Perry, 2000)

<table>
<thead>
<tr>
<th>Level</th>
<th>Criteria</th>
<th>Case study techniques used in this thesis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ontological</td>
<td>Ontological appropriateness.</td>
<td>• The research question starts with “how”.</td>
</tr>
<tr>
<td></td>
<td>Contingent validity.</td>
<td>• The resource mobilisation process represented a complex reality.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Theoretical replication.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Exploration of why changes in the process occurred.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• In-depth study of three festivals.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Rural community and music festival contexts were considered.</td>
</tr>
<tr>
<td>Epistemology</td>
<td>Multiple perceptions of participants and peer researchers.</td>
<td>• Multiple interviews.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Started with broad questions before analysis.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Triangulation of data sources.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Two studies are published; two studies are under review.</td>
</tr>
<tr>
<td>Methodology</td>
<td>Methodological trustworthiness.</td>
<td>• Nvivo used as a database of the case study.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Used quotations to summarise the data in the papers.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Described how the cases were selected and how the data were collected.</td>
</tr>
<tr>
<td></td>
<td>Analytical generalisation.</td>
<td>• Identified research issues before data collection.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Used Nvivo for analysing and coding the data (interviews and e-mails).</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Results were compared with the literature.</td>
</tr>
<tr>
<td></td>
<td>Construct validity.</td>
<td>• Used prior theory.</td>
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<td></td>
<td></td>
<td>• Nvivo presented the database of the case studies.</td>
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<td></td>
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<td>• Triangulation of theoretical perspectives.</td>
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</table>

3.6.1 Ontological level

First, to be ontologically appropriate, this study explores the resource mobilisation process as a complex reality involving a range of actors with different goals and demands. Moreover, the research question starts with “how,” indicating that the phenomenon is contingent upon time and that context and individuals are likely to change over time (Healy and Perry, 2000).
Second, contingent validity addresses how well the mechanisms that are identified reflect the context upon which they are contingent. Following the critical realism paradigm, I used retroduction as a means to develop general conclusions about the mobilisation process of community ventures (Easton, 2010). In other words, I moved backwards by first empirically observing how the process evolved within its specific context before I identified the mechanisms behind this process. I tried to answer “why” mobilisation of resources was successful and asked the following question: what are the mechanisms that facilitate the resource mobilisation process of community ventures?

Because mechanisms are not fixed but rather dependent upon their context, the context of rural communities and music festivals was considered when developing the theoretical framework. Furthermore, the time issue was a critical part of the process, and a longitudinal research design was used to explore how individuals, contexts, and ventures changed over time. Relying upon in-depth comprehensive studies of a few cases enabled me to consider how the process was contingent upon its context and time. Theoretical replication logic was used to support or reject the same theoretical assumptions in the different cases (Yin, 2003). Thus, I identified similarities and differences between the cases according to the attributes of the entities and the mechanisms that were likely to facilitate the resource mobilisation process of community ventures.

3.6.2 Epistemological level

Epistemology is the third qualitative criterion for critical realism research. The researcher is neither value-free or value-laden but value-aware (Healy and Perry, 2000). According to the critical realism approach, the participant’s perception is not a reality but a window to a reality. A picture of a reality can be triangulated with other insights.

To meet the epistemological criteria, I conducted multiple interviews with a range of actors in the resource mobilisation process to triangulate the views of different individuals (Bøllingtoft, 2007). Furthermore, I presented and discussed my interpretation of the data with other colleagues and in international conferences and
seminars (Healy and Perry, 2000). I also have a co-author for two of my papers. However, none of those colleagues participated in the data collection process. One of my studies was published in an international journal, and another was published as a book chapter by an international publisher. These papers have undergone a peer-review process. The two other papers involved in this thesis have completed the first round of peer-review but are still in progress; one is intended for an international journal, and the other is accepted as a book chapter for an internationally published book. I have also published one paper together with colleagues about community entrepreneurship in an international journal, as well as two book chapters. These papers used empirical data that were collected for this thesis, but the papers are not included in the thesis.

3.6.3 Methodological level

The fourth criterion to judge the quality of critical realism research is methodological trustworthiness. This concept involves auditing the research. Thus, the procedure used in the case study should be documented to enable other researchers to replicate the research. I developed a database using the program Nvivo; this database comprises the data that were collected for the thesis, including the interview transcripts, e-mails, observational field notes, and other documents. Moreover, quotes illustrating the key findings are included in the papers of this thesis. The procedures for case selection and data collection are also explained in the papers and in Sections 3.3.3 and 3.4.

The fifth criterion involves analytical generalisation. Survey research relies on statistical generalisation, which means making inferences about a population (Yin, 2003). Case studies rely on analytical generalisation that aims to compare the empirical results of the case study with previously developed theory. According to critical realism, the real world is complex, and theory should be built rather than tested (Healy and Perry, 2000). To meet the fifth criterion, I performed a theoretical review of community entrepreneurship literature before I collected the data to be able to build on the existing knowledge. Nvivo was used to code the data and identify mechanisms and entities in the resource mobilisation process. The findings were compared with existing research on community entrepreneurship. However,
narrowing the context to music festivals in rural communities placed limitations on the relevance of my findings to other types of ventures and communities, as discussed in Section 3.3.2. Other entities and mechanisms may be more important in other types of ventures and communities.

Finally, construct validity relates to how well the information about the theoretical constructs is measured in the research. Through building upon insights from well-established theoretical approaches, I increased the validity of the theoretical framework developed in this thesis. I have presented a “family of answers” by using different theoretical approaches on the same data (Easton, 2010, Healy and Perry, 2000). However, by focusing on the particular theoretical approaches used in this study, I may overemphasise some mechanisms and downplay or overlook others.

3.7 Ethical considerations of the research

Ethical issues are likely to arise in qualitative research that often meddles in people’s lives (Christians, 2000). The data collection in my study is mainly based on interviews, observations, and a review of e-mail communications. These methodologies led to ethical challenges and threatened the criterion of anonymity. The techniques used to meet the ethical standards in research were performed by following Christians’ (2000) guidelines for qualitative research: 1) Informed consent, 2) Deception, 3) Privacy and confidentiality, and 4) Accuracy.

3.7.1 Informed consent

The informants involved in a research project have the right to be informed about the nature and consequences of being involved in the project (Christians, 2000). I sent a letter to all informants, which included information about the project and the informants’ rights, before they agreed to become involved in the project. The information letter (translated from Norwegian to English) can be found in Appendix C in this thesis.

In the letter, I informed the recipients about myself and the project. I described the focus, goals, and procedure of my research. I informed them that the results would
be published. I explained how the data collection procedure would occur, as well as the role of the informant. In the letter, I also told them that the interviews and other types of data would be treated confidentially and that I was the only person who had access to the data.

Finally, I explained in the letter that their participation was voluntary and that they could withdraw from the research at any time. I also informed the villagers and external actors involved in the festivals about my research before I participated as an observer and volunteer at the festival events and meetings. For the Jazz case, a separate letter to the community entrepreneurs and the municipality was sent to inform them about the use of e-mail messages.

3.7.2 Deception
Ethical guidelines oppose deception when stressing the informed agreement (Christians, 2000). I was honest with the informants before the interviews about how their responses would be used. I explained that the research was registered with the Norwegian Data Protection Official for Research and that I had agreed to follow their guidelines. I also avoided asking questions that could be demeaning or humiliating. To develop a less-stressful situation for the informants, I conducted the interviews at times and places that were convenient for them.

3.7.3 Privacy and confidentiality
According to ethical guidelines, participant identities and research locations should be protected (Christians, 2000). I have used pseudonyms to label the communities and the individuals who are discussed in the papers. However, because of the transparent nature of the Norwegian society, it was not possible to make the communities, festivals, and respondents completely anonymous. I informed the informants about this before they agreed to participate in the interviews. However, the information about and quotes from the informants used in the papers were not considered to cause any harm to the informants because they did not involve very private or intimate information (which may be the case in psychological and health research).
Using e-mail messages presented another ethical challenge because e-mail messages can include information that is highly sensitive and personal (Wakkee et al., 2007). The actors writing e-mails to the community entrepreneurs did not know that their e-mails would be used in the study. To seek permission from all the external informants separately would have been too time-consuming. Instead, I used aliases to mask the real identities of these informants.

3.7.4 Accuracy

The last requirement of ethical standards is that the researcher ensure that the data are correct (Christians, 2000). The interviews were recorded and transcribed to ensure that I obtained the correct raw data and did not misunderstand or overlook anything from the interviews. One problem caused by interviews that use fixed questions is that the researchers may guide the informants to tell them what they want to hear. I solved this problem by using a narrative interview technique, allowing the informants to disclose freely about the process. Interruption only occurred for clarification or to access missing information.
4. Summary of the research papers

4.1 Introduction

This chapter summarizes the key contributions of the four papers included in this thesis. All papers explore empirical data from qualitative cases related to the resource mobilisation process of community ventures. Each of the papers focuses on different levels and parts of this process and builds upon insights from different theoretical approaches. Table 4-1 gives an overview of the research papers, including their research questions, theoretical approaches, focus, and publication status.
## Table 4-1 Papers included in the thesis

<table>
<thead>
<tr>
<th>Paper nr</th>
<th>Title</th>
<th>Author(s)</th>
<th>Research questions in the paper</th>
<th>Theoretical approaches</th>
<th>Focus</th>
<th>Publication status</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>How entrepreneurs embed emerging community ventures: Creating a music festival in a rural community.</td>
<td>Vestrum, I.</td>
<td>How do community entrepreneurs embed emerging community ventures into rural communities when the goal is to stimulate social change?</td>
<td>Social embeddedness.</td>
<td>Embedding process of a community venture in a local community.</td>
<td>Entrepreneurship and Regional Development: in review process 2nd revision.</td>
</tr>
</tbody>
</table>
4.2 Research paper 1: How entrepreneurs develop relationships for community ventures within local communities

4.2.1 Introduction and research question
This study focuses on how community entrepreneurs build collaborative partnerships with local resource holders to mobilise them into collective action that results in the development of community ventures (Morris et al., 2011). The relationships between the community venture and local resource holders are likely to be related to the resource mobilisation strategies of community entrepreneurs. This study builds upon insights from the social embeddedness and the EO approaches to explore the following research question: How do community entrepreneurs develop relationships with community resource holders to mobilise resources for an emerging community venture?

4.2.2 Theory
The social embeddedness approach explains that embedded networks are guided by a social governance mechanism, such as trust or reciprocity, rather than by formal governance control and the market (Gulati and Sytch, 2007). Highly embedded networks are found to facilitate value creation for all of the actors in a network and motivate the resource holders towards joint action to solve collective interests (Somerville and McElwee, 2011, Villanueva et al., 2012). Non-profit community ventures may benefit from developing close relationships based on trust with local resource holders to mobilise resources for below market prices and to develop social wealth (Dees, 2001, Sharir and Lerner, 2006).

In this paper, the EO approach is used to explore the resource mobilisation strategies of community entrepreneurs. EO is an approach within the strategic entrepreneurship literature that has been developed to explore the firm-level strategy-making processes of established firms (Lumpkin and Dess, 1995, Wiklund, 1998). The EO approach claims that the strategies of the firm are related to risk taking, innovation, and proactiveness, and EO is defined as “taking advantage of opportunity by novel combinations of resources in ways which have impact on the
market” (Wiklund, 1998: 223). Thus, the EO is the manner in which a firm builds its resource base to exploit new opportunities (Covin and Lumpkin, 2011, Simsek et al., 2003). The resource mobilisation strategies in this study are related to how community entrepreneurs organise resources in the community to develop social wealth.

4.2.3 Method
The results build upon a longitudinal case study of the initiation and development of two non-profit music festivals in rural communities in Norway (Jazz and Musical). In the first case (Musical), the community entrepreneurs were initially closely connected to their communities. In the second case, the community entrepreneur was initially less connected to the local community and had less local knowledge.

4.2.4 Key findings
This paper develops a framework describing the link between the resource mobilisation strategy of community entrepreneurs and the relationships between the community venture and local resource holders. The background of the community entrepreneurs, including their knowledge and networks, was found to influence the resource mobilisation strategy. The entrepreneurs who were initially embedded in the local community had local knowledge and networks and performed an incremental resource mobilisation strategy. The entrepreneur who was initially less embedded in the local community chose a more radical resource mobilisation strategy through mobilising resources from networks in the external environment. It was easier to develop embedded relationships for community entrepreneurs following an incremental, rather than radical, resource mobilisation strategy. The knowledge, networks, and resource strategies of community entrepreneurs and the relationships of the community venture changed over time.

4.2.5 Contributions to the thesis
This paper contributes to the thesis by exploring the entrepreneurial behaviour of community entrepreneurs related to how innovative, risky, and proactive they
mobilised resources; see Figure 2-1. The entrepreneurial behaviour of community entrepreneurs is likely to be influenced by their networks and knowledge. Community entrepreneurs who were closely connected to their local community exhibited incremental entrepreneurial behaviour and tried to build the resource base on existing activities and resources in the community. They behaved in a less innovative, risky, and proactive way according to the norms and structures in the local community. The entrepreneur who was less connected to the local community demonstrated more radical entrepreneurial behaviour and attempted to build new activities in the local community by introducing resources from his network in the external environment. The entrepreneur behaved in innovative, risky, and proactive ways to change the existing norms and structures of the community.

The paper also contributes to the thesis by exploring how entrepreneurial behaviour influenced the increasing embeddedness mechanism; see Figure 2-1. Locally embedded community entrepreneurs could easily develop embedded ties between the community venture and local resource holders by building upon their relationships and trust in their communities. The community ventures introduced by the less locally embedded entrepreneur needed to build trust for the community venture among local resource holders. Thus, it took a longer time to develop embedded relationships between the venture and local resource holders. This study also illustrates the need for including the external environment in a framework of the resource mobilisation processes of community ventures aiming to stimulate social change.

Moreover, the paper shows that the entrepreneurs’ behaviour changed over time as a result of increased knowledge and new ties. Through developing networks and knowledge to the external environment, the locally embedded community entrepreneurs behaved more radically. The less locally embedded entrepreneur built networks and increased local knowledge throughout the resource mobilisation process and started to behave less radically according to local norms and resources.
4.3 Research paper 2: A longitudinal study of community venture emergence through legitimacy building

4.3.1 Introduction and research question

One of the greatest challenges for entrepreneurs is that they lack the legitimacy needed for potential resource providers to believe that their nascent venture is appropriate according to norms and expectations in the environment (Lounsbury and Glynn, 2001, Zimmerman and Zeitz, 2002, Tornikoski and Newbert, 2007). Similar to other types of ventures, community ventures need to search actively for legitimacy to be perceived as appropriate in the local community. Building upon the legitimacy approach, this study explores the following research question: How do nascent community ventures build legitimacy?

4.3.2 Theory

Legitimacy is an important approach within institutional theory (Zimmerman and Zeitz, 2002). The legitimacy approach has assumed that the actors of an organisation need to be appropriate according to a socially constructed structure of norms and values (Suchman, 1995: 574). To receive legitimacy, an organisation needs to conform to the norms and culture in the environment. The approach also argues that the organisation can be strategic and manipulate the environment to build legitimacy. This study explores how community ventures build legitimacy through manipulating and conforming to norms and values within the local community.

4.3.3 Method

A longitudinal case study of the start-up process of two music festivals aiming to revitalise their communities was conducted (Jazz and Rock). In both cases, the community entrepreneurs came from outside the local community and introduced external resources to develop new activities and stimulate social change.
4.3.4 Key findings

Four legitimacy-building strategies of community ventures were identified: to conform to the internal environment; to conform to the external environment; to manipulate the internal environment; and to manipulate the external environment.

When conforming to the environment, the community ventures adapted to existing traditions and resources to gain legitimacy. In contrast, the manipulation strategy created changes in the environment and is crucial for community ventures aiming to create something new for the local community. Early in the start-up process, the emerging ventures needed to build legitimacy by conforming to the environment before they could manipulate the environment. External and internal legitimacy were built in an iterative process, making it possible for the venture to leverage internal legitimacy into external legitimacy and vice versa.

4.3.5 Contributions to the thesis

This paper contributes to the thesis by exploring legitimacy building as one of the mechanisms to facilitate the access to resources of community ventures; see Figure 2-1. The paper focuses on community entrepreneurs who acted radically by introducing resources from outside the local community to extend the existing culture and norms. The study illustrates the need to include both the external environment and the local community in a model of the resource mobilisation process of community ventures, as shown in Figure 2-1.

Initially, the community entrepreneurs’ entrepreneurial behaviour was moderated by the legitimacy mechanism because they had to conform to existing norms and resources in the local community. When the venture had built legitimacy by using conforming strategies, the entrepreneurs used the legitimacy of the venture to manipulate the local community to believe in the more novel parts of the venture. The manipulation strategies changed the local community’s culture and norms. The study also illustrates that the local community and the external environment had different norms and culture. Thus, the community entrepreneurs worked as a link between the internal and external environment in the legitimacy-building process.
The paper also contributes to this thesis by showing how the inclusion of new individuals in the community venture organisation, especially individuals within the local community, built legitimacy for the nascent venture. Each individual had goals and ideas for the community venture, and as more individuals from the community became involved, the community venture became more embedded in the community. Thus, the legitimacy-building mechanism reinforced the increasing embeddedness mechanism.

4.4 Research paper 3: How community ventures mobilise resources: Developing resource dependence and embeddedness

4.4.1 Introduction and research questions

This paper focuses on how emerging community ventures mobilise resources from the local community. The aim of this study is to explore how community ventures engage resource providers in their communities to develop novel ideas that depart from existing practices. Building upon the RDT, the following research questions are explored: 1) How does an emerging community venture mobilise resources from resource providers within the local community; and 2) How does the resource mobilisation process shape the nascent venture?

4.4.2 Theory

The RDT addresses the behaviour of organisations and individuals engaged in a resource exchange relationship (Pfeffer and Salancik, 2003). RDT asserts that resource holders that hold important resources for organisational survival are likely to have power to influence an organisation’s behaviour and decisions. Thus, organisations need to manage their interrelationships with resource holders.

There are two approaches to RDT that have different views on the relationships between organisations. First, the asymmetric dependence approach asserts that relationships of asymmetric dependence are a liability and that firms need to handle demands from powerful resource holders (Pfeffer and Salancik, 2003, Hillman et al., 2009). According to this approach, the organisation may employ certain strategies to
mobilise resources, such as conforming to the requirements of the resource providers or attempting to alter the environment.

Second, the joint dependence approach explains that two highly interdependent organisations will develop qualitatively deep relationships, allowing them to generate greater value for both organisations (Villanueva et al., 2012, Van de Ven et al., 2007). Following this approach, one possible strategy to mobilise resources is to become more embedded with community resource holders in a joint dependence relationship (Di Domenico et al., 2010).

The two approaches are explored to identify which strategy works best to facilitate access to resources (Villanueva et al., 2012). This study builds upon notions from both approaches to explore different levels and parts of the resource mobilisation process.

4.4.3 Method
This paper is based on longitudinal case studies of the initiation and early development of two music festivals in rural communities in Norway (Jazz and Rock). Using the resource mobilisation process as a unit of analysis made it possible to explore the roles of different actors in the process. Similarly to the second research paper, the community entrepreneurs in both cases were from outside the local community and aimed to develop new activities.

4.4.4 Key findings
This study illustrates how emerging community ventures’ relationships and strategies changed during the resource mobilisation process and led to the embeddedness of the community ventures in their communities. Initially, the nascent community ventures had an asymmetric dependence relationship with more powerful resource providers within their communities. During the earliest stages of development, the community ventures had to align with existing practices and traditions in the communities to secure initial resources and support. At the same time, the community ventures worked to alter the communities using several tactics to develop the novel parts of their ideas. At this early stage, the venture engaged
powerful actors, such as the local government, to increase its legitimacy and obtain access to resources. Because of asymmetric dependence relationships, the community venture needed to adapt to the demands and goals of the more powerful actors.

During the first part of the process, the community ventures gradually gained greater legitimacy and power, and as that happened, they were able to mobilise resources from within their communities. The local resource providers became more dependent upon the community ventures, and the resource exchanges were increasingly based upon trust and reciprocity. This led to the development of joint dependence relationships between the local resource providers and the community ventures. During the second part of development, the community ventures became more embedded in their communities.

4.4.5 Contributions to the thesis

This study contributes to the thesis by exploring the management of resource dependence as a mechanism that facilitates the resource mobilisation process of community ventures; see Figure 2-1. This study illustrates how community entrepreneurs that had a radical behaviour and aimed to stimulate social change in their local communities managed their resource dependencies to local resource holders. The study also contributes to the thesis by illustrating how the strategies for managing resource dependencies changed throughout the mobilisation process of the emerging community ventures.

Initially, the nascent community ventures lacked trust and legitimacy in the local community and had relationships of asymmetric dependence with local resource holders. The ventures needed to build legitimacy both by adapting to existing resources and norms in the local community and by using soft-power strategies to receive legitimacy for the more novel activities of the venture. Thus, the study contributes to the thesis by illustrating that the legitimacy-building mechanism reinforces the management of the resource dependence mechanism in the earliest part of the resource mobilisation process.
One approach that increased the venture’s legitimacy involved engaging powerful actors in the local community. To manage dyadic relationships of asymmetric dependence with powerful actors, the venture needed to adapt to the demands and goals of these actors. Moreover, the venture also tried to alter the demands and goals of powerful actors through promoting the positive effects of the venture in the local community.

The study also contributes to this thesis by illustrating that the increasing embeddedness mechanism reinforced the management of the dependence mechanism later in the process of mobilising resources when the venture had developed relationships of joint dependence with resource holders. The venture increased its embeddedness by increasing trust and reciprocity as well as developing new ties to local resource holders. Thus, the paper illustrates that the resource mobilisation mechanisms are likely to reinforce each other and may operate at different levels and times throughout the resource mobilisation process of community ventures.

4.5 Research paper 4: How entrepreneurs embed emerging community ventures: Creating a music festival in a rural community

4.5.1 Introduction and research question

Social change in rural communities is often initiated by community entrepreneurs who “question conventional practices and push limits, in order to expand the opportunity pool for oneself and the community” (Lyons et al., 2012: 11). To revitalise communities, community entrepreneurs mobilise local residents into collective action in the context of community ventures. Local embedded community ventures develop local networks with trust and a common understanding that is found to stimulate local engagement (Peredo and Chrisman, 2006, Trettin and Welter, 2011, Smith and Stevens, 2010). Guided by insights from the social embeddedness approach, this study explores the following research question: How do community entrepreneurs embed emerging community ventures into rural communities when the goal is to stimulate social change?
4.5.2 Theory
The social embeddedness approach sees most behaviour as closely embedded in networks of relationships (Granovetter, 1985, Uzzi, 1997). In other words, the actions and outcomes of behaviour are seen as affected both by the actors’ dyadic relationships and the broad structure of their overall network of relationships (Granovetter, 1985). Embeddedness promotes the closeness of ties and develops trust and a common understanding between actors (Simsek et al., 2003, Uzzi, 1997).

Being embedded in local structures gives business entrepreneurs access to opportunities (Jack and Anderson, 2002, Villanueva et al., 2012, Moran, 2005) and resources below market prices (Newbert and Tornikoski, 2013). This may be important for community ventures that rely upon volunteers, sponsors, and other resources below the market price (Bridgstock et al., 2010). This thesis focuses on how community entrepreneurs manage to embed a community venture into local structures to engage potential resource holders while also stimulating changes in these structures (Johannisson and Nilsson, 1989, Di Domenico et al., 2010, Haugh, 2007).

4.5.3 Method
This paper explores in-depth and longitudinal case information that relates to the embedding activities of a community entrepreneur initiating a non-profit jazz music festival in a rural Norwegian community (Jazz). The entrepreneur aimed to stimulate social change in the local community by introducing new resources and actors from the external environment.

4.5.4 Key findings
This study develops a dynamic, multi-level framework of the embedding process of a community venture in to a rural community. The community entrepreneur embedded a community venture in a local community by developing a network of trust and common understanding among local resource holders. To stimulate social change, the community entrepreneur tried to extend the social capital in the local community by inviting external actors from a jazz music milieu. The social capital,
which included networks, norms, and culture in the jazz milieu, was different from the existing social capital within the local community. Thus, the community entrepreneur needed to serve as a link between the two environments in the embedding process to develop an understanding of the venture among local and external resource holders (Svendsen and Svendsen, 2004).

The study identified embedding strategies of a community entrepreneur. The importance of the embedding mechanisms changed over time as a consequence of the increased embeddedness of the venture in the community. In the earliest part of the process, the community entrepreneur built the venture upon a common interest between the local community and the external environment. Thus, the entrepreneur’s role as a linking, embedding actor was critical. Then, the entrepreneur engaged local and external actors to increase the embeddedness of the venture in different environments. These actors had knowledge about the norms and cultures of each environment. Next, the entrepreneur involved the villagers and the external actors more in the decision-making process. Finally, the entrepreneur improved embeddedness by iterating the activities with the same actors.

The local resource holders became more involved as the venture became more embedded in the community. Simultaneously, the community entrepreneur became less important as a linking, embedding actor over time because the local resource holders began to understand the norms and culture of the external actors involved in the venture. The venture extended the social capital of the local community, and it became easier to mobilise resource holders over time. In addition, the embeddedness of the venture in the local community decreased the opportunity of the community entrepreneur to develop new activities in the local community. Thus, the entrepreneur needed to de-embed the venture by connecting it to new external actors. Then, the community entrepreneur became important as a linking, embedding actor again.

4.5.5 Contributions to the thesis
This study contributes to the thesis by exploring increasing embeddedness as a mechanism that facilitates the resource mobilisation process of emerging community
ventures; see Figure 2-1. This involved the process of developing a network for the emerging community venture based on trust and common understanding. To extend the social capital in the local community, the community entrepreneur linked the venture to the external environment that had another type of social capital. The study illustrates the advantage of including the external environment in the framework of the mobilisation process of a community venture.

The study contributes to the thesis by revealing that the embedding strategies changed over time. In the earliest part of development, the entrepreneur needed to confirm the institutional level of the local community and the external environment by building the venture upon common culture and interests. Thus, the legitimacy-building mechanism reinforced the increasing embedding mechanism. Then, the venture involved local and external embedding actors to increase embeddedness. This mechanism also increased the venture’s legitimacy in the local community. Then the venture involved local resource holders in decision-making processes. The study contributes to the thesis by illustrating that the venture adapted to the demands and goals of resource holders. Thus, the increasing embeddedness mechanism reinforced the managing resource dependence mechanism.

The study also contributes to the thesis by illustrating that the role of the community entrepreneur and the local community changed over time. As the local community became increasingly important, the venture became more embedded in the community. The community entrepreneur became less important when the local community started to develop relationships with the external environment.

The combination of different mechanisms enabled the venture to extend the social capital of the local community and to change the demands and goals of resource holders over time. As a consequence of changes in social capital, it became easier for the community entrepreneur to mobilise resources to implement new, innovative ideas over time. However, the increased embeddedness of the venture in the local community also hampered new radical ideas, and the community entrepreneur had to involve new external actors to further develop the community venture.
5. **Research papers**

The following four research papers are presented in this section:


5.1 Research paper 1: How entrepreneurs develop relationships for community ventures within local communities
How entrepreneurs develop relationships for community ventures within local communities

Abstract
Many communities have initiated new community-based ventures to develop social wealth. This study builds upon insights from the social embeddedness and entrepreneurial orientation approaches to explore how entrepreneurs develop relationships with resource holders in a community to mobilize resources for new community ventures. The findings derive from a longitudinal case study of two music festivals in rural communities in Norway. I found that the different backgrounds of the entrepreneurs promote different types of resource mobilization strategies. Entrepreneurs who are embedded in their local communities perform an incremental resource mobilization strategy and build the venture upon existing resources and knowledge within the community. External entrepreneurs perform a more radical resource mobilization strategy by introducing new resources and knowledge to the community. The incremental resource mobilization strategy promotes more embedded relationships between the community venture and the local community, such as closer relationships with a higher level of trust, than the radical resource mobilization strategy. The resource mobilization strategies and the relationships of the venture within the local community co-evolved and changed over time.

Key words: Community entrepreneurs, Community ventures, Entrepreneurial orientation, Social Embeddedness, Resource mobilization strategies

Introduction
The mobilization of resources is considered to be the main driver of developing relationships with resource holders in the environment (Brush et al., 2001, Pfeffer and Salancik, 2003, Van de Ven et al., 2007). Community entrepreneurs develop highly interconnected or embedded relationships between the emerging community venture and resource holders in the local community to promote collective resource mobilization (Corner and Ho, 2010, Di Domenico et al., 2010, Ratten and Welpe, 2011). Community ventures are emerging non-profit organizations that aim to develop social wealth in their local communities (Haugh, 2007, Peredo and Chrisman,
Earlier research has shown the importance of building collaborative partnerships with local resource holders for community ventures (Morris et al., 2011). However, the way relationships of nascent community ventures are formed is not well understood (Peredo and Chrisman, 2006, Di Domenico et al., 2010). This study builds upon insights from the social embeddedness approach and entrepreneurial orientation (EO) to answer the following question: “How do entrepreneurs develop relationships with community resource holders to mobilize resources for an emerging community venture?”

The social embeddedness perspective explains that embedded networks are guided by a social governance mechanism, such as trust or reciprocity, rather than by formal governance control and the market (Gulati and Sytch, 2007). Embedded relationships with resource holders enhance the flow of resources to new ventures (Villanueva et al., 2012) and increase access to resources below market price (Newbert and Tornikoski, 2013). Thus, developing embedded ties to resource holders in the local community is important for community entrepreneurs relying upon volunteers and other resources for under market price (Austin et al., 2006). Moreover, developing embedded ties to community resource holders may be important to stimulate the local community to be actively involved in the venture (Johannisson and Nilsson, 1989, Peredo and Chrisman, 2006).

The social embeddedness approach enables an exploration of how community ventures become influenced by community resource holders, however, this approach does not enable the exploration of how community entrepreneurs strategically work to promote social wealth creation. Thus, this study integrates insights from the social embeddedness approach with insights from the EO approach.

EO is an approach within the strategic entrepreneurship literature that has been developed to explore the firm-level strategy-making processes of established firms (Lumpkin and Dess, 1995, Wiklund, 1998). EO is the firm’s disposition to act in a risky, innovative and proactive way and to promote a specific entrepreneurial behaviour. Moreover, EO is the manner in which a firm builds its resource base to exploit new opportunities (Covin and Lumpkin, 2011, Simsek et al., 2003). In this study, resource mobilization strategies are seen as the way community entrepreneurs reconfigure resources and activities in the community to develop social wealth.
changes in existing structures of a local community may be especially important in rural communities facing the challenge of being less attractive to youth and depopulation. Thus, this study focuses especially on how community entrepreneurs develop embedded relationships with community resource holders when the aim is to stimulate social change in the local community.

This study uses evidence from longitudinal case studies of the initiation and development of two non-profit music festivals in rural communities in Norway. This approach enabled an exploration of how the relationships of the community ventures and entrepreneurs’ resource mobilization strategies change over time. Both festivals aimed to create social wealth within their local communities and had succeeded in mobilizing the community into collective action. I studied the process from the point when the initial ideas were conceived until the point when the community ventures had gained repeated support from key resource holders in the community, thus indicating that the venture had become fully operational.

Theoretical Framework

The social embeddedness approach and community ventures
Community ventures can take the form of emerging non-profit organizations that develop social wealth for their local communities (Haugh, 2007). Community ventures typically attempt to stimulate social and cultural life, increase business development and strengthen community identity (Teasdale, 2010, Haugh, 2007). Moreover, community ventures contribute to revitalizing communities that have experienced economic stagnation or decline or that face the challenge of depopulation (Johnstone and Lionais, 2004, Morris et al., 2011, Johannisson, 1990). Often, resource holders in the community are actively involved in the development and management of such ventures (Di Domenico et al., 2010, Haugh, 2007, Teasdale, 2010). To develop local engagement, the community ventures become embedded in their local communities (Haugh, 2007, Teasdale, 2010). Thus, the relationships between the community venture and the resource holders in the local community are likely to be close. Hence, the social embeddedness approach seems promising to explore the relationships between community ventures and community resource holders.
The social embeddedness approach explains that the actions and outcomes of behaviours are affected both by the actors’ dyadic relationships and the broad structure of their overall network of relationships (Granovetter, 1985). Highly embedded networks are found to improve resource mobilization and value creation of all actors in the networks and to motivate resource holders towards joint action to address collective interests (Gulati and Sytch, 2007, Somerville and McElwee, 2011, Villanueva et al., 2012). The embeddedness of organizations is characterized by its structural and relational dimensions.

Structural embeddedness relates to the overall pattern of relationships between actors with regard to the absence or presence of ties between actors, and can take the form of closure, density, connectivity and hierarchy (Simsek et al., 2003). Relational embeddedness relates to the dyadic exchange between actors, such as trust, reciprocity and common norms (Simsek et al., 2003, Uzzi, 1997). Developing embedded relationships with community resource holders may promote the community venture to mobilize resources below market price (Bridgstock et al., 2010, Newbert and Tornikoski, 2013) and to increase the cooperation of actors in the creation of social wealth (Villanueva et al., 2012) within the local community.

Commercial entrepreneurs become embedded in local structures to overcome the liability of newness and secure access to external resources (Jack and Anderson, 2002). Community entrepreneurs embed the entire community venture in the local community to engage community resource holders (Di Domenico et al., 2010). Community membership may range from the involvement of only a portion or a group within a community to the involvement of the majority of inhabitants in a community (Peredo and Chrisman, 2006, Somerville and McElwee, 2011). However, when many local actors from different sectors are involved in the venture, social wealth creation and the potential of the community venture to stimulate change are likely to increase.

The social embeddedness approach enables the exploration of how the community entrepreneurs develop the venture according to requirements in the local community. To explore how community entrepreneurs strategically build the
resource base of a community venture to stimulate social change, this study incorporates insights from the EO approach.

**The EO approach and resource mobilization strategies**

The resource mobilization strategies of community entrepreneurs are characterized by a recombination of local resources and activities to develop social wealth within communities (Perrini et al., 2010). These strategies may be related to challenges in a specific context. Some community entrepreneurs introduce radical innovation to solve a social problem not addressed by established organizations and actors in the local community (Shaw and Carter, 2007, Zahra et al., 2009). In this situation, entrepreneurs assume the roles of change agents, choose a radical resource mobilization strategy, and connect different sectors and actors within the local community in innovative ways. The entrepreneurs may develop new links to the external environment to solve the social problem (Johannisson, 1990).

Entrepreneurs choosing a radical resource mobilization strategy are similar to constructionists who have superior information to address social needs not yet realized by current providers (Shaw and Carter, 2007, Zahra et al., 2009). Thus, the entrepreneurs introducing a radical resource mobilization strategy are likely to have access to new types of information outside the local community context (Zahra et al., 2008, Johannisson and Nilsson, 1989).

Other entrepreneurs may choose a more incremental resource mobilization strategy and build the venture upon available activities and resources in the local community. Community entrepreneurs in resource-poor environments have been found to recombine the resources at hand for new purposes. In this situation, the entrepreneurs behave as a bricoleur where ‘his (the bricoleur’s) universe of instruments is closed and the rules of his game are always to make do with “whatever is at hand”, that is to say with a set of tools and materials which is always finite’ (Lévi-Strauss, 1966: 17). An incremental resource mobilization strategy may be a solution to small-scaled local problems. Thus, the entrepreneurs require knowledge about local conditions and available resources, and the entrepreneurs are likely to be embedded in a network of relationships within the local community (Peredo and Chrisman, 2006, Zahra et al., 2009, Johannisson, 1990).
According to strategic entrepreneurship research, the EO approach explores the firm-level strategy-making processes of established firms (Lumpkin and Dess, 1995, Wiklund, 1998). Following the EO approach, the strategies of the firm are related to risk taking, innovation and proactiveness and are defined as ‘taking advantage of opportunity by novel combinations of resources in ways which have impact on the market’ (Wiklund, 1998: 223). The firm’s EO occurs along a continuum between incremental to radical EO. Incremental EO involves innovativeness, proactivity and risk taking within established practices and leads to the improvement of existing products, services or processes (Bojica et al., 2011, Simsek et al., 2003).

Radical EO involves innovativeness, proactivity and risk taking, which produce changes in existing structures and lead to new products, services or processes. Most EO researchers investigate the strategies at the firm level; however, during the early development of community ventures, the resource mobilization strategy is likely to be expressed by the entrepreneurs who initiate and drive the venturing process. Incorporating ideas from EO into the community entrepreneurship context, the resource mobilization strategy of entrepreneurs can be explained as the degree of novelty in the combination of community resources to develop social wealth for a community.

Combining insights from the EO approach with the social embeddedness approach enables the exploration of how community entrepreneurs strategically mobilize a local community to stimulate social wealth creation at the same time that the local community influences the mobilization of resources through its embedded ties to the community venture.

**Methodology**

The lack of prior studies on the relationships of community ventures calls for an in-depth qualitative research design. Theory building from case studies enables the collection of multiple data at different levels in the process (Eisenhardt and Graebner, 2007). The time frame extended from the point when the initial idea was considered until the point when the community venture had gained repeated support from resource providers in the community.
Case selection
The results of this study rely upon empirical case information from two non-profit music festivals that have evolved within rural communities in Norway. Cultural festivals are likely to strengthen a sense of place and community identity and enhance civic participation, social interaction and well-being in communities (Gursoy et al., 2004, McHenry, 2011). Moreover, a festival is an event usually arranged over a short time period at regular intervals, often annually over a weekend or week and relies upon a range of resources from local resource holders.

Several community entrepreneurship studies has linked the community concept to a place, such as a village, municipality, urban area, or region (Somerville and McElwee, 2011). The festivals in this study emerged within rural communities in Norway. The context is easy to define within a rural area, and relationships between the venture and the resource holders are more transparent because the individuals in the community are more visible. Together with an open culture and a transparent Norwegian society, the rural community context has contributed to a good availability of data. Both cases included in this study succeeded in mobilizing the community to collective action.

Data collection
A triangulation of data gathered from e-mails, written reports, newspaper articles and narrative interviews addressed the challenge of validity because these sources provided multiple perspectives of the same phenomenon (Yin, 2003). I conducted face-to-face interviews in the period 2006-2010, as shown in Table 1. A multilevel approach was used to develop insights from different actors in the process and decreased the possibility of retrospective interpretation (Eisenhardt and Graebner, 2007). The community entrepreneurs, volunteers, municipality, business owners and other villagers were interviewed. Narrative interviewing was used to obtain data beginning from the first time the actors heard about the venture and ending with the time of interview.

Table 1. Persons interviewed and observations (number of interviews and observations in parentheses).
<table>
<thead>
<tr>
<th>Code</th>
<th>Jazz</th>
<th>Musical</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Entrepreneurs (E)</strong></td>
<td>E1</td>
<td>Jazz community entrepreneur (5 and e-mails).</td>
</tr>
<tr>
<td></td>
<td>E2</td>
<td>Leader of the board (2).</td>
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<tr>
<td></td>
<td>E3</td>
<td>Choreographer. Employed in Regional theatre group (1).</td>
</tr>
<tr>
<td></td>
<td>E4</td>
<td>Dance instructor (2).</td>
</tr>
<tr>
<td><strong>Municipality (G)</strong></td>
<td>G1</td>
<td>The mayor (2).</td>
</tr>
<tr>
<td></td>
<td>G2</td>
<td>Municipal representative in Jazz (4).</td>
</tr>
<tr>
<td><strong>Villagers and volunteers (V)</strong></td>
<td>V1</td>
<td>Technical assistant. Teacher in the municipal music school and the primary school (2).</td>
</tr>
<tr>
<td></td>
<td>V2</td>
<td>Technical assistant. Teacher in the primary school (1).</td>
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<tr>
<td></td>
<td>V3</td>
<td>Community Central Leader (e-mails).</td>
</tr>
<tr>
<td></td>
<td>V4</td>
<td>Organizer at festival arena. Teacher in primary school (1).</td>
</tr>
<tr>
<td></td>
<td>V5</td>
<td>First Camp host (e-mails).</td>
</tr>
<tr>
<td></td>
<td>V6</td>
<td>Second Camp host (1).</td>
</tr>
<tr>
<td><strong>External actors (EX)</strong></td>
<td>EX1</td>
<td>Music director. Internationally known jazz musician living in the region (1 and e-mails).</td>
</tr>
<tr>
<td></td>
<td>EX2</td>
<td>Responsible for technical aspects. Living in the region (1 and e-mails).</td>
</tr>
<tr>
<td></td>
<td>EX3</td>
<td>Regional Jazz centre (e-mails).</td>
</tr>
<tr>
<td><strong>Number of interviews</strong></td>
<td>18</td>
<td>10</td>
</tr>
<tr>
<td><strong>Observations, meetings and events</strong></td>
<td>P1</td>
<td>Participated in the festival (2 times).</td>
</tr>
<tr>
<td></td>
<td>P2</td>
<td>Participated in meetings (6 times).</td>
</tr>
</tbody>
</table>

A total of 27 interviews were conducted. The interviews were conducted in the homes of the informants, at their work, at the festival arena, or by telephone and lasted from a half-hour to three hours. Key actors were interviewed several times and were asked to provide a narrative of the event since the previous interview. Participant observations at meetings and festival events generated personal contacts.
that made it easier to gain trust among the interviewees and to identify new informants. The observations were open-ended; however, the focus was on resource mobilization. The observations made it possible to detect real entrepreneurial behaviours. Field notes were taken during the observations. Together with narrative interviewing, participant observation gave access to data that were virtually real-time. Newspaper articles, e-mail communication and other written documents supplemented and validated the interview data.

**Data analysis**
The collected data provided both narrative accounts of the process and factual descriptions of the context, actors and events from a large number of sources. The interviews were recorded and transcribed as a part of the data analysis process. The interview transcripts and other materials were read and re-read as the data were collected; emerging themes were refined as this process progressed and were checked through repeated interviews with the main players (Yin, 2003). The views of the different respondents from each case were also compared. I performed an internal analysis of each case by writing a narrative about the resource mobilization process. Furthermore, I performed a cross-comparison analysis to identify similarities and differences between the cases. Finally, the resource mobilization strategies and the relationships between the venture and resource holders were identified and compared with theoretical concepts (Borch and Arthur, 1995, Eisenhardt and Graebner, 2007). The cases are summarized in the next section.

**Community venture cases**
Jazz is a six-day jazz-music festival arranged in August every year since 2005. The rural community, in which Jazz emerged, was remotely located with 1 200 inhabitants. The festival was created because the community had struggled with depopulation and stagnation and wanted to develop new opportunities for the inhabitants and for the local businesses.

During the festival, amateurs are instructed by and play with professional musicians in courses and workshops as well as in concerts and jam sessions that are open to visitors. In addition, camp activities such as sightseeing, camping and fishing are offered.
Jazz has attracted positive attention for the community from both regional and national media. For instance, a national newspaper ran a two-page article with the headline ‘The jazz camp in [Community]. Jazz success in a green valley’. New cultural activities, such as local jazz groups and more regular concerts around the year, were created. Local businesses experienced increased income from the new visitors and activities. The mayor of the municipality indicated: ‘I think [Jazz], not at least because of the positive media attention in both Local and National newspapers and elsewhere, has strengthened the identity of the community. Yes, it contributes building our identity in a positive way’ (G1-see Table 1). The festival has received regular sponsorship from local businesses and the municipality and has a core group of volunteers who help organize the festival.

Musical arranges seven to nine concerts during two weekends in May since 2001. Musical emerged within a rural community with 5 400 inhabitants. Musical aims to create positive community associations among the youth and to develop young talent.

The festival was built upon a long local band tradition and is an extension of earlier musical concerts performed within the community. Musical creates an arena where musical groups and organizations in the community, such as school bands, choirs, music schools and theatre and dance groups, develop concerts together. Musical has also introduced more novel activities for the community and even arranged an opera. Musical has become well established in the community and attracts participants and visitors from across the region; the concerts repeatedly sell out. In reference to the first year, one entrepreneur explained that: ‘It was an immediate success. [...] it was 7-9 performances fully booked’ (E1). Some of the youth who have moved away to study return home to participate in the festival every year. The local businesses earn money as a result of the increased number of visitors to the community, and Musical has generated positive external attention.

**The findings**

This study developed a theoretical framework to enable an exploration of how community entrepreneurs develop relationships between emerging community
ventures and community resource holders to stimulate social wealth creation, as illustrated in Figure 1. In the following sections, I discuss this framework with reference to data from my empirical case studies.

**Figure 1. Resource mobilization process of community ventures.**

The community
- Available resources
- Norms and structures

Entrepreneurs’ background
- Networks
- Knowledge

Resource mobilization strategy
- Proactivity
- Risk taking
- Innovativeness

Relationships of CV
- Structural embeddedness
- Relational embeddedness

**Resource mobilization strategies**

The cases revealed that the resource mobilization strategies are related to how the entrepreneurs built upon the resources and activities within their local communities. Furthermore, the knowledge and networks of the entrepreneurs influenced their resource mobilization strategies, as illustrated in Figure 1. The entrepreneurs who were involved in Musical were embedded in the local community and built the venture using local ties. Thus, the entrepreneurs assumed the role of bricoleur and performed a resource mobilization strategy that was incremental to mobilize existing local resources and activities in the community (Di Domenico et al., 2010, Zahra et al., 2009). They mobilized resources and actors from the cultural sector in the local
community. The resource mobilization strategy of these entrepreneurs was less innovative, risky and proactive, as illustrated by the quotes in Table 2.

Table 2. Resource mobilization strategies of community entrepreneurs.

<table>
<thead>
<tr>
<th>Strategies (definition in parentheses)</th>
<th>Musical</th>
<th>Jazz</th>
</tr>
</thead>
<tbody>
<tr>
<td>Innovativeness (Exploiting new ideas and departing from established practices by developing novel combinations of resources)</td>
<td>The resource mobilization strategy was not very innovative, as the entrepreneurs built the venture upon existing resources in the cultural sector in the local community: ‘We developed an ensemble with actors from local music, theatre and dance milieu and production who had previously been working separately’ (E2).</td>
<td>The resource mobilization strategy was more innovative and the entrepreneur built the venture upon combination of resources from different sectors in the internal and external environments: ‘[Jazz] should be Norway’s most important and best supporting scene/arena within jazz and rhythmical music education/course and use nature-based experiences as one of the means’ (E1 e-mail).</td>
</tr>
<tr>
<td>Risk-taking (Committing resources to projects where the cost of failure is high/where the outcomes are unknown)</td>
<td>The risk of the resource mobilization strategy was not very high, as the entrepreneurs had tried the concept in an earlier project with the community school band: ‘We developed [Musical] along the same lines as another project arranged by the local school band. I tried the music we worked with the first year of [Musical] [in the local school band], [...] and we decided to continue arranging this [project]’ (E1). Furthermore, they built the venture on only volunteers and did not pay for external professional musicians.</td>
<td>The risk of the resource mobilization strategy was relatively high, as the festival used external professional artists and technicians that demanded salaries. Furthermore, the inhabitants did not listen to jazz music: ‘It is a cultural clash between the [dance band] milieu [in the community] and jazz. A folk music festival would be easier [to arrange]’ (G2). The municipal representative said about the entrepreneur: ‘His (E1’s) idea was too ambitious so people shook their head. They thought it was impossible to accomplish’ (G2).</td>
</tr>
</tbody>
</table>
Proactiveness (Behaviour related to acting on future needs. Forward-looking perspective. Seeing opportunities not be related to the present line of operations)

The resource mobilization strategy was not very proactive, as the entrepreneurs did not seek to change the local community much and explained that: ‘My idea was that people should get an opportunity to listen to known musicals and known music, which is easy to understand’ (E1).

The resource mobilization strategy was more proactive, and the entrepreneur spent the time looking for new ideas and wanted to develop new resource configurations: ‘[E1] has used a lot of time and efforts with his contacts and networks and he has a lot of ideas for further development of [Jazz]’ (G2).

The entrepreneur involved in Jazz was from outside the local community and had a broad network from earlier work within the musical and theatrical milieus in different parts of the country. The Jazz entrepreneur assumed the role of a constructionist and exhibited a more radical resource mobilization strategy. He introduced new resources and activities to the community to address social needs that had not been addressed by current providers (Shaw and Carter, 2007). Moreover, he mobilized actors from different sectors, such as cultural, public and business sectors, in the local community and the external environment. This approach increased the number of opportunities to stimulate changes in local structures. The resource mobilization strategy of the constructionist entrepreneur was more innovative, risky and proactive. Thus, I propose:

Proposition 1: Community entrepreneurs who are embedded in a local community choose an incremental resource mobilization strategy, while community entrepreneurs who are less embedded in a local community choose a more radical resource mobilization strategy.

The relationships of the community venture

The relationships between the community venture and the community resource holders were formed by the resource mobilization strategies of the community entrepreneurs, as illustrated in Figure 1. By following an incremental resource mobilization strategy, the community entrepreneurs of Musical developed embedded relationships between the festival and local resource holders that were characterized by close ties with a high degree of trust (Lauer, 2005, Zahra et al., 2009). First, the
entrepreneurs of Musical were actively involved in the cultural life in the local community and built the festival on their networks with local resource holders (Di Domenico et al., 2010, Zahra et al., 2009). Thus, the venture became structurally embedded in the local community with few external ties. Second, the entrepreneurs of Musical had gained the trust of local resource holders as a result of their work in local cultural organizations. Their incremental resource mobilization strategy made it possible to transform their individual trust with the venture, and Musical became relationally embedded with key resource holders in the community. One of the entrepreneurs explained: ‘I have been active [in the local culture life] so long a time that people know that when I do something, it will come off. Trust is important’ (E2).

The high level of embeddedness between Musical and community resource holders facilitated the mobilization of resources. Musical was quickly organized and had immediate success in the local community. This result corresponds with earlier findings indicating that entrepreneurs who draw upon existing ties in the community can use social resources and trust to mobilize resources (Lauer, 2005). Thus, the following proposition is outlined:

**Proposition 2**: Entrepreneurs with an incremental resource mobilization strategy that is less innovative, risky and proactive are likely to develop a community venture with a high level of embeddedness (characterized as close and with a high level of trust) in its relationships with community resource holders.

In contrast, the venture initiated by the Jazz entrepreneur initially had a lower degree of embeddedness with community resource holders. First, the entrepreneur was a musician from outside the community and built the venture upon his ties to external resource holders, such as artists, technicians and sponsors. He had a more radical resource mobilization strategy to stimulate more changes in the local community. Jazz had many external linkages but encountered some problems with engaging local actors. Thus, the Jazz festival was not initially structurally embedded. The Jazz entrepreneur expressed the following: ‘We buy the technical service from [A regional technician]. The world biggest, [International technicians], also come. [...]. We have a festival that reaches beyond the country’s border’ (E1).
Second, Jazz was not initially relationally embedded in the local community. The local resource holders did not trust that the entrepreneur would act as expected, according to the norms within the community (Welter and Smallbone, 2006). The Jazz entrepreneur met with voluntary organizations and business owners from the community, and one of the volunteers explained from the meeting: ‘When a lot of questions were asked, I thought that [the community] should not be that sceptical and rather join [the venture]. It was the way [the entrepreneur] talked that made it difficult for the [community members] to think it was serious.’ (V1).

This result corresponds with earlier findings indicating that entrepreneurs who have not yet developed trust and legitimacy in key relationships with resource holders in the environment struggle with acquiring resources (Lauer, 2005). The following proposition can be made:

**Proposition 3**: Entrepreneurs with a radical resource strategy that is innovative, risky and proactive are likely to develop a community venture with an initially low level of embeddedness (characterized as less close with a low level of trust) in its relationships with community resource holders.

**The resource mobilization strategies and relationships over time**

After several years of arranging Musical, the entrepreneurs developed a connection with external musicians at an opera university in a Norwegian city. This led to the generation of new ideas, and Musical wanted to organize an opera. Opera was outside the competences of the resource holders in the local community, and thus, Musical demanded new knowledge and resources from abroad. The change towards a more radical resource mobilization strategy led to less-embedded relationships between the festival and local resource holders, and Musical experienced some problems with engaging volunteers. In addition, the entrepreneurs needed to develop ties to the public and business sectors within the local community to mobilize the additional economic resources that were needed to pay for external professional actors. One of the entrepreneurs expressed the following: ‘We have never applied for [money] before. This year was the first year we applied for grants to
arrange the Elk opera. [...] We want to be better in searching for sponsoring from businesses. [...] If the businesses become involved, we can develop equity’ (E1). The changes in resource mobilization strategies that occurred are illustrated in Table 3.

**Table 3. Changes in the resource mobilization strategies of the community entrepreneurs.**

<table>
<thead>
<tr>
<th>Strategies</th>
<th>Musical</th>
<th>Jazz</th>
</tr>
</thead>
<tbody>
<tr>
<td>Innovativeness</td>
<td>The resource mobilization strategies became more innovative over time.</td>
<td>The resource mobilization strategies became less innovative over time.</td>
</tr>
<tr>
<td></td>
<td>To arrange the Elk opera, the festival needed to introduce knowledge</td>
<td>The entrepreneur had to change the resource mobilization strategy with respect to the municipality demands: ‘my focus is that we</td>
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<td></td>
<td>from outside the community:</td>
<td>should use the resources we have.</td>
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<td></td>
<td>‘[E2] had a son who studied at the [Norwegian city] Conservatory of</td>
<td>[...] the rafting that we needed to hire and pay [from outside the community] is not development of our resources. We have the</td>
</tr>
<tr>
<td></td>
<td>Music. It was easy to develop connection to this milieu. [E2] made</td>
<td>canoes, the caves. [...] It is closer and easier for us to arrange canoe tours and cave walks. [...] It is a hope to get</td>
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<tr>
<td></td>
<td>the Elk opera possible to arrange.</td>
<td>more local actors and course participants’ (G2).</td>
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<td></td>
<td>We got a link to the student milieu in [the Norwegian city] and</td>
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<td></td>
<td>especially a very exciting composer, [Norwegian composer]. Then we</td>
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<td>could combine amateur actors with professionals, which usually have a</td>
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<td></td>
<td>positive result’ (E1).</td>
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<tr>
<td>Risk-taking</td>
<td>The resource mobilization strategy became more risky over time.</td>
<td>The resource mobilization strategy became less risky over time ‘We discussed that we might have another type of food that was</td>
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<td></td>
<td>To use external professionals increased the risk, as they demanded</td>
<td>more like local food and traditions’ (G2).</td>
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<td>salaries and opera was not very common in the community: ‘When we</td>
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<td></td>
<td>were arranging [the Elk opera], we didn’t know that it would be</td>
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<td></td>
<td>popular among the people. [...] [E2] waged his livestock on it. [...]</td>
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<td></td>
<td>You see how vulnerable it is’ (E1).</td>
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<tr>
<td>Proactiveness</td>
<td>The resource mobilization strategy became more proactive over time:</td>
<td>The resource mobilization strategy became less proactive over time: ‘[E1] wants to further develop [Jazz] and use a great deal</td>
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<tr>
<td></td>
<td>‘We try to improve our search for sponsoring money from the business</td>
<td>of time and effort to identify new ideas; however, I may have moderated</td>
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<td></td>
<td>sector, [...]. If we get the businesses engaged, we may be able to</td>
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<td>develop</td>
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equity in the future. Then, we will get more opportunities related to [the choice of music] and it will be easier to engage more people. We will have more freedom to act’ (E1). him and said that we do not have the capacity to do this, we do not have enough people to engage, and we should calm down to improve existing activities before we develop new projects we do not know the result of’ (G2).

The findings above illustrate that a change in resource mobilization strategies is likely to cause changes in the relationships between the community venture and community resource holders and vice versa, as illustrated by both directional arrows in Figure 1. In other words, the entrepreneurs’ resource mobilization strategies co-evolved with the relationships of the community venture (Simsek et al., 2003). By involving external actors, the venture became less embedded in the local community. The external actors provided access to new information and resources, enabling a more radical resource mobilization strategy, as illustrated by the arrow from the relationships of the community venture to the community entrepreneurs’ background. This led to the following proposition:

**Proposition 4:** The involvement of external actors in a community venture is likely to decrease the embeddedness in relationships with community resource holders, and the resource mobilization strategies of the entrepreneurs will become more radical.

To stimulate the mobilization of resources, the constructionist entrepreneur developed more embedded ties to community resource holders; these ties were closer and characterized by increased trust. The entrepreneur developed greater ties in the local community by involving the municipality as an owner of the festival. Closer ties to local resource holders increased the entrepreneur’s knowledge about local conditions and enabled him to adopt a more incremental resource mobilization strategy. The municipal representative of Jazz also persuaded the entrepreneur to invite artists who were not so ‘extreme jazz-musicians’:
Last year, Mike Stern was a well-known name for people within [the jazz milieu], but for the villagers it was not really 'oh yeah'. [This year] more ordinary artists were invited, [...], like we see on [The National television], [...]. And the rural community's own eccentric will come, [...]. He is seen as, 'Oh yeah, he's from our community', then they will show up. (G2).

After some years of arranging Jazz, the municipal representative convinced the entrepreneur to involve volunteers, businesses and the municipality in decision-making processes. This increased involvement increased the level of embeddedness in the relationships to community resource holders, and it became easier to engage local resource holders. In addition, the increased involvement of the local community led to a revision of the entrepreneur’s radical resource mobilization strategy:

My goal has been to [develop Jazz as] an independent organization. [Now] it is too many participants attempting to make decisions and artistically this can kill. I have always felt that what I do is as much educational work as anything else. I always need to explain why I do something and what it is. And afterwards it is always clear why I made the decisions that I did. [...] It has been frustrating here during the process, and it has been a very difficult effort (E1).

The Jazz case illustrates that increased embedded relationships between the venture and local resource holders increased the entrepreneur’s knowledge about local norms and demands. This led to a less-radical resource mobilization strategy, and the entrepreneur built more upon existing resources and activities in the community (Simsek et al., 2003). I propose the following:

Proposition 5: Involving local actors in the community venture is likely to increase the level of embeddedness in the relationships with community resource holders, and the resource mobilization strategies of the entrepreneurs will become more incremental.
Conclusions and implications for further research

This study develops a conceptual framework to explore how the relationships of community ventures are formed to develop social wealth in local communities. To mobilize community resource holders towards collective action, community entrepreneurs develop embedded relationships between the emerging community venture and local resource holders. Building upon insights from the social embeddedness and EO approaches, I suggest a link between the resource mobilization strategy of entrepreneurs and the relationships between community ventures and community resource holders.

Community ventures initiated by community entrepreneurs following an incremental resource mobilization strategy are likely to have embedded relationships with community resource holders. Community ventures initiated by community entrepreneurs following a radical resource mobilization strategy have less-embedded relationships with community resource holders. The radical resource mobilization process, however, is modified when the entrepreneurs increase embeddedness between the venture and community resource holders to develop local engagement. Thus, combining insights from the social embeddedness and EO approaches into the same framework illustrated how community entrepreneurs’ action can strategically change (Zahra et al., 2009) and is simultaneously changed by (Granovetter, 1985, Peredo and Chrisman, 2006) local structures.

Moreover, the characteristics of the entrepreneurs, such as their knowledge and networks, are likely to influence the entrepreneurs’ resource mobilization strategy (Covin and Lumpkin, 2011). Entrepreneurs with local knowledge and networks followed an incremental resource mobilization strategy (Zahra et al., 2009). Community entrepreneurs with knowledge and networks outside the local community context tend to choose more radical resource mobilization strategies. This finding is consistent with earlier social embeddedness research indicating that less-embedded entrepreneurs are more able to challenge rules and norms within the environment than embedded entrepreneurs are (Lauer, 2005). Thus, I disagree with earlier research suggesting that the community venture should be managed by community members without the involvement of external actors (Peredo and
Chrisman, 2006). My study illustrates that external actors are likely to stimulate social change in local communities. More cases focusing on the differences between external and locally born entrepreneurs are needed.

I contribute to the community entrepreneurship literature by illustrating that the resource mobilization strategy is characterized by how innovative, risky and proactive the entrepreneurs are in building the new resource base of community ventures. Additional studies are needed to further develop these parameters of resource mobilization strategies.

Earlier research has developed typologies of community entrepreneurs related to their behaviour (Zahra et al., 2009). Community entrepreneurs may fall between extremes and their behaviour was found to change over time because of changes in the types of relationships that exist between community ventures and community resource holders. In other words, the resource mobilization strategy and the relationships of community ventures co-evolve over time (Simsek et al., 2003). Thus, entrepreneurs who initially assume the role of bricoleur may choose a more radical resource mobilization strategy and become more similar to constructionist entrepreneurs and vice versa. Thus, longitudinal research is required for further exploration of resource mobilization strategies and community venture relationships.

This result is not directly transferable to other contexts. Music festivals require relatively large amounts of resources from the community to get started, and they impact the lives of most community members either directly or indirectly. Moreover, the cases occurred in the context of a nation with a well-developed welfare system and a strong public sector. My framework may represent a basis for further development in studies of other types of community ventures and contexts.

This model may help guide practitioners aiming to mobilize a community towards collective action to develop social wealth. Practitioners should be aware that different management styles have different challenges and advantages. Practitioners choosing an incremental resource mobilization strategy mobilize local resource holders quickly. By involving external actors in the venture, they can choose a more radical resource mobilization strategy once the venture has matured. However, they
should keep in mind that introducing novel activities may increase the conflict level in the community venture.

Practitioners selecting a radical resource strategy require more time to mobilize the local community. To organize the venture faster, the practitioners may include local actors to develop ties and trust with community resource holders. However, involving the local community actively in the venture is likely to change the radical resource strategy of the entrepreneurs. Introducing a radical idea from inception may be riskier than building upon existing activities because practitioners do not have anything to which they can resort if they fail. Practitioners who build upon existing activities have already organized a venture to which they can return if their new, radical idea fails.

References


5.2 Research paper 2: A longitudinal study of community venture emergence through legitimacy building
5. A longitudinal study of community venture emergence through legitimacy building

Ingebjørg Vestrum and Einar Rasmussen

INTRODUCTION

While most entrepreneurship studies have looked at the emergence of new commercial ventures, this study keys into the start-up process of non-profit community ventures (CVs). CVs seek to create social values for their community and are likely to stimulate social and cultural life, increase business development and possibly strengthen the identity of communities. CVs contribute to revitalizing communities hit by structural change, which are experiencing economic stagnation or decline or are facing the challenge of depopulation (Johannisson, 1990; Johnstone and Lionais, 2004). Most communities have numerous organizations aiming to solve social and societal problems and create welfare. Still, this important type of organizational creation is vastly under-researched in previous entrepreneurship studies (Mair and Martí, 2006; Peredo and McLean, 2006).

One of the greatest challenges for entrepreneurs is that they lack the legitimacy needed for resource providers to believe their nascent venture is proper. The legitimacy perspective has added important contributions to the commercial entrepreneurship literature (Zimmerman and Zeitz, 2002; Tornikoski and Newbert, 2007). Legitimacy is seen as a resource needed to get access to other critical resources for a new venture (Lounsbury and Glynis, 2001; Zimmerman and Zeitz, 2002). The issue of gaining legitimacy has not been addressed in the community entrepreneurship literature. This chapter aims to build theory through an exploratory study designed to answer the following research question: how do nascent CVs build legitimacy?

We propose that gaining legitimacy is relevant for emerging CVs in particular. CVs are not driven by a profit motive, nor is their success measured in terms of the profit they generate (Austin et al., 2006; Haugh, 2007). Thus, CVs need to legitimate their role towards stakeholders and often convince resource providers to accept non-financial gains in exchange for resources. Moreover,
CVs are dependent on the local community for access to a range of resources and need to create engagement within the local community to reach their goals of meeting local community needs (Peredo and Chrisman, 2006; Haugh, 2007).

The understanding of the process of gaining legitimacy is typically deduced retrospectively (Zimmerman and Zeitz, 2002), as it is difficult to get access to data from the earliest phases of legitimacy building. We resolve this challenge by conducting a longitudinal case study of the start-up process of two music festivals aiming to revitalize small rural communities in Norway. By investigating the early stages of the venture formation process longitudinally, from when the initial idea is conceived until the venture has achieved its social goal, we show how the CVs gradually gained legitimacy. Building on a legitimacy perspective, our study makes use of a novel theoretical framework that takes into account how nascent CVs can move beyond their current stocks of resources.

This chapter proceeds as follows. The next section outlines the theoretical foundation. The third section presents the methodological approach. In the fourth section the cases of developing a jazz camp festival and a rock music festival within two rural communities are presented. The fifth section analyses the findings using a legitimacy framework. Finally, conclusions and implications are provided.

**THEORETICAL FOUNDATION**

**Community Entrepreneurship**

Most entrepreneurship research has investigated the creation of CVs aiming to create personal wealth and economic values for shareholders. Recently, considerable interest has been devoted to social entrepreneurship, defined as entrepreneurial activities creating social and other non-economic values (Dees, 2001; Mair and Martí, 2006; Sharir and Lerner, 2006). Community entrepreneurship can be seen as a sub-category of social entrepreneurship where the social value creation is related to a specific community context. Community entrepreneurship is the process of recognizing and pursuing opportunities resulting in a CV that creates social values for a local community (Peredo and Chrisman, 2006; Haugh, 2007). The social values might be to change a negative image in a regional and national context as well as to re-establish pride in communities (Johannisson, 1990). Examples of CVs are sports or cultural events (Haugh and Pardy, 1999), museums (Borch et al., 2008), business networks (Johannisson, 1990; Johnstone and Lionais, 2004) and job creation organizations (Lotz, 1989).
Prior studies have looked at both non-profit and for-profit CVs. Peredo and McLean (2006) argue that social ventures range from non-profits with exclusively social goals to for-profits where social goals are subordinate to profit-making activities. The inclusion of for-profits in the definition of CVs blurred the differences between CVs and commercial business ventures. To distinguish community entrepreneurship from commercial entrepreneurship, this study focuses on the creation of non-profit CVs. This means that any economic surplus is reinvested in the venture to increase the social value creation rather than distributed to the owners or shareholders (Austin et al., 2006; Sharir and Lerner, 2006; Shaw and Carter, 2007). Non-profit ventures are not synonymous with CVs unless their goal is to create social values for a local community.

The local community context plays a key role in the CV literature. A community can be explained as an ‘aggregation of people that is defined … by shared geographical location, generally accompanied by collective culture and/or ethnicity and potentially by other shared relational characteristic(s)’ (Peredo and Chrisman, 2006, p. 315). A community may be defined by political boundaries such as a village or a municipality. Examples of communities being studied in the community entrepreneurship literature are depleted communities (Johannisson, 1990; Johnstone and Lionais, 2004), rural communities (Haugh, 2007) and impoverished communities (Peredo and Chrisman, 2006). Peredo and Chrisman (2006) argued that a community acts corporately as both entrepreneur and enterprise in pursuit of the common good. In other words, the community is not merely a context but becomes a key participant in the initiation and development of the nascent CV. In addition, the resources needed are likely to reside within a large number of stakeholders within the community context (Johannisson, 1990; Haugh, 2007). Haugh (2007) studied the creation of five CVs in rural communities and found that in the creation of CVs, competing ideas become filtered into one idea that gains the most support.

CVs are non-profits and often need to rely on non-economic exchange because the economic value they create is not sufficient to pay for the resources they use (Dees, 2001). As a consequence, gaining legitimacy becomes critical to obtaining resources for the emerging CV.

**Strategies to Gain Access to Legitimacy**

Legitimacy refers to ‘a generalized perception or assumption that the actions of an entity are desirable, proper or appropriate within some socially constructed system of norms, beliefs, and definitions’ (Suchman, 1995. p. 574). Legitimacy is an instrumental resource necessary to acquire other resources from the environment (Zimmerman and Zeitz, 2002). CVs as well
The literature has highlighted four strategies that new ventures can use to gain legitimacy. The first strategy, to conform, is a relatively passive strategy where the venture changes itself to acquire legitimacy by adapting to the demands and expectations in the environment (Suchman, 1995). The second strategy, to select, is more proactive than to conform (Suchman, 1995; Zimmerman and Zeitz, 2002). A venture can select an environment that does not demand any changes of the venture. Third, to manipulate, is an even more proactive strategy than to select and is necessary for new ventures that need to manipulate the environment to believe that it is proper (Suchman, 1995; Zimmerman and Zeitz, 2002). Fourth, to create, is a strategy which involves creating something new in the environment, for example, a new product, service and/or practice that might change the environment (Zimmerman and Zeitz, 2002).

Tornikoski and Newbert (2007) found that to manipulate the environment was more important than to conform to norms and expectations in the environment for the creation of a new venture. A new venture might employ individuals with characteristics that increase the venture’s credibility or develop networks with external actors that already have obtained legitimacy (Rao et al., 2008). In this way, the nascent venture acquires legitimacy from actors in the environment.

METHODOLOGY

A qualitative case study methodology was used to explore how two nascent CVs within two rural communities in Norway gained legitimacy. The case studies offered rich context-related information about the communities (Flyvbjerg, 2006; Johns, 2006) and made it possible to collect data at different levels in the process (Eisenhardt, 1989). A longitudinal approach was warranted to capture the changes over time and reduce problems of retrospective biases (Pettigrew, 1990).

Case Selection

Rural communities are frequently studied in the community entrepreneurship literature (Johannisson, 1990; Haugh, 2007). To demarcate the context is easier within a rural area compared to an urban area and the legitimacy building process is more transparent because the individuals in a rural community are more visible. Both CVs in our study emerged within rural communities.
with sparse populations facing the challenge of depopulation. Together with an open culture and a rather transparent Norwegian society, the rural context has contributed to good availability of data for this study.

The empirical setting is the numerous cultural festivals that have been established in Norway since the 1980s. A cultural festival is an event usually arranged over a short time period with regular intervals, often over one weekend or week, once a year. Cultural festivals vary in size and scope and are most frequently connected to a music genre. Although there are examples of for-profit festivals, this study focuses on non-profit festivals aiming to create new activities and social values for the community. Several studies have shown the economic, social and cultural impact of cultural festivals on local communities (Delamere, 2001; Gursoy et al., 2004).

The time frame of the study begins from when the idea was conceived until the festivals had sustained their operation as a positive contribution to the rural community, indicating that the festivals had built needed legitimacy. We approached the first case when the CV was about one year old and still in a very early phase of development. The second case was chosen to replicate the findings from the first case (Yin, 2003) and had been organized for four years when we started to collect data. We followed the cases for three years and one year, respectively.

Data Collection

Data were collected between 2006 and 2008 using a wide range of sources to facilitate data triangulation. Secondary data were collected by reviewing email communication, web pages, newspapers and other written documents. Primary data were gathered through interviews with the community entrepreneurs and other key actors in the process, as shown in Table 5.1. Narrative interviewing was used to obtain data from the entire entrepreneurial process by asking the interviewees to tell the story from the first time they heard about the emerging CV until the present day.

The interviews were conducted in the home of the informants, at their work or at the festival arena. Key actors were interviewed several times and asked to tell the narrative about the activities since the previous interview. A total of 26 interviews were conducted with nine persons from each festival. The interviews lasted from half an hour to three hours. We used interview protocol with questions about the resource acquisition process to get information that the interviewees did not tell in their narratives.

Participant observations from both festivals supplement the data. In the first case one of the researchers was an observer during the five-day festival event. The following year the researcher participated as a voluntary staff member and the last year she was a visitor at the festival. At the second festival the
The researcher participated as a voluntary staff member during the two-day festival event. The observations were open-ended to achieve the greatest understanding of the festivals; however, the researcher focused on acquiring information about which resources and actors were involved in the festival and why. After each day the researcher made notes about the observations. Being in the field allowed the researcher to develop personal contacts which made it easier to gain trust among the interviewees and discover new informants. The observations and narrative interviewing made it possible to collect data close to real time and to gain a thorough understanding of the process. In order to avoid confirmatory biases, one of the authors did not participate in data collection.

**Data Analysis**

The collected data provided narrative accounts of the process (Pentland, 1999)

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**Table 5.1 Persons interviewed (number of interviews in parentheses)**

<table>
<thead>
<tr>
<th>Community entrepreneur (CE)</th>
<th>The Groove Valley (TGV)</th>
<th>Skiippagurra festival (SKI)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Members of the entrepreneurial team (M)</td>
<td>CE: The founder of TGV (4 and emails)</td>
<td>CE: Booking, festival leader No. 3 (2)</td>
</tr>
<tr>
<td>M1: Music responsible (1)</td>
<td>M1: Leader of the public project</td>
<td></td>
</tr>
<tr>
<td>M2: Public administration (3)</td>
<td>M2: Festival leader No. 1 (2)</td>
<td></td>
</tr>
<tr>
<td>M3: First camp host (emails)</td>
<td>M3: Festival leader No. 2 (1)</td>
<td></td>
</tr>
<tr>
<td>M4: Second camp host (1)</td>
<td>M4: The landowner (1)</td>
<td></td>
</tr>
<tr>
<td>M5: Technician responsible (1)</td>
<td>M5: Board leader (1)</td>
<td></td>
</tr>
</tbody>
</table>

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<thead>
<tr>
<th>Local government (G)</th>
<th>The Groove Valley (TGV)</th>
<th>Skiippagurra festival (SKI)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volunteers (V)</td>
<td>G1: The mayor (2)</td>
<td>G1: The mayor (1)</td>
</tr>
<tr>
<td>V1: Community central (emails)</td>
<td>V1: Media spokesperson from Skiippagurra (1)</td>
<td></td>
</tr>
<tr>
<td>V2: Technical assistant No. 1 (1)</td>
<td>V2: Safety and guard responsible (1)</td>
<td></td>
</tr>
<tr>
<td>V3: Technical assistant No. 2 (1)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>V4: Organizer at the school (1)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Support (S)</th>
<th>The Groove Valley (TGV)</th>
<th>Skiippagurra festival (SKI)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of interviews</td>
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<td>11</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Observations, meetings and events</th>
<th>The Groove Valley (TGV)</th>
<th>Skiippagurra festival (SKI)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Participated at the festival (3)</td>
<td>Participated at the festival (1 time)</td>
<td></td>
</tr>
<tr>
<td>Participated at meetings (6)</td>
<td>Participated at meetings (1)</td>
<td></td>
</tr>
</tbody>
</table>
and factual descriptions of context, actors and events from a large number of sources. The interviews were recorded and transcribed as part of the data analysis process. The interview transcripts and other material were read and reread as data were collected; emerging themes were refined and checked through repeat interviews with the main players (Yin, 2003). The views of the different respondents within each case were also compared. To analyse the process we wrote the narrative of the resource acquisition process and searched for structures in the narratives (Pentland, 1999). Legitimacy emerged from the data as very important to access resources. The data were categorized to identify the specific strategies used to obtain legitimacy and the categories then compared with the legitimacy literature. The conclusions were reached in a discussion between both authors.

THE CV CASES

The Groove Valley (TGV)

TGV is an annual jazz music festival arranged over five days in August every year since 2005. TGV is organized as a meeting place where amateurs join workshops and clinics where they are instructed and get a chance to play with professional musicians. There are also lectures open for visitors. During the festival the amateurs and professionals play outdoor concerts, jam sessions in the local pub, concerts in a concert hall and concerts in an art gallery. In addition, camp activities such as sightseeing, caving, sea rafting and night fishing in the river are offered.

As a result of TGV, the small community with 1200 inhabitants has attracted much positive attention from both regional and national media. For instance, a national newspaper had a two-page article with the headline ‘The jazz camp in Beiarn. Jazz success in a green valley’. The attention has resulted in a more positive image of the community among the inhabitants and beyond. TGV has resulted in new cultural activities such as local jazz groups, more regular concerts around the year and higher quality in the municipal music school. TGV also has a positive effect on business life amongst the shops, the pub, the local art gallery and the landowners of the fishing river, all generating income from the new visitors and activities.

The Skiippagurra Festival (SKI)

SKI is a two-day rock festival arranged one weekend in July every year since 2003. At the festival international and national rock artists and groups perform outdoor concerts on a river beach. The festival is pervaded by Baltic music and
the Sami traditions and music plays the key role. There is also a course for children to learn the chanting songs of the Sami people, and youths from different places in Europe are instructed by professional musicians to perform a concert. In addition, activities such as sand castle competition, volleyball competition and horse riding are offered.

The Skiippagurra village attracted negative media attention nationwide during the 1990s because of prostitution taking place at the local camp ground. The community of 3000 inhabitants struggled to change this reputation even many years after the prostitution ceased. The festival has successfully changed the media focus on the Skiippagurra village both regionally and nationally. Today the youth in this part of the country associate the community with a ‘cool festival’ and the local youths are again proud of being from the Skiippagurra village. In addition, SKI has had a positive effect on local business life.

FINDINGS: STRATEGIES FOR GAINING LEGITIMACY

The case studies illustrate the need for creating legitimacy both within the rural community (the internal environment) and outside the rural community (the external environment) to acquire resources. The festivals needed many volunteers within the local community to work as guards, to sell tickets and food, to take care of the artists, build the scene and to tidy up during and after the festival. They also needed legitimacy among local businesses to arrange accommodation, food and nature experiences below the market price. Moreover, the CVs needed to be perceived as proper to get access to financial support from the local government and local firms. They also needed to receive resources (for example, artists, sponsoring, scene and sound technique and visitors) from the external environment. Thus, both festivals needed legitimacy within the music industry, regional and national sponsors and others to receive resources below the market price.

The legitimacy literature refers to four strategies for acquiring legitimacy – select, conform to, manipulate and create the environment (Suchman, 1995; Zimmerman and Zeitz, 2002). The strategy of selecting the environment was less relevant for the CVs because they aimed to create values for a specific community and could not choose another context. Moreover, the strategy of creating the environment could be seen as a result of the entrepreneurial process, rather than a strategy to obtain legitimacy because the goal of the CVs was to change the local communities. Compared to the legitimacy literature our study found that the emerging CVs used only conform to and manipulate the environment as strategies to gain legitimacy. The strategies differed, however, depending on whether the CV sought legitimacy in the internal or the
external environment. Thus, we revealed four strategies to gain legitimacy for new CVs: conforming to the internal environment, conforming to the external environment, manipulating the internal environment and manipulating the external environment.

Gaining Legitimacy by Conforming to the Internal Environment

In our cases the internal conforming strategy was evident when the CVs used legitimacy held by other individuals or organizations in the rural community and when they conformed to the demands from internal resource providers. For instance, the entrepreneurs of both CVs were from outside the community and asked the local government to become the owner and financially responsible party of the CV. In this way the festivals immediately got access to legitimacy. By becoming a part of the local government, however, the ventures conformed to the bureaucratic-decision making processes and the goal of rural development.

SKI had some problems with getting access to resources in the local community as it met opposition from the Skiippagurra village where the prostitution had taken place. The entrepreneur responded by including individuals from the community in the CV team to create ownership for the idea. The headmaster of the municipal culture school for children was invited to join the CV. ‘It was accepted that he became the festival leader, because he had a well-known name’ (CE; as listed in Table 5.1). In addition, a young girl from the Skiippagurra village became the festival’s press spokesperson and the owner of the festival arena became involved in the organization.

Both CVs were innovative and met skepticism or low participation in the rural community. As a result, the entrepreneurs combined their innovative ideas with traditions in the community and conformed to the demands of potential resource providers. The CE of TGV combined his innovative jazz music idea with an idea of a sports base camp activity for youths that already existed in the community. In addition, the local government convinced the CE to include more well-known artists at the festival to engage a larger part of the community. SKI also offered nature-based activities and sports activities which built upon existing activities in the community as well as including the Sami music and traditions to gain legitimacy.

Gaining Legitimacy by Conforming to the External Environment

The strategy of conforming to the external environment was evident when the CVs used legitimacy that belonged to other individuals or organizations in the external environment and when the CVs conformed to demands from external resource providers. As an example, TGV recruited an internationally known
jazz artist living in the regional center (M1) to the festival organization. The inclusion of M1 provided legitimacy that was highly useful in accessing international jazz musicians; however, the CV needed to conform to the expectations and standards of the music industry demanded by M1.

SKI did not include anyone with legitimacy in the external environment, but did create networks with external organizations. Their legitimacy in the music industry increased significantly when they received sponsorship from the Norwegian Culture Council in the second year of operation. They received several congratulatory telephone calls from artist managers asking if they wanted to book with them. This was in sharp contrast to the first year when the CE felt that the artist managers were laughing at the Skiippagurra name. Similarly, the CE in TGV used a positive response he had received from the regional jazz center (S1) to establish legitimacy in the external environment: ‘we will refer to the Jazz centre when we present the project for potential collaboration partners, otherwise it will be impossible to show seriousness in the work from our side’ (CE email).

Both festivals were formed according to demands in the external environment. SKI was conscious of showing the Sami culture at the festival in order to receive support from the Sami assembly. TGV included one day with concerts to receive sponsorship from the Norwegian Culture Council.

Gaining Legitimacy by Manipulating the Internal Environment

The entrepreneurs of both CVs had high musical ambitions for the festivals and needed to manipulate the potential resource providers in the local community to gain their trust. To manipulate the environment was more complicated and took a longer time than to conform. The strategy of manipulating the internal environment was done by using legitimacy acquired from conforming to the external environment and through the use of communication and media.

To legitimate the quality of the music part, the TGV entrepreneur sent the positive email he had received from the regional Jazz center (S1) to organizations in the rural community. The SKI entrepreneur used the legitimacy gained by conforming to the demands of the Norwegian Culture Council to manipulate the internal environment: ‘I have argued much in the board and among key persons … . If we ask that band to come, the other band will not be here, and then the Norwegian Culture Council will not give us money’ (CE). This means that the CVs could build on legitimacy gained in the external environment to manipulate the internal environment.

Both festivals arranged open meetings with the inhabitants to talk about their festival idea and to persuade them to believe in the idea. This was especially important for SKI which met opposition in the local community. In addition, M4 went from house to house to tell about the festival. The CVs worked
much with the media to gain trust in the community. The local businesses saw the benefits of the publicity of TGV in regional and national media and increased their sponsorship each year; the local government continued their support as well. The attitude towards the CV in the Skippagurra village became more positive when the inhabitants saw the new and more optimistic view of the Skippagurra name in the media.

**Gaining Legitimacy by Manipulating the External Environment**

The strategy of manipulating the external environment was achieved by using legitimacy acquired from conforming to the internal environment and through communication and media. Both festivals promoted the rural community with the external music industry to legitimate their location and to get the artists below the market price. The entrepreneurs promoted the nature-based experiences such as fjord fishing, salmon fishing and caving to the artists. After some years both festivals had created good reputations within the music industry and the artists bragged about the festivals highly. Thus, the festivals could receive artists for only a fraction of the price the bands usually charged. The CE in TGV legitimized the jazz music for external visitors by combining it with nature-based activities. M2 in TGV explained: ‘the one who had the caving, she had people who said that they came to listen to jazz, but they had not come if it had not been for the announcing of other adventures’.

The media was used to promote the festivals among external sponsors and visitors. The choice of jazz as the music genre and the concept of amateurs and professional musicians meeting to play together in the rural setting made TGV unique. This attracted media attention and positive publicity about the rural community. SKI got the festival published on national television (TV2).

**CONCLUSIONS AND IMPLICATIONS**

This chapter has identified four legitimacy building strategies for CVs: to conform to the internal environment, to conform to the external environment, to manipulate the internal environment and to manipulate the external environment. When conforming to the environment, the CVs adapted to existing traditions, demands and resources in order to gain legitimacy. In contrast, the manipulation strategy created changes in the environment and is crucial for CVs aiming to create something new for the rural community.

Because the emerging CVs are non-profits and the exchange for most of the resources is non-monetary, legitimacy seems to be especially important for the development of CVs. The involvement from the inhabitants in a rural local community has been highlighted in earlier studies of CVs (Peredo and
Chrisman, 2006; Haugh, 2007). Our study extends the literature by illustrating that CVs do not emerge isolated in the local community as they need resources from the external environment as well. This implies that further studies on community entrepreneurship should distinguish between the internal and external environment.

By using a longitudinal approach, this study shows the dynamics of the legitimacy building process. Early in the start-up process the emerging ventures needed to build legitimacy through conforming to the environment before they managed to manipulate the environment. The external and internal legitimacy was built in an iterative process, making it possible for the venture to leverage internal legitimacy into external legitimacy and vice versa. In other words, if an external resource provider believes that the venture has broad support within the local community, it will be more confident in engaging in the venture. The local community will also be more confident if they perceive that the venture is credible among external stakeholders.

This study shows how the inclusion of new individuals in the CV organization creates legitimacy for the nascent venture. Each individual has goals and ideas for the CV, and the more individuals from the community are involved, the more the CV becomes embedded in the community. In cases where most of the inhabitants are active in the development of the CV, the local community is defined as both the entrepreneur and the venture (Peredo and Chrisman, 2006). This study extends the literature (Mair and Martí, 2006; Peredo and Chrisman, 2006) by showing how the strategies of gaining legitimacy works as a driving force to embed the CVs in the structures of the local community. In addition, this study increases the understanding of how the CVs are created through a process in which different ideas become filtered into one which obtains the most support (Haugh, 2007).

The cases in our study occurred in a national context with a well developed welfare system and a strong public sector. The results in this study might also be relevant in other contexts where the public sector is not so strong. Depopulation is a problem for many rural communities and CVs can be important tools to create social values and increase the communities’ attractiveness. To gain legitimacy becomes crucial and the division into internal and external contexts is relevant. To create more robust results, however, more cases from different contexts are needed.

REFERENCES


5.3 Research paper 3: How community ventures mobilise resources: Developing resource dependence and embeddedness
How community ventures mobilise resources
Developing resource dependence and embeddedness

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Abstract
Purpose – This paper aims to build theory on the resource mobilisation process of nascent community ventures (CVs). CVs are a type of social enterprises set up with the aim of creating social wealth within the communities in which they reside. Guided by resource dependence theory, the paper analyses how CVs introduce new ideas and activities into conservative communities. In particular, the paper explores how emerging CVs mobilise resources from local communities and how the resource mobilisation process shapes these new ventures.

Design/methodology/approach – Longitudinal case studies were conducted on the emergence of two music festivals in rural communities in Norway.

Findings – In the early stages of the venture formation process, the nascent CVs had an asymmetric dependence relationship with local resource providers because they lacked legitimacy and resources. The CVs were seeking to introduce new activities, and they simultaneously implemented two strategies to access resources: they adapted to and altered their environment. Throughout the resource mobilisation process, the CVs developed a joint dependence relationship with local resource providers. In later stages of the process, the CVs implemented strategies to increase their embeddedness and engage greater portions of the local communities in the ventures.

Originality/value – The paper’s longitudinal approach to the resource mobilisation process made it possible to reveal how entrepreneurs and local resource providers interact over time to create new CVs. Building on resource dependence theory, the paper provides an explanation for how CVs are able to become embedded in their local communities while introducing new ideas that depart from existing practices.

Keywords Community entrepreneurship, Embeddedness, Music festivals, Resource mobilisation process, Resource dependence theory, Social entrepreneurship, Communities, Norway

1. Introduction
This study explores the start-up process of nascent community ventures (CVs). We define CVs as emerging non-profit organisations aiming to create social wealth within the communities in which they reside (Haugh, 2007; Peredo and Chrisman, 2006). Hence, CVs can be seen as a specific type of social ventures. The concept of social entrepreneurship has received considerable attention the last decade and broadened the entrepreneurship literature by including social components of wealth creation (Zahra et al., 2009). CVs encompass typical characteristics of social ventures related to their focus on social goals (Shaw and Carter, 2007) and the involvement of many stakeholders (Di Domenico et al., 2010). However, the burgeoning literature social entrepreneurship revolves around a range of different empirical phenomena (Zahra et al., 2009) and uses a variety of definitions (Bacq and Janssen, 2011). By limiting our
attention to CVs, we aim to build theory within a well-defined empirical context. Specific characteristics of CVs, that may not be valid for all types of social ventures, are that the goals of the venture and the resources needed to reach these goals are linked to a specific community (Haugh and Pardy, 1999; Peredo and Chrisman, 2006). By the term “community”, we refer to a geographically bounded area, such as a village, municipality, or region. Furthermore, eventual profit is reinvested in the venture rather than distributed to its shareholders and owners.

CVs contribute to their communities by introducing novel activities (Bridgstock et al., 2010) aiming to increase the quality of life (Haugh, 2007), bridge and link social capital (Teasdale, 2010), or facilitate the creation of new commercial activities and job opportunities (Johannisson, 1990; Johnstone and Lionais, 2004). Examples of CVs include cultural organisations (Haugh and Pardy, 1999) and business-creation organisations (Johannisson, 1990). Despite evidence of the important role and impact of CVs (Johnstone and Lionais, 2004; Shaw and Carter, 2007), studies of the process by which CVs emerge are scarce (Haugh, 2007). This study seeks to gain a better understanding of how CVs overcome challenges in their earliest stages of development.

Similar to other types of new ventures, CVs face the liabilities of newness and smallness, making external actors reluctant to commit the resources needed to establish the venture (Brush et al., 2001). The resource mobilisation process of CVs, however, is distinct from the process for commercial ventures. Commercial ventures are likely to strive to increase their power, making them less dependent upon their resource providers. In contrast, emerging CVs are likely to increase their interdependence with resource providers within the local community to mobilise a wide range of resources (Haugh, 2007; Shaw and Carter, 2007). To create benefits for the community, the CV depends on active and broad involvement from the community’s inhabitants (Di Domenico et al., 2010; Teasdale, 2010). In other words, CVs need to be embedded in their local communities (Besser et al., 2006; Morris et al., 2011), and their activities are altered by community members who become engaged in the resource mobilisation process (Peredo and Chrisman, 2006).

To deviate from existing practices of the community and simultaneously become embedded in the community is a challenging paradox. According to Mair and Martí (2006), “A high level of embeddedness may inhibit the emergence of initiatives aimed at social change particularly when those initiatives involve changing the rules of the game” (p. 42). Nevertheless, there are few accounts of how CVs are able to engage the resource providers in their societies and communities to develop novel ideas that depart from existing practices. This paper builds on resource dependence theory (RDT) to answer the following research questions: how does an emerging CV mobilise resources from resource providers within the local community; and how does the resource mobilisation process shape the nascent venture?

To explore the resource mobilisation process, we conducted longitudinal case studies of the initiation and early development of two music festivals in rural communities in Norway. Both festivals aimed to create social wealth within their local communities. We studied the process from the moment when the initial idea was conceived until the moment when the CV had gained repeated support from key resource holders in the community, indicating that the venture had become fully operational. Focusing on the resource mobilisation process as a unit of analysis made it possible to explore the roles of different actors. We acknowledge that actors in the external context (outside the context of the local community) influence the resource mobilisation process; however, this study is limited to studying the relationship
between the CV and the local community. Triangulation of data gathered from e-mails, written reports, newspaper articles, and narrative interviews helped us pinpoint the earliest stage of the entrepreneurship process and reduced the impact of retrospective bias that affects many studies of entrepreneurial processes. Participant observation increased our understanding of the process within particular contexts.

The next section outlines a theoretical framework that builds on RDT. Our data analysis relied on the strategy of “systematic combining” (Dubois and Gadde, 2002), which means that the theoretical framework was modified during the analysis process. To improve readability, we adopted the traditional presentational structure for research papers, and we present our modified theoretical framework first. Next, we outline the methodological approach. Then, we present the case studies: a jazz festival and a rock music festival in two rural communities. In the next section, we present the findings with reference to our theoretical framework, and we derive propositions. Finally, we provide conclusions and discuss future implications for practitioners.

2. Theoretical framework

2.1 The resource mobilisation process: from initial idea to CV

An emerging venture needs access to financial, physical, and human resources, as well as intangible resources (Brush et al., 2001). We define the resource mobilisation process as starting with the initial venture idea and ending when a sustained resource base for the new venture is established (Aldrich and Martinez, 2001). The resource mobilisation process of CVs is characterised as a recombination of local resources and activities, with the aim of developing social wealth within communities (Perrini et al., 2010). Social wealth refers to the welfare of others and includes “economic, societal, health, and environmental aspects of human welfare” (Zahra et al., 2008).

Community entrepreneurs often assume the role of change agents who aim to build new structures and develop new activities in the community (Shaw and Carter, 2007; Zahra et al., 2009). At the same time, many observers assert that CVs need to be embedded in the community to be able to mobilise resources (Mair and Marti, 2006; Peredo and Chrisman, 2006; Steinerowski and Steinerowska-Streb, 2012). The stakeholders in the community tend to be actively involved in the development, management, and governance of emerging CVs (Di Domenico et al., 2010; Haugh, 2007). Consequently, entrepreneurs face the paradox of having to comply with community demands while also trying to introduce an innovative idea that challenges existing structures and norms within the local community. Hence, to fully understand the resource mobilisation process of CVs, we need to take into account the reciprocal relationship between the community entrepreneurs as innovators and other actors in the community as resource providers.

Our analysis utilises RDT to explore how emerging CVs balance between introducing new ideas and simultaneously becoming embedded in the local community by involving local resource providers. RDT asserts that an organisation is dependent upon resources and is likely both to adapt to its environment and to alter its environment to gain access to resources (Pfeffer and Salancik, 2003).

2.2 Conceptual framework: RDT

RDT is concerned with the behaviour of organisations and individuals engaged in a resource exchange relationship (Pfeffer and Salancik, 2003). RDT views organisations as coalitions of interests where groups and individuals with different goals come together and engage in exchanges. The coalition participants define the activities of the
organisation, and the organisation needs access to resources from the environment to continue these activities.

There are two approaches to RDT, which have differing views on the interdependent relationships between organisations. The asymmetric dependence approach asserts that key resource providers have the power to affect an organisation’s structure and decisions (Pfeffer and Salancik, 2003). This is particularly relevant if an organisation is dependent upon resources controlled by a limited number of resource providers, which is the case for CVs because they rely upon their local communities. An asymmetric dependence relationship with more powerful external resource providers is considered a liability. Thus, the organisation may employ certain strategies to mobilise resources from external resource providers, such as conforming to the requirements of the external resource providers or attempting to alter the external environment (Pfeffer and Salancik, 2003).

A more recent approach to RDT is joint dependence (Hillman et al., 2009; Villanueva et al., 2012). The joint dependence approach views interdependences between organisations as positive. Gulati and Sytch (2007) argue that one organisation's dependence on another organisation may not always favour the stronger actor. The logic of embeddedness associated with joint dependence relationships creates advantages for the two interdependent organisations because they develop qualitatively deep relationships, allowing both to generate more benefits (Villanueva et al., 2012). Joint dependence relationships have been found to frame a successful resource mobilisation process (Van de Ven et al., 2007; Villanueva et al., 2012). For a nascent venture, one possible strategy to mobilise resources is to become increasingly embedded with community resource providers in a joint dependence relationship.

Based on RDT, we propose three different strategies by which CVs can mobilise resources from their local community. The first two strategies are derived from the asymmetric dependence approach, while the third is derived from the joint dependence approach.

Adapting to the local community. According to the asymmetric dependence approach, a nascent venture lacks a track record and power, both in its environment and in its relationships with resource providers (Santos and Eisenhardt, 2009). This approach holds that to survive, an organisation needs to meet the demands of resource providers holding critical resources (Pfeffer and Salancik, 2003). Potential resource providers in the community may therefore have the power to influence which ideas the nascent CV can pursue. To be able to engage resource providers in asymmetric relationships, the CV may adapt to the local history and traditions of the community (Haugh and Pardy, 1999; Lindgren and Packendorff, 2006). For instance, Di Domenico et al. (2010) showed that community entrepreneurs in resource-poor communities needed to use existing resources and knowledge within their local communities to develop their ventures. Peredo (2005) studied impoverished, indigenous communities in Latin America and found that CVs needed to build upon the traditions and cultures of their specific communities to engage resource providers. Thus, nascent CVs that mobilise resources from local resource providers through an asymmetric dependence relationship are likely to adapt their activities to familiar practices in the local community.

Altering the local community. Although altering their ideas according to the demands of resource providers is important, community entrepreneurs still seek to introduce changes within their communities. Consequently, CVs need to rally enthusiasm for the novel parts of their ventures (Lindgren and Packendorff, 2006). According to the asymmetric dependence approach, an organisation can use different tactics to increase its
power related to other actors to be able to mobilise key resources and alter its environment (Hillman et al., 2009; Pfeffer and Salancik, 2003). Most studies on how organisations minimise environmental dependencies are related to the use of hard power tactics by resource-rich, established firms. However, Santos and Eisenhardt (2009) found that nascent ventures that lack resources and legitimacy in the environment tend to use indirect, soft power tactics – such as the illusion of deception, exploiting the tendencies of others, and timing – to increase their power. These tactics are relevant for emerging commercial ventures that aim to increase their power in nascent markets; however, to ensure community interest, CVs may act less competitively. Di Domenico et al. (2010) demonstrated how CVs convince community resource providers to cooperate with them by using persuasive tactics, such as demonstrating the ability of the venture to create social value, engaging in political activity to control local agendas, and exerting influence through leveraging stakeholder participation. Thus, nascent CVs that mobilise resources from local resource providers through an asymmetric dependence relationship are likely to use soft power tactics.

*Embedding the venture in the community.* According to the joint dependence approach, CVs that are embedded in their communities are likely to have a high degree of joint dependence in their relationships with community resource providers. A high level of joint dependence is characterised by trust and reciprocity between actors and will improve the resource flow for and value creation of both actors in the relationship (Gulati and Sytch, 2007; Van de Ven et al., 2007; Villanueva et al., 2012). Consequently, CVs and resource providers in joint dependence relationships are mutually dependent upon each other to meet their goals.

Entrepreneurship research has focused on the importance of the entrepreneur’s embeddedness in social structures to overcome the liability of newness and secure access to external resources (Jack and Anderson, 2002). For CVs, the entire venture needs to be embedded in the local community to be able to engage potential resource providers (Di Domenico et al., 2010). Developing joint dependence relationships may therefore be a fruitful strategy for the non-profit CVs aiming to develop social value within their communities. To become embedded in the community, CVs need to rely upon joint dependence relationships with a range of local resource providers, such as the municipality, local businesses, voluntary organisations, and other citizens who are likely to have different motivations for engaging in the venture (Ridley-Duff, 2008). Consequently, nascent CVs that gain access to resources from local resource providers through a joint dependence relationship are likely to consciously increase their embeddedness in the local community.

3. Method
The lack of prior studies on the resource mobilisation process of CVs calls for an in-depth and flexible qualitative research design. As argued by Pettigrew (1990), the longitudinal comparative case study method is preferable for studying broad research questions of change while taking the context into account.

3.1 Case selection
The first case was selected to shed light on the resource mobilisation process of CVs. The second case was chosen because of its potential to replicate the findings from the first case (Miles and Huberman, 1994; Yin, 2003). The two music festivals in this study were non-profit organisations aiming to benefit their communities. A festival is an event usually arranged to take place over a short time period at regular intervals, often annually over a weekend or week, and it has been found to have a significant impact in
terms of creating new activities for and shaping the identity of communities (Gursoy et al., 2004). The selected festivals had successfully mobilised resources from within their communities.

Both cases emerged within rural communities in Norway. Peredo and Chrisman (2006) argue that CVs are less likely to appear in large communities with complex and fragmented networks, which make it difficult to incite collective action. RDT holds that a resource may necessitate a dependence relationship if it has few suppliers (Pfeffer and Salancik, 2003). Because of fewer potential resource providers in a rural area compared with an urban area, the venture may be more dependent on engagement in a rural community (Kalantaridis and Bika, 2006). Moreover, the context is easier to define within a rural area, and the resource mobilisation process is more transparent because the individuals in the community are more visible. This rural context and the open culture and rather transparent nature of Norwegian society have provided an abundance of available data. Another characteristic of rural communities in Norway is that each municipality has significant power because it controls a wide range of resources.

3.2 Data collection
Data triangulation (using data from several sources) was used to map out the overall situation as well as critical events during the development of the CVs (Van de Ven and Poole, 2002). Primary data were gathered through 28 interviews with entrepreneurs and other key actors engaged in the process, as shown in Table I. A multilevel approach was chosen to gain insights from different actors in the process. Data collection occurred between 2006 and 2010. The first case was about one year old when data collection started, while the second case was about four years old.

To reduce the effect of retrospective bias, we asked the interviewees to tell their stories from the first time they heard about the venture to the present. Interruptions and questions from the researcher were only used to clarify the stories. However, the interviewees’ stories might have been influenced by the limitations of their memories and the issues the interviewees wanted to share (Jones et al., 2008). Different actors engaged in the process were interviewed to obtain more complete information about the process. Furthermore, secondary data were collected from web pages, newspapers, and other written documents. In addition, access to all e-mail communication by the first case’s entrepreneur provided real-time evidence related to the CV’s process.

The interviews lasted between 30 minutes and three hours. They were conducted over the telephone or in the following locations: the homes of the informants, their places of work, or the festival arena. Key actors were interviewed several times at different stages of the process. Participant observations from both festivals (at meetings, festival arrangements, etc.) supplement the data. Where field notes were taken, these observations made it possible for us to obtain a better understanding of the process, develop personal contacts and trust among the interviewees, and discover new informants. The first author collected all the data; to avoid confirmatory biases, the second author did not participate in data collection (Doz, 1996).

3.3 Data analysis
The collected data provided both narrative accounts of the process (Pentland, 1999) and factual descriptions of context, actors, and events from a large number of sources. The interviews were recorded and transcribed as part of the data analysis process. From the data, we identified critical characteristics and events influencing how the resource mobilisation process emerged and developed. The interview transcripts and
Table I.

<table>
<thead>
<tr>
<th>Resource dependence and embeddedness</th>
<th>Jazz festival (JAZZ)</th>
<th>Rock festival (ROCK)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entrepreneur(s) (E)</td>
<td>E1: The festival leader. From outside the local community (5 interviews and e-mails)</td>
<td>E1: The third festival leader (replaced E4). From outside the local community (2) E2: Leader of the public project to alter the community’s image (shift focus away from social problems) E3: The festival leader during its first and second years. The headmaster of the municipal cultural school. From the festival village (2) E4: The second festival leader (who replaced E3). Employed by the municipal administration. From outside the local community (1)</td>
</tr>
<tr>
<td>Other actors, managers (M)</td>
<td>M1: Responsible for musical aspects of festival. Internationally renowned jazz musician from the region’s centre (1) M2: Responsible for the municipality’s finances. E1’s manager within the municipal administration (4) M3: First camp host. From the local community. Only active before the first festival occurred (e-mails) M4: Second camp host. Outsider (1) M5: Responsible for the technical aspects of the festival. From the region’s centre (1)</td>
<td>G1: The mayor (2) V1: Leader of the community organisation (comprising members from the municipality and community voluntary organisations). From the local community (e-mails) V2: Technical assistant. Teacher at both the municipal music school and the primary school (1) V3: Technical assistant. Teacher at the primary school (1) V4: Organiser at festival arena. Employed by the primary school (1)</td>
</tr>
<tr>
<td>Municipality (G)</td>
<td>G1: The mayor (2)</td>
<td>G1: The mayor (1)</td>
</tr>
<tr>
<td>Volunteers (V)</td>
<td>V1: Leader of the community organisation (comprising members from the municipality and community voluntary organisations). From the local community (e-mails) V2: Technical assistant. Teacher at both the municipal music school and the primary school (1) V3: Technical assistant. Teacher at the primary school (1) V4: Organiser at festival arena. Employed by the primary school (1)</td>
<td>V1: Head attendant. From the local community (1) M1: Media spokesperson from the ROCK village (1)</td>
</tr>
<tr>
<td>Support (S)</td>
<td>S1: Regional jazz centre (e-mails)</td>
<td>S1: Leader of the regional business park (1)</td>
</tr>
<tr>
<td>Data</td>
<td>17 interviews One author participated 3 times at the festival and at 6 meetings</td>
<td>11 interviews One author participated 1 time at the festival and at 1 meeting</td>
</tr>
</tbody>
</table>
other materials were read and re-read as data were collected; emerging themes were refined as this process progressed, and they were checked through repeated interviews with the main players (Yin, 2003). The views of the different respondents from each case were also compared.

The data analysis process followed the logic of systematic combining, which is a process in which the theoretical framework, the empirical fieldwork, and the case analysis evolve simultaneously (Dubois and Gadde, 2002). We triangulated data by combining different sources of evidence while shifting between analysis and interpretation (Yin, 2003). To derive theoretical explanations for the processes observed, we identified observations that corresponded to theoretical concepts (Borch and Arthur, 1995). To avoid conflating the multiple levels of analysis, the strategy of retroduction was used (Leca and Naccache, 2006). Thus, as the analysis proceeded, the overarching logical frame shifted from exploring data to refining theoretical models and applying empirical scrutiny to these models (Van de Ven and Poole, 2002). The categorisation of events into specific CV strategies was conducted independently by both researchers, whose categorisations revealed a high degree of consensus. The conclusions were reached in a discussion between the authors. Some of the festival founders read parts of the manuscript to check their validity, and they confirmed the findings.

4. Case presentation

4.1 The jazz festival (JAZZ)

JAZZ is a jazz festival that is executed over the course of five days in August, and it has occurred every year since 2005. JAZZ takes place in a small rural community that has approximately 1,200 inhabitants and that is facing the challenges of depopulation and unattractiveness (as perceived by the younger generation). The entrepreneur (E1, Table I) of JAZZ was an outsider employed by the cultural administration of the municipality when the idea of JAZZ suddenly occurred to him in 2004. JAZZ is organised as a meeting place where amateurs are instructed by and play along with professional musicians. Workshops are also held and are open to visitors. The amateurs and professionals hold several performances during the festival: an outdoor opening concert, jam sessions in the local pub, and concerts in a concert hall, a chapel, and an art gallery. In addition, outdoor activities such as sightseeing, caving, sea rafting, and night fishing along the river are offered during the festival.

As a result of JAZZ, the community has attracted much positive attention from both regional and national media. One national newspaper displayed a two-page article with the headline: “The Jazz Camp in [the Community]: Jazz Success in a Green Valley”. According to the mayor of the municipality, JAZZ has been important:

The positive media attention of [JAZZ] in local and national newspapers and elsewhere has strengthened the identity of the community, and it contributes to building our identity in a positive way (G1).

In addition, JAZZ has spurred new activities, such as the formation of local jazz groups and more regular concerts throughout the year. Festival visitors generate income for local businesses, such as the shops, the pub, the local art gallery, and the landowners of the fishing river, who all benefit from the positive publicity.

JAZZ succeeded in the resource mobilisation process and has become a well-established activity in its community. The municipality has formally evaluated its involvement and has concluded that it will continue its support. Furthermore, JAZZ
receives regular sponsorship from several local businesses and has a core group of volunteers to help coordinate the festival.

4.2 The rock festival (ROCK)
ROCK is a two-day rock festival that has been occurring during one weekend in July every year since 2003. The ROCK community, a rural one with approximately 3,000 inhabitants, has attracted significant negative media attention at the national level because of past social problems. The community struggled to expunge this reputation for many years after the social problems were resolved. The ROCK idea was first launched in a dialogue between two outsiders working in the community. One of the entrepreneurs (E2) was contracted by the municipality in a three-year project to reverse the negative image created by the earlier social problems. The main goal of ROCK was to create a positive image of the community by initiating a rock festival for youth. The first festival leader expressed his ideas as follows:

It was always what I had in my head: creating positive media focus on [the community], because at the end of the 90s, there was so much negative focus (E3).

ROCK is organised as a series of outdoor concerts on a river beach where international and national rock artists and groups perform. ROCK is infused with Baltic and Sami traditions and music. There is a class geared towards children that teaches the chanting songs of the Sami people, and youths from different parts of Europe perform a concert after being instructed by professional musicians. In addition, outdoor activities, such as sand castle competitions, volleyball competitions and horseback riding, are offered. ROCK has attracted significant regional and national media coverage, and it has successfully changed the media portrayal of ROCK’s community. As a result, regional youths now associate the community with a popular festival:

The first year [National Television] was here [...]. The story was broadcast on the nine o’clock news, really in prime time, and with the right focus (E3).

ROCK succeeded in the resource mobilisation process and is well established in its community. The festival has become an independent entity, but the municipality still contributes economic support to it. In addition, local businesses are becoming increasingly involved with the festival, and many volunteers work for it. ROCK has also organised a board whose members represent businesses and volunteers in the community.

4.3 Findings
The three resource mobilisation strategies derived from RDT were all important for the CVs; however, the strategies were used at different times. The resource mobilisation process may be divided into two stages according to the ventures’ evolving relationships with local resource providers. In the first stage, the asymmetric dependence relationships dominated because the CVs had not yet earned trust from or developed a reputation among potential resource providers within the communities. To mobilise resources, both festivals adapted to existing structures and traditions within their local communities; at the same time, they used tactics that increased their power in relation to local resource providers. In other words, the strategies of adapting to the community and altering the community ran in parallel during the earlier stage of the resource mobilisation process. In the second stage, when the CVs had gained more legitimacy and power in their communities, joint dependence relationships dominated and the CVs became increasingly embedded in their communities.
The joint dependence approach seems to fit well with the notion that CVs should be highly embedded in their communities (Besser et al., 2006; Morris et al., 2011). However, similar to the scenario for many other ventures, CVs that introduce a novel idea to a community will initially lack the legitimacy and power that are required to develop joint dependence relationships with local resource providers. Hence, becoming embedded in the community will take time because joint dependence relationships are developed through repeated exchanges between parties. CVs need to use different strategies than those used by commercial ventures to acquire resources because they need to become embedded in a specific community to succeed in their aim of creating social value.

Figure 1 illustrates how the dependence relationships between CVs and local resource providers evolved during the resource mobilisation process; Table II provides an overview of each strategy used to manage those relationships. In the following sections, we discuss each of the three strategies with reference to data from our empirical case studies.

4.4 Adapting to the environment

To successfully engage their communities, nascent CVs need to become embedded in local history and traditions (Haugh and Pardy, 1999; Lindgren and Packendorff, 2006). However, the entrepreneurs of both festivals were from outside the local community. They introduced new ideas connected to their personal networks and knowledge, primarily in relation to the national and international music industry. The JAZZ entrepreneur explained his idea:

I started with ambitious goals. The milieu for jazz is on a high international musical level [...] and [JAZZ] not only has local and regional interests but also makes sense on the national scale (E1).

Likewise, the initial goal of ROCK was to erase the negative image of the community by introducing something new: a rock festival. The festival ideas did not align well with the existing activities and interests in the two communities; therefore, the emerging CVs initially struggled to mobilise resources for their development. The second festival leader of ROCK said:

It was scepticism to the festival the first year. It was unpopular that we used the [community name] and [the community thought] it would be a drinking spree. Both the businesses and the villagers [were sceptical] (E4).

![Figure 1. Strategies to manage resource dependence relationships between CVs and local resource providers](image-url)
<table>
<thead>
<tr>
<th>Type of relationship</th>
<th>Key task throughout the process</th>
<th>Examples and quotes illustrating how the strategy is used in the JAZZ case</th>
<th>Examples and quotes illustrating how the strategy is used in the ROCK case</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adapting to the community</td>
<td>Asymmetric dependence Most important in the first stage of the process. Need to adapt to existing practices</td>
<td>JAZZ selected artists with a broader audience appeal to mobilise volunteers and visitors from the local community. One of the volunteers expressed: It was not [International artist] who attracted people [last year]. It was the local boys [the local teenagers] who were scheduled to play with [International artist] (V4). The entrepreneur built his idea upon existing activities in the community to gain engagement: the opening concert is outdoors and builds on a traditional coffee meeting in the community to encourage engagement with the community (E1)</td>
<td>ROCK used artists with a broader audience appeal to mobilise volunteers and visitors from the local community: If the audience members have not heard about [the artists] they are not interested. [...] So you have to give a mix of what people have heard about and add something you know people will like (E1)</td>
</tr>
<tr>
<td>Altering the community</td>
<td>Asymmetric dependence Most important in the first stage of the process. Use soft power tactics to alter the community</td>
<td>By including a well-known artist in the management of the venture, JAZZ gradually gained more support in the community and legitimised the idea for the municipality. The mayor said: One of the key persons is [M1] with his musical knowledge and musical quality [...] (G1)</td>
<td>The first festival leader explained why he was engaged in the festival: They included me maybe because it was important to have a local. That is, [E1 and E2 are outsiders] and I am very local because I grew up in the village where the festival arena was built. In addition I was rector at the cultural school (E3)</td>
</tr>
<tr>
<td>Becoming embedded in the community</td>
<td>Joint dependence Most important in the second stage of the process. Embed the venture in the community through joint dependence relationships</td>
<td>The mayor explained how JAZZ was important for the Guest House: [The Guest House] has been fully booked [during the festival week], both with overnight guests and catering [to artists and participants] and with jam sessions and the pubs during the evenings. [JAZZ] is very important for them (G1). The municipal representative said: Good media publicity has given [JAZZ] goodwill from the politicians related to the economy. People want us to continue [arranging JAZZ], I really think (M2)</td>
<td>The municipality increasingly saw the benefit of ROCK. The headmaster of the municipal school explained: [Among the politicians] it is agreed that the festival is good and important for [the community]. [...] the festival makes the youth proud of being from [the community]. [...]. Today the local community cares more about the festival and more villagers work as volunteers [in ROCK]. In the beginning, we needed to mobilise volunteers from outside the community (E3)</td>
</tr>
</tbody>
</table>

**Table II.** Overview and examples of strategies for managing resource dependence relationships between CVs and local resource providers.
The municipal representative for JAZZ explained:

His idea was too ambitious so people shook their head. They thought it was impossible to accomplish (M2).

Initially, the CVs were not embedded in the community, and an asymmetric dependence relationship existed between the ventures and the potential resource providers. The CVs needed resources from the communities, and they had few alternative resource providers; therefore, the CVs had to adapt to the demands of the resource providers to mobilise resources. In doing this, the CVs became more embedded in their communities, and they were able to draw upon community resources (Jack and Anderson, 2002). Therefore, the lack of power (in the relationship with community resource providers) can be viewed as a driving force behind pursuing embeddedness in the community.

In both cases, the municipalities had significant power: they controlled key resources such as buildings and other physical infrastructures, managerial competences, legitimacy, and economic resources. The entrepreneurs allied with the municipalities, and in both cases, the municipalities became the owners and financial managers of the festivals. As a result, municipality demands significantly altered the venture ideas. For instance, the municipal administration of JAZZ evaluated the festival alongside other community development projects; they concluded that the CV needed to be more connected to the community’s traditions and existing activities. The municipal team member for JAZZ explained:

We need to make [JAZZ] be [a tool for] rural development. […] I want to see more involvement of actors in the community, actors from different places in the municipality (M2).

Although the municipalities granted the entrepreneurs access to a wide range of resources, the CVs still needed to engage citizens and local businesses to secure volunteers and sponsors. As a result, the nature-based activities incorporated into both festivals were developed based on existing activities in the community. The entrepreneur of JAZZ tried to introduce new nature-based activities that had no connection to community traditions, but these activities were not popular. The municipal team member for JAZZ explained:

It might not be the type of activity we should do. It is quite expensive […] and we have no local industry that can serve these [activities]. […] We built on caving, fishing in the fjord, fishing in the river, guided tours, and mushroom tours. It was what we had and what we were good at (M2).

ROCK was launched in a Sami community, and it secured local involvement by establishing Sami music and traditions as a focal point of the festival:

We are the festival that is the most Sami, and we wish to reflect the Baltic culture as well (E1).

In first stage of development, we observed that it was easier to mobilise resources to implement activities and concepts already familiar to the community than it was to gain access to resources to launch new or unfamiliar activities. As a result, the CVs did not develop according to the entrepreneurs’ plans; instead, they were adapted according to demands from the local community. Consequently, the entrepreneurs’ ideas changed during the resource mobilisation process because of the asymmetric dependence relationships between the CVs and the community resource providers. Thus, we propose the following:

\[ P1. \text{ Nascent CVs that have an asymmetric dependence relationship with community resource providers are more likely to mobilise community resources when adapting their activities to align with familiar community practices.} \]
4.5 Altering the environment

CVs aiming to bring about changes in their communities need to rally enthusiasm for the novel parts of their venture ideas (Lindgren and Packendorff, 2006). The CVs in our study used three soft power tactics to acquire the community resources necessary for developing the novel parts of their venture ideas. The first soft power tactic was to build alliances with powerful community actors. In a similar manner, commercial ventures engage powerful actors in their environment to increase their market position (Santos and Eisenhardt, 2009). Both festivals in this study allied with their respective municipalities and thereby increased their power in the communities. The festivals’ municipalities altered parts of the entrepreneurs’ ideas to align with existing community activities. However, the municipalities also facilitated the development of the more novel parts of the CV’s ideas by providing resources, such as organisational competences, economic security, and festival arenas. At the same time, the CVs used their newly acquired legitimacy (obtained from being associated with the municipalities) to alter their communities. For instance, the entrepreneur of JAZZ described how he engaged the municipality as follows:

I have found my arena within the public system. [...] As a joke, I used to say that I am a “wolf in sheep’s clothing.” And that it is important to learn the code of the decision-makers (E1).

The second strategy was to intentionally appoint certain individuals to the festival management teams; these individuals could provide access to resources otherwise unavailable. Engaging community resource holders in the ownership and governance of the CV increases its legitimacy in and trust from the local community (Haugh, 2007; Johannisson, 1990). The JAZZ entrepreneur invited an internationally renowned jazz musician living in the regional centre (M1) to coordinate the musical aspects of the festival. The entrepreneurs of ROCK met local opposition to using the community name because it was associated with former social problems; therefore, the entrepreneurs responded by incorporating individuals from this community into the festival to legitimise the concept. The first festival leader explained:

In the first press release there was a picture of a girl [...] She was from [the ROCK village]. We were very interested in including youth from that village (E3).

The third strategy was to promote the positive effects of the CV to the community. The entrepreneur of JAZZ wrote the following in an e-mail to voluntary organisations:

Through [JAZZ] the community can profile itself outwards, both through nature experiences and through activities and initiatives that the municipality, business sector, and organisations and affiliations have created (E1 – e-mail).

Both CVs actively engaged the media to promote the festivals. As a result of increased media exposure for the festivals, the communities became less sceptical about the ventures. One of the JAZZ team members from the municipality explained:

The good media coverage has given us goodwill among the politicians related to the economy. [...] One of the politicians said that this wasn’t the type of thing he liked, the music and everything, but he understood that this was good (M2).

Moreover, the CVs organised public meetings, and they also distributed free tickets and flyers. ROCK met opposition from some community inhabitants and thus tried to appease them in this way:

I gave them free festival tickets and then we talked about these things. We said that we would be happy, very happy, to include people in a dialog about how to do this (E1).
By using soft power tactics to increase their power in the communities, it became easier for the CVs to challenge existing norms and structures. The CVs chose different soft power tactics compared with commercial ventures aiming to increase power in a competitive market (Santos and Eisenhardt, 2009). The CVs needed to earn trust from resource providers by involving them in the venture. By involving the resource providers, the CVs became more embedded in their communities; in doing so, they were able to access more community resources (Jack and Anderson, 2002). Gaining legitimacy has proven to be an important tool for mobilising resources that are needed for the novel activities of nascent ventures (Vestrum and Rasmussen, 2010; Zimmerman and Zeitz, 2002). Increasing the CV’s legitimacy in and trust from the community was revealed as an important motivation behind all three tactics. Thus, we propose the following:

\[ P2. \text{Nascent CVs that have an asymmetric dependence relationship with local resource providers are more likely to mobilise community resources when using soft power tactics to help build legitimacy for their novel activities.} \]

4.6 Embedding the venture in the community

Altering their concepts to align with local traditions and using the three soft power tactics led to increased legitimacy for the CVs in their communities. The two strategies used in the initial phase also motivated other stakeholders to commit resources to achieve collective goals (Van de Ven et al., 2007). The mayor explained how the increased interest in JAZZ made it easier to mobilise resources:

I have registered that more of the ordinary villagers visit [JAZZ]. They have nice concert experiences and think that this is important for [the community]. We need a local foundation to legitimise the use of municipal resources [on JAZZ]. The local foundation and community legitimacy have both increased (G1).

Increased local engagement and repeated exchanges between the emerging CVs and the local resource providers led to the development of joint dependence relationships based upon trust and reciprocity (Gulati and Sytch, 2007; Villanueva et al., 2012). In the case of ROCK, local businesses have increasingly appreciated the benefits of the festival; in 2007, the second festival leader explained:

This is the first year we have received a reasonable amount of sponsoring money. […] In 2005 [we expanded from a one-day festival to a two-day festival] and the local businesses started to earn money from [ROCK], and wanted to be more involved (E4).

In the case of JAZZ, the mayor of the community observed the increased joint dependence relationships between the CV and local resource holders:

I see that the new gallery in [community village] has all the time been very positive for [JAZZ]. […] The [owners of the gallery] have given [the JAZZ visitors] a new cultural experience through their exhibitions. […] I think that [JAZZ] can contribute to the activity of the gallery owners and give them an economic boost. They get publicity and marketing through the media focus on [JAZZ] (G1).

The simultaneous adapting to and altering of the community during the initial phases led to increased joint dependence relationships between the CVs and local resource providers. As a result, it became easier for the CVs to strategise how to embed themselves in their communities. The CVs increased their joint dependence relationships with resource providers but also developed relationships with new resource holders in the
community, which led to increased embeddedness in the community. This result confirms that embeddedness has a positive effect on the ability of entrepreneurs to access and acquire critical resources (Mair and Martí, 2006). For example, both festivals established a board or committee of local actors representing local businesses, volunteers, and the municipality. Consequently, the festivals developed more joint dependence relationships with actors from different sectors in the communities. The entrepreneur of JAZZ asserted:

We have more activities, for instance, the Guest House has arranged clubs with music and the local choirs have used [JAZZ artist] as a theme. She (the jazz artist) was here. It is going very slowly, however, [JAZZ] spreads some new things within the community (E1).

By adapting to the demands of the community as well as using tactics to increase their power, the CVs gradually increased their status in the communities, and the community members understood the benefits of the CVs. This result illustrates that power is a dynamic construct and that relationships between organisations change over time (Pfeffer and Salancik, 2003). The first phase of the process may be similar to the process for commercial ventures, which increase their interdependence with external actors by engaging with powerful actors in the market during the early stages of development (Santos and Eisenhardt, 2009). Similarly, other types of social ventures will need to go through the first part of the process, since they lack legitimacy and power to receive resources from resource providers.

In the second phase, however, commercial ventures seek to become less dependent by gaining market influence. In contrast, our case studies show that after the CVs had gained legitimacy and status in their communities, they increased their interdependence with resource providers during the second phase of development to become even more embedded in the community. Although other types of non-profit social ventures may not be dependent upon engaging local resource providers, they may benefit from increased interdependence with resource holders to receive resources below the market price (Newbert and Tornikoski, 2011; Villanueva et al. 2012). Thus, we propose the following:

\[ P3. \] Nascent CVs that have a joint dependence relationship are more likely to mobilise resources from local resource providers when actively seeking to become more embedded in the local community.

5. Conclusions and implications
Guided by RDT, we explored how community entrepreneurs succeeded in introducing new activities within rather conservative and isolated communities. Our longitudinal study illustrated how emerging CVs’ relationships and strategies changed during the resource mobilisation process and led to the embeddedness of the CVs in their communities.

Initially, the nascent CVs had an asymmetric dependence relationship with more powerful resource providers within their communities. During the earliest stages of development, the CVs had to align with existing practices and traditions in the communities to secure initial resources and support. At the same time, the CVs worked to alter the communities using several tactics to develop the novel parts of their ideas. During the first phase of the process, the CVs gradually gained more legitimacy and power, and as that happened, they were able to mobilise resources from within the communities. The local resource providers became more dependent upon the CVs, and the resource exchanges were increasingly based upon trust and reciprocity. This led to
the development of joint dependence relationships between the local resource providers and the CVs. During the second phase of development the CVs became increasingly more embedded in their communities.

5.1 Contributions and further research
This study is one of the first to examine how CVs emerge and develop in early stages. While prior research on community entrepreneurship has emphasised the important role of individual entrepreneurs (Johannisson, 1990; Johnstone and Lionais, 2004) and the community (Peredo and Chrisman, 2006), our longitudinal study of the resource mobilisation process made it possible to reveal how these actors interact over time to create new CVs. Earlier research holds that CVs need to be embedded within their social contexts to access knowledge about local needs (Jones et al., 2008). Our study shows how and why CVs become embedded in their communities and illustrates the strength of using longitudinal studies when studying the creation and development of CVs (Mair and Martí, 2006). Our study confirms the importance of embeddedness for CVs and provides a novel and theoretically grounded account of how embeddedness is established. CVs with asymmetric dependence relationships are not fully embedded in their communities, and they face constraints in accessing resources. We show that by simultaneously adapting to and altering the community, CVs are able to develop joint dependence relationships that allow them to become more embedded in their communities.

Due to the specific characteristics of CVs, the result of this study may not be directly transferable to all types of social ventures. Still, most social ventures need to implement the first phase of the process since they lack legitimacy and/or financial resources to gain access to the resources they need (Austin et al., 2006; Sharir and Lerner, 2006). Moreover, non-profit social ventures may benefit from increasing their interdependence relationships with their resource providers in the second phase. Developing embeddedness or joint dependent relationships with resource holders will increase their feeling of commitment and mutual understanding, and make it easier to mobilise resource below the market price (Newbert and Tornikoski, 2011; Villanueva et al., 2012).

Moreover, we found that the resource mobilisation process of CVs was distinct from the process for commercial ventures because CVs need to become embedded in the local community to achieve the goal of developing social value for the community. However, we believe our findings related to the CV context may inspire further research on the resource mobilisation process of nascent ventures in general. For instance, our findings may add to current knowledge about how nascent ventures lacking resources and proven competencies are able to mobilise the resources they need to become sustainable (Zott and Huy, 2007). By conducting qualitative case studies that included participant observations, we were able to gain new insights into the multilevel nature of the resource mobilisation process and the value of developing joint dependence relationships.

This study contributes to RDT by combining the asymmetric dependence and joint dependence approaches. The asymmetric dependence approach has been compared with the joint dependence approach to determine which approach leads to the most successful resource mobilisation process (Van de Ven et al., 2007; Villanueva et al., 2012). By studying the resource mobilisation process over time, this study illustrated how both approaches can be used to explain different parts of the process. A novel aspect of our study is that it includes the earliest phase of venture emergence, before the venture has developed any dependence relationships. In this phase, the initial relationships are most likely to be asymmetric because joint dependence relationships need to be built over time.
The context of our study should be carefully considered when drawing conclusions. Music festivals need relatively large amounts of resources from their communities to get started, and they impact the lives of most community members either directly or indirectly. Moreover, our cases occurred within a national context that includes a well-developed welfare system and a strong public sector. The local municipalities have a great deal of power in rural communities in Norway; however, in other contexts, different local actors might control the critical resources that a venture requires. Furthermore, both communities in this study were rather conservative, traditional communities. Additional cases from different contexts are needed to provide more robust results.

The initial entrepreneurs in our case studies were outsiders in the communities, and the nascent CVs were therefore less embedded in the communities from the outset (compared with CVs whose entrepreneurs are local community members). The relationships established by the CV, the novelty of the venture idea, and the resource mobilisation process of local entrepreneurs (already embedded in the community) may be different; comparative studies of local and outsider entrepreneurs are recommended.

Community entrepreneurship research asserts that CVs need to not only maintain existing social structures within local communities but also develop new structures to reach their goals (Johannisson, 1990; Peredo and Chrisman, 2006). We found that by using the strategy of increasing their power related to resource providers, CVs were able to develop new structures and practices in the local communities. The importance of building legitimacy to facilitate the acquisition of resources requires further investigation (Zimmerman and Zeitz, 2002).

5.2 Implications for practice
This study may inform practitioners on how to introduce new activities and change local structures and practices to counteract depopulation and increase the attractiveness of stagnant communities. Introducing new concepts and thoughts in an isolated and conservative community is likely to be more challenging than in an open and innovative community. One key goal is to engage the local community without compromising the innovative ideas too much.

Introducing changes in a community may take time, and early in the start-up process, the practitioners should be aware that the CV may need to adapt its idea to align with the local community’s traditions and practices. The CV may need to increase its power by gaining legitimacy within the community before it can successfully introduce the novel parts of the venture’s idea. One tactic to increase power is to include actors from the local community in decision-making processes. However, this may constrain the new ideas of the venture; therefore, one key challenge is to strike a balance between introducing something new into the community and building upon existing traditions and structures. Another tactic is to promote the positive effects of the proposed new activities through public meetings and media exposure. A third tactic is to enter into alliances with powerful actors, such as the local municipality, to gain legitimacy and necessary resources. This tactic may help the CV grow faster; however, the bureaucratic system may also limit the innovative capabilities of the entrepreneurs. This last tactic may also have implications for policymakers, who may see the benefit of engaging creative individuals (who have novel ideas) with a municipal administration with the aim of introducing changes in a rather rigid system.

Later in the start-up process, after the CV has gained legitimacy in the community, it will be easier for the CV to develop joint dependence relationships with local resource providers. Thus, over time, the CV becomes embedded in its community; this
embeddedness facilitates its engagement with local resource providers and also helps it enact positive changes in the community. Finally, practitioners must ensure that resource providers benefit from being engaged with the CV; this is particularly important in small communities, such as rural areas, where there are few alternative resource providers.

References


Further reading


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5.4  Research paper 4: How entrepreneurs embed emerging community ventures: Creating a music festival in a rural community
How entrepreneurs embed emerging community ventures: Creating a music festival in a rural community

It has been argued that a community venture needs to be embedded in a local community to mobilise villagers for collective action. Few studies, however, have explored the embedding process of community ventures. This study explores how a community entrepreneur (CE) embeds an emerging community venture into a rural community and simultaneously stimulates social change in that community. Drawing on information from an in-depth, longitudinal case study of a CE creating a jazz music festival in a rural community in Norway, this study explores the embedding process over time. A dynamic conceptual framework was developed, which highlights the ranges of mechanisms that supported the embedding process. The CE sought to motivate social change by introducing external actors and impulses to the local community. The CE took on a bridging embedding role to develop closer networks characterised by trust and common understanding between the villagers and external actors. Some villagers took on a local embedding role to increase local engagement. Several external actors took on an external embedding role to develop the artistic aspect of the festival and promote trust among the festival's external actors. The dynamic framework demonstrates how the importance of the different embedding mechanisms and embedding roles changed over time. Implications for research and practice are outlined.

Keywords: community venture, embeddedness, embedding process, music festival, rural community, social change

Introduction

Many rural communities face challenges related to depopulation and a lack of attractiveness (Johannisson and Nilsson, 1989, Hjalager, 1989, Lyons et al., 2012, Johnstone and Lionais, 2004). Social change is often initiated by community entrepreneurs (CEs) who ‘question conventional practices and push limits, in order to expand the opportunity pool for oneself and the community’ (Lyons et al., 2012: 11). To revitalise communities, CEs mobilise local residents for collective action in the context of community ventures. This study focuses on community ventures in the
form of emerging non-profit organisations with the goal of developing social wealth in local communities.

Community ventures can be understood as a type of social venture. Similar to other types of social ventures, the main aim of community ventures is to develop social rather than individual wealth (Zahra et al., 2008, Somerville and McElwee, 2011). Social wealth can take the form of economic, societal, health, or environmental values for a specific group of individuals. A particular characteristic of community ventures is that the value they create is related to a specific community, often linked to a geographical area (Haugh and Pardy, 1999, Peredo and Chrisman, 2006).

While some CEs regard community residents as their clients or beneficiaries (Teasdale, 2010), CEs seeking to stimulate social change in rural communities are more likely to adopt the role of an ‘animateur’ and encourage the active involvement of community members in the emerging community venture (Johannisson and Nilsson, 1989, Tapsell and Woods, 2010, Smith, 2012). To stimulate local engagement, an important task of the CE is to embed the community venture into the rural community. Prior research has emphasised the importance of developing close ties, trust, and a common understanding among community members to stimulate collective resource mobilisation (Peredo and Chrisman, 2006, Smith and Stevens, 2010). How CEs actually embed a venture in a local community, however, is less understood.

Embeddedness has been conceptualised as ‘a process of becoming part of the structures’ (Jack and Anderson, 2002: 468) and promotes the closeness of ties and develops trust and a common understanding among actors (Uzzi, 1997, Simsek et al., 2003). Embeddedness is both a driver and a liability with respect to industrial district development (Parrilli, 2009, Bellandi, 2001), migrant entrepreneurs (Kloosterman, 2010), business entrepreneurs (Jack and Anderson, 2002), and internationalisation processes (Propris et al., 2008). While the commercial entrepreneurship literature focuses on how an entrepreneur becomes embedded in local structures to access opportunities and resources (Jack and Anderson, 2002), this study seeks to explore how a CE embeds a community venture into local structures and simultaneously stimulates changes in these structures. Guided by insights from the social embeddedness approach, this study explores the following research question: How
do CEs embed emerging community ventures into rural communities when the goal is to stimulate social change?

Developing changes in local structures requires time (Lindgren and Packendorff, 2006), and different embedding strategies may be important at particular stages of the embedding process. Following a critical realism approach, an in-depth, longitudinal case study of the initiation and evolution of a non-profit jazz music festival in a rural Norwegian community was conducted to collect data on the process and context-related information (Easton 2010). The unit of analysis was the embedding process of a community venture in a local community. The focus was on the embedding activities of a CE associated with the community venture. Following a critical realism approach, I identify the mechanisms that were likely responsible for changes in the embeddedness of the community venture in the rural community. An initial theoretical framework was modified during the analysis to illustrate the dynamic dimensions of the embedding process (Easton, 2010). However, the research approach is iterative and non-structured, and the components of this approach are not developed separately or in a precise order (Pettigrew, 1990). To improve readability, however, I adopted a traditional presentational structure for research papers, and the theory will be discussed first to present an initial conceptual framework.

The primary contribution of this study is to present a dynamic conceptual framework of the embedding process of community ventures in rural communities. The municipality employed the CE as an external consultant to introduce new impulses from the external environment. The embedding process was regarded as a means of increasing social capital, such as networks, norms, and culture, in a local community by combining it with social capital from the external environment. The framework illustrated the importance of exploring the embedding process over time, as the embedding mechanism and the roles played by the embedding actors changed over time. Furthermore, the framework revealed how the CE managed to engage the resource holders to develop novel ideas that departed from existing practices.

The remainder of the paper is structured as follows. In the next section, the social embeddedness approach is presented and then discussed in the context of the community entrepreneurship literature to develop an initial conceptual framework. Next, the methodological approach is outlined. Then, the embedding process of the jazz festival case is presented before a final, dynamic framework of the embedding
The process is presented and discussed in the analysis section. Finally, conclusions and implications for theory and practice are provided.

Theoretical framework

The social embeddedness approach

In the 1980s, economic and sociological theorists adapted the concept of social embeddedness to advance understandings of how social structures affect economic activity (Uzzi, 1997). Granovetter (1985: 504) explains that ‘most behavior is closely embedded in networks of interpersonal relations’. General definitions of embeddedness focus on the behaviour of actors as they are affected by both their dyadic relationships and the structure of their overall network of relationships. Relational embeddedness describes the quality of dyadic exchange among actors, such as trust, reciprocity, and common norms (Simsek et al., 2003, Uzzi, 1997). Structural embeddedness relates to the overall pattern of relationships among actors, such as the absence or presence of ties in the form of closure, density, connectivity, and hierarchy (Simsek et al., 2003). Some researchers also include cognitive and cultural embeddedness as dimensions that refer to symbolic representations, frameworks of meaning, and a shared understanding among actors (Dacin et al., 1999). The diversity of definitions is summarised in Table 1.

Table 1. Definitions and dimensions of embeddedness.

<table>
<thead>
<tr>
<th>Source</th>
<th>Definitions and dimensions of embeddedness</th>
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<tbody>
<tr>
<td>Granovetter (1985)</td>
<td>Most behaviour is closely embedded in networks of interpersonal relations.</td>
</tr>
<tr>
<td></td>
<td>- Structural embeddedness: the structure of the overall network of relations.</td>
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<tr>
<td></td>
<td>- Relational embeddedness: dyadic relations (pair wise).</td>
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<tr>
<td>Uzzi (1997)</td>
<td>Structure and quality of social ties among firms shape economic action by creating unique opportunities and access to those opportunities.</td>
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<tr>
<td>(Dacin et al. (1999))</td>
<td>On-going conceptualisation of economic exchange (activity) in social structures.</td>
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<tr>
<td></td>
<td>- Structural embeddedness: inter-actor ties – the linkages between social actors.</td>
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<tr>
<td></td>
<td>- Cognitive embeddedness: symbolic representations and frameworks of meaning.</td>
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<tr>
<td></td>
<td>- Cultural embeddedness: shared understanding and meanings.</td>
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<tr>
<td>Author(s)</td>
<td>Description</td>
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<tr>
<td>Bellandi (2001)</td>
<td>- Political embeddedness: differences in power.</td>
</tr>
<tr>
<td></td>
<td>- ... a personal set of economic and social relations coherent to both the access to the benefits of local factors and to their normal reproduction.</td>
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<tr>
<td>Johannisson et al. (2002)</td>
<td>... to be anchored in a larger structure.</td>
</tr>
<tr>
<td></td>
<td>- Structural embeddedness: the structure of relations that tie economic actors together.</td>
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<tr>
<td></td>
<td>- Substantive embeddedness: the social strands supplementing economic strands in each relation.</td>
</tr>
<tr>
<td></td>
<td>- First-order embeddedness: the localised business networks created by combining dyadic relations.</td>
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<tr>
<td></td>
<td>- Second-order embeddedness: the memberships of businesspersons in economic and social local institutions.</td>
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<td></td>
<td>- Third-order embeddedness: the institutions bridge gaps between firms.</td>
</tr>
<tr>
<td>Simsek et al. (2003)</td>
<td>Structural embeddedness that focuses on the network as a whole and its two consequences, relational and cognitive embeddedness.</td>
</tr>
<tr>
<td>Watts et al. (2006)</td>
<td>Local embeddedness: to be anchored in a larger structure.</td>
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<tr>
<td></td>
<td>- Network embeddedness.</td>
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<td></td>
<td>- Territorial or place-specific embeddedness.</td>
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<tr>
<td></td>
<td>- Interorganisational embeddedness: networks created by interfirm partnerships of groups of companies.</td>
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<tr>
<td></td>
<td>- Dyadic embeddedness: repeated ties within pairs of companies.</td>
</tr>
<tr>
<td>Parrilli (2009)</td>
<td>Social (formal and informal) characteristics that work at both the individual and collective level.</td>
</tr>
<tr>
<td>Kloosterman (2010)</td>
<td>Mixed embeddedness: combining the micro-level of the individual entrepreneur and his or her resources with the meso-level of the local opportunity structure.</td>
</tr>
<tr>
<td>Tomlinson (2011)</td>
<td>- Substantive embeddedness: nature of ties.</td>
</tr>
<tr>
<td></td>
<td>- Structural embeddedness: structure of network ties.</td>
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The interest in exploring entrepreneurs’ behaviour and entrepreneurial processes as embedded in a context of social networks has increased in recent decades (Welter and Smallbone, 2006, Jack and Anderson, 2002). Entrepreneurial firms in embedded relationships with resource holders employ non-monetary factors
to facilitate exchanges, such as trust, fine-grained information transfers, and joint problem-solving arrangements (Uzzi, 1997). Exchanges that are based on trust and reciprocity improve the alignment of goals among key actors and long-term value creation (Borch, 1994, Hite, 2003, Zahra et al., 2006). Networks that are excessively closed and overemphasise relational trust, however, may cause problems in identifying and exploiting innovative ideas (Tsai and Wen, 2009, Uzzi, 1997, Zaheer and Venkatraman, 1995). This is because the actors favour ideas from familiar sources that they already trust.

Scholars have increasingly acknowledged the role of the local community as an actor with the capacity to influence entrepreneurial behaviour (Watts et al., 2006). Becoming a part of the local structure facilitates the entrepreneur’s access to opportunities and local resources (Jack and Anderson, 2002). Community embedded entrepreneurs and their ventures rely on local markets and locally provided services (Watts et al., 2006, Mackinnon et al., 2004). Although commercial ventures use embedding mechanisms to create additional private economic value, their embeddedness may also create social value within the local community, such as social capital and economic activity (Bellandi, 2001). Firms that are embedded in local networks are found to provide greater social value than businesses that are less embedded in the community (Besser et al., 2006). The primary reason that community ventures are embedded in the community is to develop social wealth for their local communities.

**The embedding process of community ventures**

Being embedded in the local community is important for community ventures for several reasons. Close ties between community ventures and local resource holders facilitate collective resource mobilisation (Teasdale, 2010, Corner and Ho, 2010, Morris et al., 2011). Moreover, community ventures rely on trust and reciprocity to mobilise volunteers and other resources to offer below-market prices (Austin et al., 2006, Bridgstock et al., 2010, Newbert and Tornikoski, 2013). Finally, if villagers possess a common understanding of the principal goals and issues facing the community venture, this facilitates collective action (Peredo and Chrisman, 2006, Somerville and McElwee, 2011).

The way in which the community venture is embedded in a community is likely to be related to the role the CE plays in the venturing process. Certain CEs may
develop community ventures that fill gaps in services that are unaddressed by the public or private sectors (Shaw and Carter, 2007). Thus, CEs play a similar role to that of commercial entrepreneurs and develop community enterprises that offer services to marginal and low-income groups in the local community (Weerawardena and Mort, 2006, Johnstone and Lionais, 2004). In such a case, actors in the local community play a rather passive role as clients or customers. Therefore, the embedding activities may be related to discovering opportunities and increasing access to local resources.

Other CEs encourage the active involvement of the local community in the community venture and motivate them to accept greater responsibility for their own socioeconomic development (Haugh, 2007). In such a case, the CE may play the role of an animateur and introduce new ideas and encourage other actors in the local community to create change (Campbell-Hunt et al., 2010, Johannisson and Nilsson, 1989, Smith, 2012). Thus, the CE must embed the entire community venture within local structures to develop local engagement. Stimulating social change that increases the attractiveness of local communities may be particularly important in Scandinavian rural communities, which face the challenges of a negative reputation or attitude, low attractiveness among youth, and depopulation (Kalantaridis and Bika, 2006a, Johannisson, 1990). In an effort to extend the social capital of a rural community, a CE can combine actors and resources from different sectors with different types of network structures, norms, and culture (Montgomery et al., 2012). The social capital of the local community both shapes, and is shaped by, the embedding process.

Prior research has emphasised that to receive trust and local credibility, the CE must be closely connected to the local community (Johnstone and Lionais, 2004, Partzsch and Ziegler, 2011, Johannisson, 1990). However, less embedded entrepreneurs are likely to have access to diverse information and resources, thereby allowing them to pursue innovative ideas (Kalantaridis and Bika, 2006a) and develop networks and organisations that extend beyond the boundaries of their community (Somerville and McElwee, 2011). In this study, the municipality engaged an external actor to introduce new impulses into a rural community. Figure 1 presents an initial theoretical framework for studying how CEs embed a community venture in a rural community when the goal is to stimulate social change.
An embedding process capable of stimulating social change likely involves connecting social capital in the rural community with social capital in the external environment (Svendsen and Svendsen, 2004). However, embedding a community venture into local structures while simultaneously stimulating changes in these structures will likely be challenging. Despite this, the ways in which CEs manage this challenge remain largely unexamined in the literature. To capture this process and the interactions between these levels, both the community venture and the local community should be included as units of analysis.

**Methodology**

The embedding process of a community venture will likely be difficult to capture and quantitatively assess. To explore how the embedding process evolves over time within its specific context, this study collects and analyses in-depth, longitudinal, qualitative data from the initiation and development of a music festival in a rural community. A critical realism approach guides the collection and analysis of data. This approach allows me to identify embedding mechanisms that lead to changes in the
embedding process within a specific context. A critical realism approach assumes that reality is real and exists independent of the researcher (Easton, 2010). However, the real world is complex and difficult to capture. Researchers can only observe and experience empirical events, processes, and behaviours (Easton, 2010, Gerrits and Verweij, 2013). Moreover, reality is contingent on context and time.

An initial conceptual framework to guide the case study was developed on the basis of the existing literature to explore the resource mobilisation process of community ventures. The embedding process emerged as a mechanism that facilitated the resource mobilisation process.

**Case selection**
Following a critical realism approach, the case selected for this study provided an opportunity to increase understandings of an embedding process driven by a CE seeking to encourage social change in a rural community (Healy and Perry, 2000, Eisenhardt and Graebner, 2007, Easton, 2010). The CE developed a jazz festival (Jazz) organised as a non-profit organisation. Similar to other music festivals, Jazz became a rich source of social capital for its local community (Gursoy et al., 2004, Delamere, 2001). The CE explained his goal:

[Jazz will provide] great musical value [in the community], with extended effects for the whole year, and, hopefully, [the community] will be released from the cultural and social stagnation that they have faced (e-mail from the CE, see Table 2).

The entrepreneurial activities related to the development of Jazz were conducted in the context of a small rural community in Northern Norway with 1,165 inhabitants (in 2005). The community is situated in a remote location that is approximately two hours’ drive from the nearest town and regional centre. Similar to other rural communities, the inhabitants of the local community shared a common history and culture that supported the development of strong social ties and relationships among them (Kalantaridis and Bika, 2006a). Compared to an urban area, the relevant context is easier to define in a rural area, and the relationships between ventures and villagers are more transparent because the individuals in smaller rural communities are more visible (Jack and Anderson, 2002). In addition to the open culture and the
rather transparent Norwegian society, these factors provided comprehensive data for this study. The villagers and external actors were generally willing to consent to interviews and recount their experiences.

Data collection
I studied the embedding activities of the CE from the conception of the initial idea until the community venture had gained consistent support from a range of villagers, which indicates that the venture had become embedded in the local community. Triangulating data is an important tool in critical realism studies to better approximate reality (Bøllingtoft, 2007, Healy and Perry, 2000). Multiple sources provided rich data on the context, process, and activities of the actors involved and increases data validity (Bøllingtoft, 2007). Tables 2 and 3 describe the data collected through interviews, e-mails, and observations.

Table 2. Actors interviewed and codes.

<table>
<thead>
<tr>
<th>Code</th>
<th>Jazz</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Community entrepreneur</strong></td>
<td>CE</td>
</tr>
<tr>
<td>Villagers</td>
<td>V1</td>
</tr>
<tr>
<td></td>
<td>V2</td>
</tr>
<tr>
<td></td>
<td>V3</td>
</tr>
<tr>
<td></td>
<td>V4</td>
</tr>
<tr>
<td></td>
<td>V5</td>
</tr>
<tr>
<td></td>
<td>V6</td>
</tr>
<tr>
<td></td>
<td>V7</td>
</tr>
<tr>
<td></td>
<td>V8</td>
</tr>
<tr>
<td>External actors</td>
<td>EX1</td>
</tr>
<tr>
<td></td>
<td>EX2</td>
</tr>
<tr>
<td></td>
<td>EX3</td>
</tr>
</tbody>
</table>
Table 3. Data collected through interviews, e-mails, and observations (numbers in parentheses).

<table>
<thead>
<tr>
<th>Years of interviews, e-mails, observations</th>
<th>Community entrepreneur (CE)</th>
<th>Villagers (V)</th>
<th>External actors (EX)</th>
<th>Observations during the festival</th>
<th>Observations at meetings</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>E-mails from or to CE (27)</td>
<td>E-mails sent to CE from V2, V5, V7, V8</td>
<td>E-mails sent to CE from EX1, EX2, EX3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2005</td>
<td>E-mails from or to (248)</td>
<td>E-mails sent to CE from V2, V5, V7, V8</td>
<td>E-mails sent to CE from EX1, EX2, EX3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2006</td>
<td>CE (3)</td>
<td>V1, V2, V3, V8</td>
<td>Yes</td>
<td>Yes (5)</td>
<td></td>
</tr>
<tr>
<td>2007</td>
<td>CE (1)</td>
<td>V1, V2 (2), V3, V4, V6</td>
<td>EX1, EX2</td>
<td>Yes</td>
<td>Yes (6)</td>
</tr>
<tr>
<td>2008</td>
<td>CE (1)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2009</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2010</td>
<td>CE (1)</td>
<td>V2 (1)</td>
<td></td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>Number</td>
<td>275 e-mails</td>
<td>11 interviews</td>
<td>2 interviews</td>
<td>4 observations</td>
<td>11 observations</td>
</tr>
<tr>
<td></td>
<td>6 interviews</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The interviews and the e-mails represent the primary data sources. Interviews are an effective means of collecting rich empirical data (Eisenhardt and Graebner, 2007). A total of 18 interviews were conducted between 2006 and 2010 (see Tables 2 and 3). The interviews were conducted with the informants in their homes, at their workplaces, at the festival arenas, or by telephone, and the duration of these interviews ranged from half an hour to three hours. Narrative interviewing techniques were employed to obtain data from the first time that the actors became aware of the venture until the date when the interview was conducted. The respondents were selected through theoretical sampling (Eisenhardt and Graebner, 2007, Strauss, 1987). Thus, the choice of respondents to be interviewed subsequently was determined by the theory in progress.

The unit of data collection was key individuals who had knowledge and different perspectives on the CE’s activities (Healy and Perry, 2000). Interviewing them decreased the risk of retrospective interpretation (Eisenhardt and Graebner, 2007). These actors emerged as important during the research process because they
affected the community venture’s resource mobilisation and embedding process. First, the CE was identified as being central in mobilising the resource providers by questioning ‘conventional practices and push[ing] limits to expand the opportunity pool for oneself and the community’ (Lyons et al., 2012: 11). Second, the villagers were identified as critical resource holders within the local community who affected the embedding process. Third, the external actors were identified as critical resource providers outside of the local community who affected the embedding process. In the presentation of the results and analysis, I will refer to these three groups of actors. The municipal representative in the jazz festival (V2) was the CE’s manager and closely collaborated with him daily. The municipal representative and CE were interviewed several times and asked to relate their narratives to events occurring after the previous interview.

The interviews posed a challenge to the ethical criterion of the anonymity of the informants’ identities and research location (Christians, 2000). I employed pseudonyms to label the communities and individuals discussed in the study. However, because of the rather transparent Norwegian society, it was not possible to render the local community, the festival, and the respondents entirely anonymous. I informed the informants of this before they consented to the interviews. Key informants were provided with the opportunity to read their quotations that would be used in this study.

The CE allowed me access to 275 e-mails between him and villagers and external actors between 2004 and 2006. This provided me with a unique, real-time understanding of the events that had occurred before I entered the field. By analysing these e-mails, my understanding better reflected reality as perceived by the CE and his contacts (Wakkee et al., 2007). The e-mails represented data that were unaffected by the research process. Using e-mail messages, however, presented an ethical challenge, as they could include sensitive and personal information. Moreover, the actors writing e-mails to the CEs were not informed that their e-mails were used in the research. Seeking permission from all external informants separately would have been excessively time-consuming. Instead, I employed aliases to obscure the true identities of these informants.

I observed 11 meetings and four festival arrangements. These observations led to the development of personal contacts that facilitated the establishment of trust with the interviewees and the discovery of new informants. Through participant-
observation, I assumed a role in the Jazz case (Yin, 2003). My participation as a volunteer made it possible to perceive the reality in real-time and from the viewpoint of someone inside Jazz rather than external to it. By directly observing the festival events and meetings, I was able to obtain a broad perspective on the embedding process (Yin, 2003). During direct observation, I conversed with individuals and asked questions, but I did not participate in the process. Field notes were recorded during the observation sessions. Using both observation techniques provided access to both broad and detailed information on the embedding process.

Observations present an ethical challenge because the participants in the events under study can be unintentionally involved in the research. To compensate for this, I informed the festival participants before each observation. Moreover, I did not use any personal information from the observations; instead, they were primarily used to increase my understanding of the networks, norms, and culture of the context (Angrosino and Mays de Pérez, 2000), as well as the behaviour of the CE (Yin, 2003).

Secondary data were collected from newspaper articles and other written documents, such as evaluations and plans. Observations and secondary data were primarily used to supplement and validate the data collected from the interviews and e-mails and are not cited in the presentation or data analysis in this article.

Data analysis

The in-depth case study provided an understanding of the complex embedding process (Eisenhardt and Graebner, 2007). Furthermore, the longitudinal study enabled an exploration of how the CE’s embedding activities changed over time (Anderson and Jack, 2002, Johannisson, 1990, Watts et al., 2006).

The interviews and e-mails represent the main sources of data for the analysis. The interviews were recorded and transcribed, and the interview transcripts and other materials were read and re-read. Emerging themes were refined, and information was verified through repeated interviews with the main players (Yin, 2003). The views of the different respondents were also compared. Patterns emerged throughout the analysis based on both the data and theory (Eisenhardt and Graebner, 2007, Borch and Arthur, 1995). Nvivo software and Excel spreadsheets were employed to code the themes and report the narrative of the process (Yin, 2003).
Early in the data analysis process, it became clear that embeddedness was employed as a mechanism to mobilise villagers. The results of this study were then further developed through a re-analysis of the data with reference to the embedding process. Following the critical realism paradigm, I used retroduction to develop general conclusions on the embedding process (Easton, 2010). In other words, I worked backwards by first empirically observing how the embedding process evolved in this specific context before I identified the mechanisms behind this process.

The analysis was conducted in the following steps. First, a chronological narrative of the CE’s embedding activities was written to map the embedding process to the specific context and time. Second, actors with the power and liabilities to affect the embedding process were identified as the villagers, the external actors, and the CE. Third, the mechanisms that were likely to cause changes in the embeddedness of the community venture were identified. Finally, the findings were discussed in the context of prior research to develop a theory. The result was also discussed with other researchers who did not participate in the data collection process (Healy and Perry, 2000).

The embedding process of Jazz
Following a critical realism approach, I first present the embedding process to explore how it evolved within the specific context of a music festival in a rural community. Thus, this section presents the story of the embedding process over the first six years of the Jazz music festival. The rural community had struggled with depopulation and low attractiveness among local youths for decades. The population had decreased by nearly half since 1960. The municipality had a strong commitment to developing a good quality of life. It engaged a cultural consultant in May 2004 to create new cultural activities. This individual came from outside of community and brought new knowledge and external ties to the rural community. This consultant became the CE of Jazz.

The CE had the idea for Jazz in August 2004 and developed this idea as he worked to rehabilitate the local school’s music scene. The scene provided opportunities to arrange world-class concerts, and a mobile technical system made it possible to arrange concerts in different locations, including outdoor events. The idea for the festival was highly ambitious, and the CE sought to introduce new impulses and cultural activities in the rural community by inviting musicians and actors from
the national and international jazz milieu. The idea for the venture was inspired by a nature-based camp activity for youths that the municipality had initiated and offered in the region since 1998. He envisaged amateurs and professional musicians coming together and playing at a music camp, participating in nature-based activities, and being inspired by the natural environment.

The CE worked diligently to mobilise resource holders to develop the festival. He used his external network to identify and access the resources necessary to create a jazz festival. This process resulted in engaging an internationally renowned jazz musician who lived in the regional centre as a musical director. He also engaged a professional technician who became responsible for the technical aspects of Jazz.

The municipality perceived that Jazz could facilitate its rural development goals and became the owner of the festival and assumed economic responsibility for it. The CE was given substantial latitude to develop Jazz in the first year. The CE was able to engage villagers who had helped to develop the local music scene to arrange the first festival in August 2005.

The first festival only involved a small part of the local community. The municipality and the villagers involved in Jazz encouraged the CE to invite other villagers to meetings and include more well-known artists in the festival to increase local engagement. This increased villager involvement, and the number of concert attendees increased in the second and third years.

The villagers sought greater involvement in the artistic discussion, and a board was established with the responsibility to arrange the fourth festival in 2008. The board became increasingly formalised and had several meetings before the fifth and sixth festivals (2009 and 2010). The new board included representatives from the municipality, the local community welfare office (an organisation that coordinated volunteer work in the community), and volunteers, as well as the CE and the musical director. The board members became responsible for different aspects of the festival and worked diligently to involve more villagers. The CE did not always appreciate the increased involvement of the villagers, and he felt that the local actors were occasionally too amateurish to meet the professional demands of the jazz milieu.

Over time, Jazz extended the social capital of the rural community by developing new ties to the external environment. Moreover, Jazz increased the musical, technical, and administrative competences of villagers who participated in the courses and as volunteers. New, year-round cultural activities were established in
the local community, such as local jazz groups and more regular concerts during the year. Jazz led to new expectations and norms in the community. Finally, it had a positive effect on the business of shops, a local pub, a local art gallery and landowners along the river (which is frequently used for fishing), all of which generated income from the new visitors and activities. The next section analyses the case history to identify the embedding mechanisms.

**Analysis**

To develop a theory on the embedding process of community ventures, the empirical data were compared with existing knowledge. I identified the various critical realism components to analyse the data, as presented in Table 4. The theoretical framework in Figure 1 was then modified, and the new, dynamic conceptual framework is presented in Figure 2.

<table>
<thead>
<tr>
<th>Critical realism components</th>
<th>Description</th>
<th>Descriptions of the components in this study</th>
<th>Components of the embedding process identified in this study</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Events</strong></td>
<td>Empirical outcomes that can be measured and recorded. Objects that are likely to facilitate events, processes, and behaviour.</td>
<td>Changes in the embeddedness of the community venture in the local community. Actors who are likely to stimulate changes in the embedding process of a community venture.</td>
<td>• More embedded (+). • Less embedded (-). • Community entrepreneur. • Villagers. • External actors.</td>
</tr>
<tr>
<td><strong>Entities</strong></td>
<td>Structure refers to the capabilities and qualities of the entities that provide them with the power to influence events, processes, and behaviour.</td>
<td>The capabilities and qualities of the entities to stimulate changes in the embedding process of a community venture.</td>
<td>• Community entrepreneur: - Networks. - Knowledge. • Villagers and external actors’ social capital: - Networks. - Culture. - Norms.</td>
</tr>
<tr>
<td><strong>Causal powers and liabilities</strong></td>
<td>Entities have causal powers and liabilities that influence the events,</td>
<td>Powers and liabilities of the entities that influence the embedding process of a community venture.</td>
<td>• Community entrepreneur: - Power: Networks to and knowledge about external actors. - Liability: Lack of</td>
</tr>
</tbody>
</table>

---

Table 4. Analysis of the embedding process related to critical realism components.
processes, and behaviour. networks and trust among the villagers and little familiarity with local norms and culture.

- **Villagers:**
  - **Power:** Close ties, trust, and common culture promoting collective action.
  - **Liability:** Unfamiliar with external actors’ networks, norms, and culture

- **External actors**
  - **Power:** Possess a type of social capital that can stimulate social change in the local community.
  - **Liability:** Unfamiliar with villagers’ networks, norms, and culture

<table>
<thead>
<tr>
<th>Mechanisms</th>
<th>Ways in which structured entities act and cause particular events, processes, and behaviour.</th>
<th>How community entrepreneurs, villagers, and external actors cause changes in the embeddedness of the community venture as a consequence of their causal power.</th>
<th>How community entrepreneurs, villagers, and external actors cause changes in the embeddedness of the community venture as a consequence of their causal power.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Building on common interests (+).</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Using embedded actors as a link (+).</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Involving villagers and external actors in decision making processes (+).</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Iterating the activities with the same actors (+).</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Involving new external actors (-).</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
One of the CE’s goals was to stimulate social change by inviting external actors into the local community. These two contexts exhibited different types of social capital, such as network structures, cultures, and norms (Montgomery et al., 2012), as illustrated in Figure 2. To mobilise the villagers and external actors for collective action, the CE developed networks in both the local community and the external environment based on trust and a common understanding of the community venture’s goals and activities. The embedding process was therefore regarded as a process of connecting the social capital of the local community to that of the external...
environment (Svendsen and Svendsen, 2004). However, developing close networks characterised by trust and a common understanding between the venture and villagers was a challenging task, as few villagers were interested in jazz music. The municipal representative to Jazz explained:

It is a cultural clash between the [dance band] milieu [in the community] and jazz. A folk music festival would be easier [to arrange] (V2 2006).

The analysis revealed five mechanisms related to the embedding activities of the CE, as illustrated in Table 4 and Figure 2. The CE’s powers and liabilities with respect to his ability to influence the embedding process were identified (Easton, 2010). Moreover, two other entities were identified as having powers and liabilities that could affect the embedding mechanisms: villagers and external actors. Whether given mechanisms increase or decrease the embeddedness of the community venture in the local community is illustrated in Table 4 and Figure 2. Several mechanisms have the same effect; however, the relative importance of the different mechanisms changed throughout the embedding process. Table 5 provides examples of activities and quotes for each mechanism.

### Table 5. Embedding process and quotes.

<table>
<thead>
<tr>
<th>Mechanism 1: Building on common interest</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Activities</strong></td>
</tr>
<tr>
<td>First festival (2005)</td>
</tr>
<tr>
<td>The CE developed the Jazz idea based on common interests between the villagers and external actors.</td>
</tr>
<tr>
<td>As a rural community [Jazz] will not only have significant cultural consequences for [Community], but also give opportunities for businesses who want to develop nature-based and culture-based experiences (e-mail from CE 2004).</td>
</tr>
<tr>
<td>The CE delegated the organisation of the nature-based activities to the villagers.</td>
</tr>
<tr>
<td>The first year we built more on what we had. We built on the caving, fjord fishing, river fishing, guided tours, and mushroom tours (V2 2007).</td>
</tr>
</tbody>
</table>
The CE developed the local scene with the villagers. He [CE] gained legitimacy from working with the [local] scene and [from organising] the opening [concert] of the scene, where all the schools participated (V2 2006).

**Mechanism 2: Using embedded actors as a link**

The CE engaged the municipality and used the local community welfare office as a link to the villagers.

The CE used the Regional Jazz Centre as a link to the external jazz milieu.

The CE involved an internationally renowned jazz artist and a professional technician living in the regional centre.

Many knew [EX1] from before. So he has actually been, both directly and indirectly, a door opener (EX2).

The CE engaged an internationally well-known technician living in Denmark.

The world’s most important [International technicians] also come. [...]. We have a festival that reaches beyond the country’s borders (CE 2006).

**Mechanism 3: Involving villagers and external actors in decision making processes**

**Second festival (2006)**

The municipality demanded greater local involvement and encouraged the CE to invite the villagers to a meeting.

We wanted to have [the villagers] more involved the second year. We had a cultural conflict. (V2 2006).

**Third festival 2007**

The villagers became increasingly involved and were delegated certain tasks. Additional meetings with the villagers involved in the festival.

Discussed the choice of artists with the villagers involved. More well-known artists were invited.

[This year] more ordinary artists were invited, [...], like we see on [national television]. And the rural community’s own personalities will come [...]. The villagers say, ‘Oh yeah, he’s from our community’, and then they will participate in the
The external actors became increasingly involved in decision making processes.

**Fourth festival 2008**

A board was established with the entrepreneur, the municipal representative, the musical director, and one volunteer. Now, I want to be more involved in the artistic part of it. [...] I am, with my lack of knowledge about this musical style, I feel excluded. [...] I made a request to [CE] that we should have a board, and during the evaluation we said that [the musical director] should be on the board (V2 2007).

**Mechanism 4: Iterating the activities with the same actors**

Villagers developed networks with the external jazz milieu. However, I am happy that [the musical director] is interested in [the community]. After all, he came from outside and is interested in us. Additionally, I can get the information I need from other places [than the CE], so it becomes easier for me to make decisions (V2 2007).

**Fifth festival 2009**

The board became increasingly formalised, and the representatives from local and external communities became more familiar with one another. Last year [2009], we had a board that got more control of [the festival]. [...] Last year, the arrangements went smoothly. [...] We were one step ahead every day [...]. We had contacts. We had a camp host. [V8] decided what we should do in detail. And we had an arena leader who took care of things. (V2 2010).

**Mechanism 5: Involving new external actors**

The CE developed networks with the external dance milieu to develop an improvisational dance production. This production was opposed by the entirely board for two years. I had to stake my personal guarantee and money on this production to get it organised. And we got a fantastic production. It is path-breaking. Times like these are when you need to have the guts to go ahead and say that you will do something (CE 2010).

CE applied for grants from the Barents secretary to invite musicians from Russia on a collaborative project. The main artistic goal in inviting the Russian musician was to have an exchange with other countries. The next goal was that [the municipality] had signalled less support for [Jazz],
and we needed to replace funds that had disappeared (CE 2010).

CE sought external grants to expand Jazz.

We are a festival. We need to be innovative. We need to be creative. I hope we can get a lot support from [international, external sources] so we do not need to think about the municipality’s interests (CE 2010).

---

**Mechanism 1: Building on common interests**

To achieve the CE’s initial goal of changing existing networks, cultures, and norms in the local community by inviting external actors to a jazz festival, he mobilised both villagers and external actors for collective action. The CE had the power to affect the embeddedness of the community venture because he came from outside the local community and had links to both the local community and the external jazz milieu, as illustrated in Figure 2. This background provided an opportunity to change the existing social structures of the local community by introducing external actors and impulses into the local community (Hjalager 1989). The CE identified common interests that contributed to embedding the venture in the local community.

For example, the nature-based activities were an important aspect of the local culture, while many jazz artists and technicians were also interested in these types of activities. Combining jazz music with nature-based activities provided the opportunity for the festival to develop common ground between the two contexts. As the regional jazz centre wrote to the entrepreneur in an e-mail conversation:

> For many of the professional artists, I think the combination jazz [and] fishing might be a stroke of genius. [...] I think several festivals want to collaborate where they can, for instance, by offering exotic experiences for their artists (e-mail from EX3 2004).

The CE and the musical director (EX1) were acquainted from previous projects, and the CE understood that he was popular with some of the villagers. The musical director was also a well-known artist in the jazz milieu. By involving the musical
director, the CE increased trust and supported the development of a common understanding of the venture. One of the villagers explained:

Some of us know about [the musical director] and we know about his network. He has a known name and he has many contacts, and [hopefully] artists similar to him would be contacted (V6 2007).

The mechanism of building on common interest is illustrated in Figure 2 (Circle 1) and is likely to be most important early in the embedding process. This mechanism increased the embeddedness of the emerging community venture in the local community. Prior research has also emphasised that community ventures build on existing resources and activities to develop local engagement (Lindgren and Packendorff, 2006, Peredo and Chrisman, 2006). The CE initially adopted a bridging embedding role to connect the social capital of the local community and the external jazz milieu. This is depicted in Figure 2 by the arrows between the CE and both the local community and the external environment. This finding supported the assumption of Montgomery et al. (2012) that in cross-sectional ventures, individuals who understand the languages of both sectors can serve as intermediaries and translate between the sectors.

**Mechanism 2: Using embedded actors as a link**

The CE faced problems in further increasing the embeddedness of the venture in the community due to his liability of lacking a sufficient understanding of the culture and norms of the two contexts. He also encountered a barrier in the form of insufficient trust and networks because he was too loosely connected to the rural community and the external jazz milieu. As an embedding mechanism, the CE engaged actors who were more embedded than he was. This mechanism is illustrated in Figure 2 (Circle 2) and increased the embeddedness of the community venture. The musical director had the power to increase the involvement of the external jazz milieu because he had rich network ties, trust, and cultural understanding in this milieu. Engaging this actor facilitated the involvement of other external actors because they trusted that the artistic quality of Jazz would be satisfactory. The CE could use the musical director’s network to mobilise external actors, and the musical director explained:
When [CE] started the festival, he started from scratch, and he asked me to make connections to mobilise these people, and to get financial support. I think he needed to engage somebody who had a certain position in the milieu. [...] Clearly, he is the key to the entire project. Simultaneously, it must be done with some artistic discernment, and that’s where I come in (EX1 2007).

The CE suffered from the liability of not living in the local community and struggled to mobilise the villagers. The municipal representative explained:

[CE] has an idea about how the villagers could be used, but they do not like to be bullied. They want to use their own judgment in the tasks they were organised to do. [...] And [CE] has ideas they find strange. [...] They speak a different language. [...] Maybe it’s because he does not live in the community. He does not interact with the villagers in their everyday lives (V2 2007).

The CE needed to involve villagers who understood the norms and culture of the community and had developed trust from previous activities, such as the leader of the local community welfare office and the municipal representative to Jazz. These actors had the power to affect the embedding process and could help the CE to increase the embeddedness of the venture in the local community. The community entrepreneurship process has been understood as a result of interactions between community entrepreneurs and the context in which they and their activities are embedded (Mair and Marti, 2006). This study confirms that an entrepreneur is unable to drive social change alone (Montgomery et al., 2012). Certain villagers played the role of local embedding actors, and several external actors served as external embedding actors. These actors served as a link between the CE and the local community and the external jazz milieu. Figure 2 illustrates how the villagers and external actors’ importance in the embedding process increased as a result of the mechanism of using embedded actors as a link.

**Mechanism 3: Involving villagers and external actors in decision making processes**

The CE encountered additional problems when he attempted to further embed the community venture in the local community. Thus, he developed a board with
representatives from different sectors of the local community and the external jazz milieu. This increased the actors’ knowledge of one another’s networks, cultures, and norms. The mechanism of involving villagers and external actors in decision making processes increased the embeddedness of the community venture in the local community, as illustrated in Figure 2 (Box 3). The CE increased meetings with the villagers and delegated more work and involved more well-known artists in response to the villagers’ preferences:

This year, [CE] has delegated more, so [the villagers] who participated [as volunteers], such as [the second camp host], could work more independently (V2 2007).

Thus, the embeddedness increased and the villagers and the external jazz milieu began to develop a collective understanding of Jazz and Jazz increased trust and networks in the local community. This extends an earlier finding concerning the importance of engaging villagers to access local resources (Di Domenico et al., 2010, Haugh, 2007) by outlining the embedding mechanisms. As illustrated in Figure 2, when the villagers and external actors were involved in decision making processes, their role as embedding actors increased while the CE became less important.

**Mechanism 4: Iterating activities using the same actors**

Many of the same external actors and villagers participated in the festival each year and increased their knowledge of one another’s culture and language. Thus, Jazz became more cognitively embedded in the local community. Furthermore, the villagers and the external actors trusted that Jazz could meet their expectations and became more relationally embedded. Finally, Jazz became more structurally embedded in the local community, and the villagers and the external actors began to develop networks independent of the CE:

This year was the first time I had contact with the artists who come. I haven’t had it before. Earlier I kept out of sight and did not interfere in it (V2 2007).

Thus, the mechanism of iterating activities using the same actors increased the embeddedness of the community venture in the local community, as illustrated in
The role of the CE as a bridging embedding actor decreased over time. The villagers became aware of an unfamiliar genre of music and increasingly involved in engaging other villagers. This finding relates to prior research on the social embeddedness approach, illustrating that the level of embeddedness in the relationships between ventures and resource holders increase because of repeated exchange among the actors (Gulati and Sytch, 2007, Villanueva et al., 2012, Howorth and Moro, 2006). Trust and a common understanding are also developed based on repeated exchanges among actors (Van de Ven et al., 2007, Howorth and Moro, 2006).

**Mechanism 5: Involving new external actors**

The CE sought to improve Jazz and expand the artistic aspects to make it more internationally representative. However, the increased embeddedness of the venture in the local community made it difficult for the CE to accomplish new goals. Both the musical director and the municipal representative attempted to persuade the CE to focus on improving the existing activities and contacts of Jazz. The municipal representative was particularly eager to involve more villagers in Jazz. The CE explained:

> My goal has been to [develop Jazz as] an independent organisation. [Now] there are too many participants attempting to make decisions, and [in an artistic sense] this can be deadly. I have always felt that what I do is as much educational work as anything else. I always need to explain why I do something and what it is. And afterwards it is always clear why I made the decisions that I did. [...] It has been frustrating here during this process, and it has been a very difficult effort (CE 2010).

To be able to introduce new activities, the CE now needed to make Jazz less embedded. He replaced the musical director to be able to introduce new external actors who were not connected to the former musical director’s network. Furthermore, he developed a collaborative project with new external actors. In connection with the new external actors, he developed a large improvisational dance project, which the villagers did not want him to arrange:
We said no, this production is too big. We can’t do it. It will be too expensive. [...] And then he searched for funds through other channels, and at least he met the financing demands by placing his own firm as a guarantee. [...] and then we had to produce it (V2 2010).

The mechanism of involving new external actors decreased the embeddedness of the community venture in the local community, as illustrated in Figure 2 (Box 5). To develop the new activities, the bridging embedding role of the CE became critical to develop trust and a common understanding between the villagers and the new external actors. The first embedding mechanism, building on common interest, became important again. The embedding process of a community venture initiated by a CE seeking to stimulate social changes in local communities may therefore be a circular, repetitive process. However, this attempt at connecting the local community to new external actors was easier than the first because Jazz already had knowledge from producing similar types of projects and networks in the local community characterised by trust.

Conflicts are likely to exist in the early stages of relationships because of different languages and expectations (Gundlach and Cadotte, 1994). A community venture is likely to meet dialectical tensions that lead to conflicts because of differences in goals, ownership, governance, and accountability from other actors (Di Domenico et al., 2009). This study reveals that increased embeddedness better aligned the goals of the key actors. However, being excessively embedded limits the potential to exploit of new ideas (Uzzi, 1997, Zaheer and Venkatraman, 1995). Thus, the CE may need to de-embed the community venture from the local community to introduce new impulses and activities.

**Conclusions and implications for theory and practice**

This study explored how a CE mobilised a community for collective action by embedding the community venture in a rural community when the goal was to stimulate social change. The embedding process was identified by exploring longitudinal and qualitative case-study information concerning the embedding activities of a CE in the specific context of a music festival in a rural, Norwegian community. The rural community faced challenges of depopulation and low attractiveness among youths, and the CE introduced actors and activities from the
external environment to change the structures of the community. Thus, the embedding activities represented a challenging effort to bridge different types of social capital between the local community and the external environment (Svendsen and Svendsen, 2004).

Adopting a critical realism approach, this study identified the mechanisms that influenced the embedding process in their empirical context before comparing them with prior research to construct a theory. A dynamic, conceptual framework of the embedding process of a community venture was developed to illustrate how the importance of the embedding mechanisms and the roles played by different actors changed over time as the community venture became increasingly embedded in the local community.

During the initial stage of the embedding process, the CE developed engagement by building the venture on the basis of a common interest between the local community and the external environment. Second, to further embed the venture in the local community, the CE engaged certain villagers and external actors as links to the different contexts. Certain of the villagers adopted the local embedding role, and some of the external actors played the external embedding role. Third, to develop a common understanding, the CE involved the villagers and external actors in decision making processes to a greater extent. The CE’s role became less important over time because the villagers and external actors became increasingly involved in the venture. Fourth, by iterating these activities using the same actors, the villagers developed links to external actors independent of the CE and the trust and common understanding among the villagers increased. Thus, the emerging community venture became increasingly embedded in the local community.

The embedding mechanisms increased the embeddedness of the community venture in the local community, which was necessary to mobilise the local community for collective action. However, over time, the community venture became overly embedded in the local community, rendering it difficult for the CE to introduce new impulses. Thus, this study identified the strategy of inviting new external actors as a fifth mechanism that ‘de-embedded’ the venture from established structures. This approach made the CE’s role as a bridging embedding more important again, and the embedding process began again from the initial mechanism of building on a common interest.
**Implications for theory**

This study develops a dynamic conceptual framework for the embedding process of an emerging community venture by identifying the mechanisms that cause changes in the venture’s embeddedness in the local community. Community entrepreneurship research has emphasised the need for developing close ties, trust, and a common understanding between the emerging community venture and the local community (Corner and Ho, 2010, Bridgstock et al., 2010, Somerville and McElwee, 2011). I extend these findings by outlining the mechanisms behind the embedding process and illustrating that the relative importance of different embedding mechanisms changes over time.

Community entrepreneurship research often focuses on communities facing economic and social problems related to poverty, unemployment, and poor living condition (Weerawardena and Mort, 2006, Sharir and Lerner, 2006, Di Domenico et al., 2010). This study explores the less studied context of a rural Scandinavian community where the inhabitants have high private economic wealth and the public sector is responsible for developing welfare services for the inhabitants (Lundqvist and Middleton, 2010, Stryjan, 2006). I found that the CE in this context may act as a change agent or an animateur to introduce new impulses and inspire the villagers to actively engage in the venture (Somerville and McElwee, 2011, Smith, 2012, Campbell-Hunt et al., 2010). Thus, this study improves understandings of community entrepreneurship as a collective act (Montgomery et al., 2012) by illustrating the embedding mechanisms that are likely to increase local engagement. Moreover, I contribute to the understanding of who CEs are and what their role in a local community might be.

This study illustrates how the roles of the CE and the local community changed throughout the embedding process. Prior research has explained that CEs seeking to change existing local structures are likely to strive to make themselves redundant by inspiring involvement by local actors in community development (Johannisson and Nilsson, 1989). I extend prior research by identifying how embedding strategies make the CE less important throughout the process. I illustrate how the villagers changed from a passive to a more active role due to the increased embeddedness of the venture in the community.
This study also identified an embedding strategy that de-embeds the community venture from existing structures. De-embedding the venture is crucial to introduce new impulses after the venture is well established in the local community.

It is typically assumed that the CE should be a credible local actor in the local community (Johannisson, 1990, Johnstone and Lionais, 2004, Peredo and Chrisman, 2006). In contrast, this study reveals that external actors may be better positioned to stimulate social change because linkages to the external environment provide access to diverse information and resources. Because the CE was loosely connected to two contexts, he was able to abandon existing practices in the rural community and identify innovative ideas (Kalantaridis and Bika, 2006a). Prior research emphasises that mobilising actors from different sectors for collective action promotes social change, as they possess different forms of social capital (Montgomery et al., 2012, Bacq and Janssen, 2011). This study contributes to the literature by identifying strategies that stimulate collaboration across different sectors.

The social embeddedness approach has been used to show how entrepreneurs and business ventures become embedded in local structures to identify profit opportunities and develop private economic value (Uzzi, 1997, Jack and Anderson, 2002). This study demonstrates that the social embeddedness approach is highly applicable to investigate how an emerging community venture becomes able to develop non-economic social values for a local community. Moreover, this study explores how a venture can be embedded in local structures while simultaneously stimulating changes in these structures. Being embedded in different contexts may also help business entrepreneurs to discover additional innovative opportunities by gaining access to diverse forms of knowledge from different actors.

Implications for practitioners and rural communities
This study may serve as a guide for practitioners and municipalities seeking to mobilise their communities for collective action to promote social change. Practitioners aiming to introduce new activities into their communities should be patient, as it takes time to change networks, cultures, and norms. To rapidly establish a venture, practitioners may initially link a new idea to existing activities in their communities and include local actors to develop relationships in the community that are characterised by trust and common understanding. These efforts may decrease the risk of opportunistic opposition to such ventures; however, practitioners must be
willing to accept changes to their venture concepts as a result of villager involvement. Furthermore, introducing resources and activities external to the local community may serve as a means to increase the social change potential of the venture. The practitioners may act as a link and develop the venture based on the common interests of the local community and the external environment.

This study illustrated how a municipality can harness creative individuals to create better living conditions in a rural community suffering from stagnation and limited attractiveness. The municipality had a well-developed network of trust and local knowledge and helped the venture to engage the villagers. However, excessive involvement in the initial years of a venture may destroy a CE’s opportunity to effect change in a local community. In communities with smaller public sectors, other local actors may play this role.

**Limitations and implications for further research**

Following critical realism, the approach in this study is reductive (Gerrits and Verweij, 2013). This study distinguished among villagers, external actors, and the CE to simplify and clarify the framework. Future research may develop a more fine-grained framework to illustrate the embeddedness process in different sectors and with different actors in local communities and the external environment. Future research should not overlook the important roles of various actors in the embedding process, such as municipalities, voluntary organisations, businesses, other villagers, artists, and public sponsoring organisations. Additional research on collective community entrepreneurship processes is needed to explore the different roles of the CEs, villagers, and external actors in community development processes.

Because of the specific context, the results of this study are not directly generalisable to all forms of community ventures and communities. Music festivals likely represent a good case to study community ventures seeking to stimulate social change in a rural community, as they impact the lives of most of the rural community’s members, either directly or indirectly. Other community ventures may develop significant values but nevertheless be less visible to the local community. Moreover, other communities may face other challenges and have a less active public sector. The dynamic conceptual framework, however, represents an approach that can be further developed in studies of other types of community ventures and
contexts. There is a need to further triangulate theories to develop broader explanations of the embedding process.

References


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6. Conclusions and implications

6.1 Introduction

This chapter summarises the main findings and contributions of this thesis. To build theory on the resource mobilisation process of emerging community ventures, this thesis uses insights from the RDT, social embeddedness, legitimacy, and EO approaches. A multi-level framework integrating these approaches was developed to explore different parts of this process, such as the mechanisms that facilitated the process and the role of the community entrepreneurs and the local community (see Figure 2-1).

Empirical data from music festivals in rural communities in Norway were collected to explore how community venture mobilise resources. A qualitative, longitudinal, and multilevel design made it possible to explore how the mobilisation process evolved over time and how different actors influenced this process. The results in this chapter are presented according to the multi-level framework (Figure 2-1) and are based on the main findings from the four papers included in this thesis.

This chapter starts by outlining the main findings related to each research question. Then, the theoretical and practical contributions of this thesis are discussed before the limitations and implications for further research are presented.

6.2 Main findings

In this thesis, the resource mobilisation process of community ventures is seen as a collective act that involves a range of actors from different sectors and institutions within the local community (Montgomery et al., 2012, Morris et al., 2011). Developing the resource base of the community venture across different sectors, such as public, voluntary, and business sectors, has been linked to the development of new social capital in local communities (Meyskens and Carsrud, 2013, Tapsell and Woods, 2010, Westlund and Gawell, 2012). I add to earlier research by exploring how community ventures that involve external resource holders are able to increase the opportunity for social change in the local community.
The emerging community ventures studied in this thesis met similar challenges as reported in earlier research. First, the ventures needed to mobilise a range of actors with different demands and goals for their engagement in the venture, such as volunteers, businesses, local government, and professional staff (Borch et al., 2008, Haugh, 2007, Campi et al., 2006). Second, the non-profit ventures were dependent upon mobilising resources below the market price (Dees, 2001, Sharir and Lerner, 2006). In addition, the thesis determined that the nascent community ventures lacked the necessary reputation and legitimacy in the local community to mobilise resources. This thesis extends earlier research through identifying the mechanisms that were likely to increase access to both local and external resources.

6.2.1 The resource mobilisation process - mechanisms identified

Through building upon theoretical insights from the RDT, legitimacy, and social embeddedness approaches, three mechanisms that facilitated the resource mobilisation process of community ventures were identified: legitimacy building, managing resource dependence, and increasing embeddedness (see Figure 2-1). These approaches were used to explore how individuals in the community venture, such as the community entrepreneurs, worked strategically to mobilise resource holders by using these mechanisms. Simultaneously, the approaches helped to explore how the local community and the external environment influenced the resource mobilisation process. The mechanisms operated at different levels: at a dyadic level between the venture and resource holders, at a network level between all resource holders, and at the institutional level within the local community. Moreover, the mechanisms were processes that run in parallel throughout resource mobilisation of community ventures and were likely to reinforce each other. However, one particular mechanism may be more important than another during a specific part of the process.

Legitimacy building as a mechanism to facilitate the resource mobilisation process was developed with reference to the legitimacy approach from institutional theory (Suchman, 1995, Tornikoski and Newbert, 2007). The legitimacy building mechanism was most important in the earliest part of the process, before the venture had
developed relationships with resource holders. In this situation, the community ventures adapted to the institutional norms and culture in the local community to be considered appropriate among potential resource holders in the community. This was accomplished by building upon existing social capital and other resources in the local community.

This is consistent with earlier research that explored how less embedded entrepreneurs built legitimacy for their ventures by recombining existing resources in the local community for new goals (Desa, 2012, Di Domenico et al., 2010). However, some ventures introduce social capital and resources from outside the local community to improve their social change potential (Johannisson and Nilsson, 1989, Hjalager, 1989). Thus, this thesis found that the community ventures also needed to conform to the social capital and resources in the external environment to be assumed as appropriate related to social norms and culture in this environment. The part of the venture adapted from the external environment will often represent the most novel parts of the venture in the local community.

When the venture had gained an initial level of legitimacy by conforming to the local norms and culture, the venture needed to build legitimacy for the more novel parts through manipulating the local community. This was, among other things, accomplished by including powerful actors in the venture. When the venture had developed relationships to local and external resource holders, the venture could start to work at the dyadic level of the venture through managing resource dependence.

By building upon ideas from the RDT, this thesis defines managing resource dependence as a mechanism that worked at the dyadic level between the emerging community venture and each resource holder. Non-profit community ventures are highly dependent upon external sources of funding and volunteers and staff for below-market wages (Sharir and Lerner, 2006). This thesis adds to earlier research by exploring how the community ventures managed their dependences on resource holders. Building upon insights from both the asymmetric and joint dependence approaches, I determined that the tactics for managing resource dependencies changed over time, related to the form of dyadic relationships between the emerging
community venture and its resource holders. Thus, the mechanism of managing resource dependence was important throughout the entire resource mobilisation process, from the venture had relationships of asymmetric dependence to the venture had developed relationships of joint dependence.

The asymmetric RDT approach was most relevant for exploring the mechanisms that facilitated the earliest part of the process. To begin with, the community ventures had relationships of asymmetric dependence because they had not yet developed the trust and reciprocal relationships needed to mobilise resource holders. The legitimacy building mechanism enhanced the mechanism of managing resource dependence by increasing the venture’s power in the local community and in the external environment. In addition, the venture needed to conform to and alter the demands and goals of powerful resource holders in asymmetric, dyadic relationships. Earlier research has found that the community ventures’ activities are influenced by resource holders (Campi et al., 2006). This thesis adds to earlier literature by illustrating that the holders of the most critical resources for the development of the community venture have the power to influence the venture’s outcome. The local government in particular has a lot of power because it holds many significant resources for the community venture, such as legitimacy and economic, physical, and human resources (Hulgård, 2006). When the venture had developed relationships of joint dependence to resource holders, it was easier to implement strategies to increase the embeddedness at the dyadic level between the venture and the local community and at the network level between all resource holders.

The increasing embeddedness mechanism builds upon insights from the social embeddedness approach. Being embedded in local structures is important for mobilising the local community into collective action (Haugh, 2007, Peredo, 2003, Montgomery et al., 2012). Developing close ties with high levels of trust is important for non-profit community ventures relying upon trust as an exchange for resources, such as volunteers and sponsors (Dees, 2001, Sharir and Lerner, 2006). I extend earlier research by illustrating how a community venture became embedded in a local community simultaneously as it stretched the social capital in the community to stimulate social change.
In the earliest part of the resource mobilization process, the community venture increased embeddedness through building upon social capital and other resources in the local community and the external environment. The ventures also increased embeddedness through involving powerful actors in the local community and in the external environment. Thus, both the legitimacy building and the managing dependence mechanisms reinforced the increasing embeddedness mechanism in earliest part of venture development, when the venture had relationships of asymmetric dependence to resource holders. Over time, the resource holders became more dependent upon the activities of the venture, and the venture and resource holders developed relationships of joint dependence. Then, the venture increased embeddedness through involving resource holders in decision making processes (Haugh, 2007) and through repeating the activities and actors of the community venture. These activities enhanced the closeness, trust, and common understanding among the resource holders. Thus, the mechanism of increasing embeddedness reinforced the mechanism of managing resource dependence in relationships of joint dependence.

The community venture extended the social capital and other resources in the local community and developed trust and common understanding for the novel activities over time. Thus, it became easier to pursue the new activities in the community. However, the embeddedness in the local community became a barrier for the venture when developing activities that departed from the existing activities performed by the community venture.

6.2.2 The community entrepreneurs’ role in the resource mobilisation process

Community entrepreneurs take the role of lead actors who initiate and drive the resource mobilisation process of community ventures (Shaw and Carter, 2007). The networks and background (Johannisson, 1990, Johnstone and Lionais, 2004) as well as the entrepreneurial behaviours (Shaw and Carter, 2007, Weerawardena and Mort, 2006) of the community entrepreneurs are used to explore the role of these individuals (see Figure 2-1).
I extend earlier research by building upon the EO approach to explore the behaviour of community entrepreneurs in terms of how innovatively, risky, and proactively they mobilised resources to stimulate social change in their communities. I found that the entrepreneurial behaviour was linked to the networks and knowledge of the community entrepreneurs. In other words, the entrepreneurs’ dispositions to act led to a specific entrepreneurial behaviour (Covin and Lumpkin, 2011, Simsek et al., 2003). Earlier research has emphasised that community entrepreneurs who were closely connected to their communities were credible and had superior knowledge about local resources and norms that enabled them to perform a successful resource mobilisation process (Di Domenico et al., 2010, Partzsch and Ziegler, 2011, Johannisson, 1990).

However, I identified that locally embedded entrepreneurs behaved less innovatively, risky, and proactively and initiated incremental changes in their communities. This can be related to assumptions in the social embeddedness approach in which extreme embeddedness may suppress radical innovations (Zaheer and Venkatraman, 1995). Relying too much upon existing resources in the local community may prevent the entrepreneurs from stimulating social change. According to Mair and Martí (2006: 42), “a high level of embeddedness may inhibit the emergence of initiatives aimed at social change - particularly when those initiatives involve changing the rules of the game”.

Community entrepreneurs who were less embedded in the local community were more disposed to initiate changes. They took the role of change agents and acted in a more innovative, risky, and proactive way than local entrepreneurs by combining local resources with external resources. In other words, their behaviour was intended to develop new resources and stretch social capital. The entrepreneurs received legitimacy among some resource holders because of their potential to push through new ideas that created changes in the local community (Partzsch and Ziegler, 2011). However, their novel ideas and radical behaviour made the legitimacy building, resource dependence management, and increased embeddedness processes challenging and time-consuming tasks. This thesis extends earlier research by showing that community entrepreneurs acting more radically play a cross-sector
translator role and translate between different actors to build legitimacy and a common understanding (Montgomery et al., 2012).

Earlier research has emphasised that entrepreneurial activities both shape and are shaped by the social context in which they are embedded (Friedman and Desivilya, 2010). I add to earlier research by exploring how community entrepreneurs’ behaviours both stimulated changes in the local community and were shaped by the local community throughout the mobilisation process. Community entrepreneurs adapted their entrepreneurial behaviour to existing norms and requirements both in the local community and the external environment. In addition, they developed legitimacy, trust, and a common understanding for the more novel parts of the venture.

I extend earlier research by demonstrating that the role of the community entrepreneurs changed over time. Community entrepreneurs play a most critical role in the earliest part of the resource mobilisation process (Lumpkin and Dess, 1995). As the venture became more embedded, the community entrepreneurs became less important as a link between the local community and the external environment. I also illustrated that increased knowledge and extended networks changed the entrepreneurial behaviour. The radical entrepreneurs started to act more incrementally as they increased their local knowledge and networks. The incremental entrepreneurs started to act more radically by developing knowledge and extending their network to the external environment.

6.2.3 The local community’s role in the resource mobilisation process

Earlier research has emphasised the role of the local community as both a passive context and an active actor in the resource mobilisation process (Austin et al., 2006, Di Domenico et al., 2010, Teasdale, 2010) (see Figure 2-1). Building upon insights from the RDT, social embeddedness, and legitimacy approaches, this thesis extends earlier research by identifying how the local community changed their role throughout the process.
To build legitimacy, the community venture adapted to the social capital and resources in the local community. Thus, the local community played a passive role in the earliest part of the process. The venture engaged local resource holders in the venture to manage resource dependence, build legitimacy, and increase embeddedness. The local community changed their role towards being more active in the mobilisation process over time, and their demands and goals became more important. The social capital and other resources of the local community were extended over time (Westlund and Gawell, 2012). Thus, mobilising resources for the new activities became easier.

This thesis extends earlier research by identifying the external environment as a critical entity in the resource mobilisation process to introduce new impulses to the local community. The role of the external environment was similar to the role of the local community. In the early part of development, the external actors played a passive role because the community venture needed to conform to social capital and other resources to build legitimacy. Over time, the external environment became more active in the process. While earlier research has described the importance of involving local actors (Haugh, 2007) and introducing external resources (Hjalager, 1989), this thesis has explored the interaction between local and external actors. The local community and the external environment therefore appear as two separate entities in the conceptual framework presented in Figure 2-1.

6.3 Theoretical contributions to the community entrepreneurship research

The main contributions of this thesis are related to the multi-level framework of the resource mobilisation process of emerging community ventures (see Figure 2-1). Earlier research focuses on the important role of individual entrepreneurs (Johnstone and Lionais, 2004, Johannisson, 1990) and the local community (Peredo and Chrisman, 2006) in this process. Through integrating earlier research on community entrepreneurship with insights from four theoretical approaches, I explore how the role of different actors evolves throughout the process. Moreover, the thesis adds to the literature by identifying three mechanisms that facilitated the mobilisation
process of community ventures: managing resource dependence, legitimacy building, and increasing embeddedness. This thesis builds a stronger theoretical platform for understanding the resource mobilisation process of community ventures.

This section summarises the contributions to the community entrepreneurship literature emerging from integrating this literature with insights from well-known theoretical approaches: the RDT, legitimacy, social embeddedness, and EO approaches. In addition, contributions to these theoretical approaches are derived from using them in the specific community venture context. This section starts with a sub-section that presents the contribution related to the specific Scandinavian context. Then, the theoretical contributions to community entrepreneurship research related to each theoretical approach are presented before I summarise the main theoretical contribution.

6.3.1 The Scandinavian context

This thesis adds to the community entrepreneurship research by exploring how community venture mobilise resources in a less studied context. Most earlier research has been performed on communities with economic and social problems, often related to low public support for non-profit organisations and/or withdrawal of public welfare services (Haugh, 2007, Sharir and Lerner, 2006, Defourny and Nyssens, 2009). The process studied in this thesis evolves within Scandinavian communities that have high economic and social living conditions and a strong public sector. The communities met the challenges of depopulation and of being rather small and isolated. The aim of the community ventures that evolve in these communities was to develop new cultural activities to increase the attractiveness of the communities. In this situation, the resource mobilisation process was a collective act involving a range of actors from different sectors likely to stimulate social change (Montgomery et al., 2012). This thesis illustrates that a lone entrepreneur is likely to be unable to drive social change and that the local community is likely to have an active part in the process.

In contrast to earlier research assuming that the community ventures should be financially sustainable independent of governmental grants (Di Domenico et al.,
2010), this thesis demonstrated that the local government can play an active and important role in developing community ventures in the Scandinavian context. The external environment was identified as a critical entity to introduce new impulses in the rural communities. Thus, I add to earlier research by including the external environment as a separate entity in the framework of the resource mobilisation process of community ventures (see Figure 2-1).

6.3.2 The EO approach

Earlier research has discovered the behaviours of community entrepreneurs as important to stimulating social change in local communities (Shaw and Carter, 2007). I extend this research by building upon insights from the EO approach to characterise the behaviours of community entrepreneurs as how innovative, risky, and proactive they were in building the resource base of community ventures. Earlier research has developed typologies of community entrepreneurs related to their behaviour (Zahra et al., 2008, Zahra et al., 2009). This thesis adds to this research by identifying entrepreneurial behaviour as continuous rather than distinct, ranging from incremental behaviour to radical behaviour. The community entrepreneurs may fall in between these extremes, and their behaviour is found to change over time.

Non-profit community ventures providing services in a competitive environment because of decreased governmental support are found to use innovative ways to acquire resources and achieve financial sustainability (Weerawardena and Mort, 2006, Di Domenico et al., 2010). This thesis identified that community entrepreneurs may act less competitively within the market in Scandinavian communities because of the high economic wealth among the inhabitants. Moreover, the entrepreneurs in Scandinavian communities are likely to receive a range of resources from an active public sector, such as economic security, managerial competences, and legitimacy. Thus, the innovative, risky, and proactive behaviour of the community entrepreneurs in Scandinavian communities may be more related to organising a resource base to stimulate social change rather than to be economically sustainable. However, the bureaucratic system of the public sector was also found to hamper the entrepreneurial behaviour.
The EO approach has mostly explored strategies of existing firms and for-profit corporations that are likely to act rather competitively in a market (Lumpkin and Dess, 1995). This thesis contributes to the EO literature by illustrating that the aim of socially intended behaviour is to stimulate social change in the local community rather than market change. In the EO approach, the main unit of analysis is the organisation. A novel aspect of this thesis is the inclusion of entrepreneurial behaviour from the earliest part of the venturing process, before the organisation exists. In this part of the process, it is more relevant to study the entrepreneurial behaviour at an individual rather than an organisational level. The entrepreneurial behaviour is then related to how innovative, risky, and proactive the entrepreneurs are in re-organising resources within the local community rather than within an organisational context. This was found to be a complex process where actors within the local community influenced the entrepreneurs’ behaviour. I extend earlier literature by integrating assumptions in the EO approach with insights from the RDT, legitimacy, and social embeddedness approaches to enable exploration of how the local community may alter the entrepreneurial behaviour.

The EO approach emphasises that the firm’s disposition to act promotes a specific entrepreneurial behaviour (Covin and Lumpkin, 2011). Through integrating EO with the social embeddedness approach, I identified that the entrepreneurs’ embeddedness in an environment gives access to specific knowledge and resources that enable them to behave in certain ways. Earlier research shows that community entrepreneurs must be closely linked to their local community to be viewed as credible and to have local knowledge about existing resources and norms (Peredo and Chrisman, 2006, Johannisson, 1990, Lindgren and Packendorff, 2006). Through building upon the notion of over-embeddedness as an obstacle to radical entrepreneurial behaviour (Uzzi, 1997, Zaheer and Venkatraman, 1995), I illustrated that entrepreneurs who are loosely connected to different environments may be better situated to promote social change. These entrepreneurs have access to diverse information and resources, making it possible to pursue innovative ideas (Kalantaridis and Bika, 2006a). Commercial entrepreneurs and established firms may also increase their radical entrepreneurial behaviour through being linked to different environments. I illustrated that the community entrepreneurs’ networks, knowledge,
and behaviour were likely to change over time (Jawahar and McLaughlin, 2001, Pfeffer and Salancik, 2003).

### 6.3.3 The social embeddedness approach

Community ventures need to be embedded within their local communities to mobilise the inhabitants into collective action (Peredo and McLean, 2006, Shaw and Carter, 2007). Building upon insights from the social embeddedness approach, this thesis explores how community ventures become embedded in their communities. Increasing embeddedness was identified as a mechanism that facilitated the mobilisation of resources through the development of a close network of resource holders where the exchanges were based upon trust and common understanding.

The social embeddedness approach has mostly explored how the social context impacts economic behaviour (Uzzi, 1997, Jack and Anderson, 2002). This thesis contributes to the social embeddedness literature by exploring its assumptions on more socially intended behaviour. Commercial entrepreneurs are found to be embedded in local structures to facilitate opportunity recognition and resource mobilisation. I extend earlier research through exploring how entrepreneurs can embed a venture in local structures simultaneously as they stimulate changes in these structures. In rather small and isolated communities, the community venture may introduce new impulses by introducing social capital and other resources and activities from the external environment. In this situation, the community entrepreneurs increase embeddedness by acting as intermediaries between the local community and the external environment to develop close networks of resource holders based on trust and common understanding (Montgomery et al., 2012).

The involvement of the local community (Haugh, 2007, Peredo and McLean, 2006) and external actors (Hjalager, 1989, Johannisson, 1990) has been highlighted in earlier studies of community ventures. By building upon the social embeddedness approach, this thesis adds to earlier research by exploring whether the role of the community entrepreneurs and the local resource holders changed throughout the resource mobilisation process. The community entrepreneurs were most important in early part of the process for developing a common understanding of the
community venture between the local community and the external environment. The local community and the external actors became increasingly engaged in the community venture and influenced the venture through their demands and goals. The local government had a well-developed network of trust and local knowledge and helped the venture become embedded in the local community. In communities with a smaller public sector, other local actors may take this role.

The embedding tactics were found to change as the community venture became more embedded in the local community. The social embeddedness approach explores how the activities of the ventures become formed by the local community. I add to earlier research by integrating this approach with theoretical insights from RDT and the legitimacy approach to explore how the venture managed to embed its more novel aspects in the local community by manipulating and altering the local norms and demands.

### 6.3.4 The legitimacy approach

Building upon insights from the legitimacy approach from institutional theory, I explored how building legitimacy in the local community and in the external environment was used as a mechanism to facilitate the resource mobilisation process of community ventures. The legitimacy building mechanism was found to be most important in the earliest part of this process. Earlier research has emphasised that the community venture should build upon social capital and resources in the local community (Peredo and Chrisman, 2006). By using the legitimacy approach, this thesis explores how the community entrepreneurs conformed to existing norms and resources in the local community to be perceived as appropriate by potential local resource holders.

Earlier research shows that the community entrepreneurs extend social capital to stimulate social change (Montgomery et al., 2012). I explored this point to build legitimacy for the more novel part: the venture chose strategies that manipulate the norms and culture of the local community. Because the local government has much power in Scandinavian communities, its engagement increases the legitimacy of the
venture in the local community. In communities with more passive local government, other actors may be engaged to increase the legitimacy.

Gaining legitimacy is important for nascent commercial ventures (Lounsbury and Glynn, 2001, Zimmerman and Zeitz, 2002). This thesis extends the legitimacy literature by exploring its appropriateness in the context of non-profit community ventures. Moreover, I add to the literature by illustrating how an organisation manages to develop legitimacy in different environments with unlike norms and culture. This thesis demonstrates the need to include the external environment in a framework to explore legitimacy building of community ventures aiming to stimulate social change. The community venture can build legitimacy within the local community through using legitimacy gained within the external environment. Moreover, my thesis illustrated that the venture needed to conform to existing norms and practices before they could use manipulating strategies.

Building upon insights from the legitimacy approach also adds to earlier research by exploring the role of the community entrepreneurs, the local community, and the external environment in the earliest part of the resource mobilisation process. In this part of the process, the local community and the external environment had a passive role and influenced by their social capital and other resources. The community entrepreneurs had a more active role in building legitimacy in the different environments.

By integrating insights from the legitimacy approach to the EO approach, this thesis explored how the entrepreneurial behaviour of the community entrepreneurs may be moderated by existing norms and culture within the local community.

6.3.5 RDT
Nascent community ventures are excessively dependent on local resources (Sharir and Lerner, 2006). They face the liabilities of newness and smallness, making external actors reluctant to commit the resources needed to establish the venture (Brush et al., 2001). This is especially relevant when the community entrepreneurs come from outside the local community and behave rather radically to develop new activities in
the community. By building upon assumptions from RDT, I explored how the emerging community ventures manage their dependence relationship to local resource holders. To facilitate the resource mobilisation process, the venture conforms to and alters the demands and goals of key resource holders. In Scandinavian communities, the local government has much power to influence resource mobilisation of community ventures because they control many resources within the local community.

RDT has mostly explored the resource exchange of for-profit corporations and firms (Froelich, 1999, Pfeffer and Salancik, 2003). This thesis explores how its theoretical assumptions work in the specific context of emerging, non-profit, community ventures. I identified legitimacy building and increasing embeddedness as soft-power strategies to manage resource dependencies. Thus, this thesis illustrates the benefit of integrating insights from the legitimacy and social embeddedness approaches to explore how firms can manage their resource dependence on resource holders.

Earlier research on RDT has compared the asymmetric dependence approach with the joint dependence approach to determine which approach leads to the most successful resource mobilisation process (Van de Ven et al., 2007, Villanueva et al., 2012). By studying the process over time, this thesis illustrates how both approaches can be used to explain different parts of the process. A novel aspect of the study is that it includes the earliest phase of venture emergence, before the venture has developed legitimacy in the local community. In this phase, the initial relationships are most likely to be asymmetric because joint dependence relationships need to be built over time.

I showed that the early stage of the resource mobilisation process of community ventures was similar to that of commercial ventures because both lacked initial legitimacy and reputation, and both needed to adapt to the goals and demands from local resource holders. The later stages of the process, however, were found to be different from commercial ventures. While commercial ventures decrease their interdependences with resource holders, the community ventures further increased their interdependence with local resource holders to mobilise a wide range of
resources (Haugh, 2007, Shaw and Carter, 2007). However, commercial entrepreneurs, lacking resources and competencies, may also gain from developing relationships of joint dependence to local resource holders to mobilise needed resources (Zott and Huy, 2007).

6.3.6 Summary
This thesis develops a multi-level theoretical framework of the resource mobilisation process of community ventures by integrating insights from the RDT, social embeddedness, legitimacy, and EO approaches. Each theoretical approach gives unique contributions to this process of community ventures and explores different parts of the process. Moreover, by combining them into the same framework, this thesis identifies mechanisms that reinforce each other to facilitate resource mobilisation. The identified mechanisms were managing resource dependence, legitimacy building, and increasing embeddedness.

This thesis extends existing knowledge by exploring how the role of the community entrepreneurs, the local community, and the external environment change over time. In the earliest part of development, the local community and the external environment have a passive role. The venture adapts to resources, culture, and norms. The community entrepreneurs have a more active role in this part and work actively to legitimate, manage resource dependence, and embed the venture in the local community and the external environment. Over time, the local community becomes more active in decision-making processes and takes a more active role in the resource mobilisation process. The more embedded the venture becomes in the local community, the less significant the community entrepreneurs become in the process.

This thesis also showed the value of using qualitative longitudinal techniques and narrative interviewing and analysis when studying the resource mobilisation process of community ventures. The mechanisms and the role of the community entrepreneurs and the local communities were found to change over time. Thus, using a quantitative, cross-sectional data and defining the characteristics of the
entities as fixed would not be appropriate when studying mobilisation processes of community ventures. This thesis also showed the appropriateness of using e-mail communication as a data source to obtain real time documentation from early stages of venture development that are not influenced by the research (Wakkee et al., 2007).

6.4 Practical implications

As presented in the following sections, my research on the resource mobilisation process of community ventures has implications for practitioners, policy makers, and local communities.

6.4.1 Implications for practitioners

My findings may inspire practitioners to mobilise their communities into collective action to develop social wealth. Practitioners need to be aware that they are dependent upon a range of resources from local resource holders to be able to develop a community venture. It is therefore important for the new venture to build legitimacy and trust among resource holders in the local community. All these actors are likely to have different goals and demands that motivate them to participate in the venture. This thesis has explored different strategies for how the local community can be mobilised to support the community venture. Practitioners can use the following strategies:

- Build the emerging community venture upon existing traditions and practices in the local community
- Engage the local government or other powerful actors in the local community to gain legitimacy and other resources
- Engage acknowledged individuals in the local community who can increase legitimacy and develop trust of the community venture in the local community
- Promote the positive outcomes of the venture for the community
- Arrange meetings and provide information for the community members
- Use the media actively to promote the community venture in the community
The practitioners may choose different management styles depending on their behaviour and background and the needs for social change in the local community. For instance, in local communities with many social problems or in communities facing problems with low attractiveness and depopulation, the practitioners may want to develop significant changes in the attitudes and norms of the local community. To increase the social change potential of the venture, the practitioners can introduce resources from outside the local community. Practitioners who aim to introduce new activities to their communities must be patient because the evolution of new structures and norms requires time. Embedding the venture in the local community may constrain their new idea, and a key challenge is to strike a balance between introducing something new into the community and building upon existing traditions and structures. Practitioners who aim to develop social change need to obtain legitimacy and trust in the external environment as well. This can be achieved by:

- Developing a profile and using acknowledged external actors who fit this profile.
- Promoting the tradition, nature, and activities that are specific for the local community to engage resource holders in the external environment.
- Engaging external acknowledged individuals to legitimate the venture in the external environment.
- Using the media to actively promote the venture in the external environment.
- Working as a link and building the venture upon the common interests of the local community and the external environment.
- Developing meetings where villagers and external actors can discuss and become familiar with each other’s cultures and norms.
- Repeating the activities and using the same actors over time.

If the goals of the practitioners are less ambitious, they may build more upon existing resources and activities within the local community. Then, the resource mobilisation process is likely to proceed faster and more easily. The practitioners can push social change later in the process by developing networks to external actors. This may be a safer practice than introducing a radical idea from inception because the practitioners who build upon existing activities can return to their existing activities in the organisation if their new, radical idea fails. Finally, practitioners must ensure that
resource holders benefit from being engaged with the community venture; this is particularly important in small communities where there are few alternative resource providers.

6.4.2 Implications for the policy makers and the local communities

Community ventures can be important tools to create social wealth and increase attractiveness in local communities. The cases in this thesis showed how community ventures can create positive publicity and improve public perceptions and reputations of local communities and potentially contribute to the restructuring of the communities.

It is a challenging task to develop support tools that work well in specific local contexts. The government support needs to be flexible and should develop tools “tailored” to the characteristics of the local community (Borch et al., 2008). In general, public policy for social change may facilitate the creation of alliances amongst entrepreneurs, the public sector, and private companies to create more ambitious results. Moreover, public policies for the development of community ventures must take into account that the venture needs to build legitimacy both within the local community and among external actors. This may be a time consuming process where the different actors will influence and shape the activities and goals of the venture.

The local government may be involved in developing community ventures as a tool to develop social change in their communities. The local government is especially important in the earliest stages of venture development because it can provide access to organisational and financial resources and legitimacy. In later stages of development, however, the local government’s bureaucratic system may hamper the further development of the venture, and the venture might need to move out of the local government when it has created its own resource base.

This thesis illustrated how a local government can harness creative people to create a better place to live in a local community suffering from stagnation and low attractiveness. Engaging creative individuals who have novel ideas in a municipal...
administration may be a tool to introduce changes in a rather rigid system. The local government may function as a local embedding actor to engage villagers. However, the local government is a well-established and stable actor in local communities. Hence, too much involvement by the local government may hamper a practitioner’s opportunity to make changes in the community.

Policy makers and the local government often define the success of a venture in terms of economic profit. However, community ventures develop many other values that may be more important for the local community, such as shaping the identity, increasing the attractiveness, increasing organisational and cultural competences, and developing new external networks. These values are difficult to measure but should be taken into consideration among policy makers. For instance, if the community venture has an economic loss, its contribution to the local community in the form of social wealth creation may compensate for this loss. The local government should also be aware that the activities performed by the community ventures may give opportunities for expanding and developing businesses in the community.

6.5 Limitations of the thesis and implications for further research

This thesis has methodological and theoretical limitations that should be taken into account when interpreting the findings, and they provide implications for further research. First, my thesis is based on empirical data from the narrow context of music festivals and rural communities in Norway. Thus, the results of this thesis may not be directly transferable to other contexts. Music festivals require relatively large amounts of resources from their communities to get started. Moreover, music festivals will impact the lives of most of the rural community members, either directly or indirectly. Similarly to other Scandinavian communities, Norwegian communities are characterised by high economic and social wealth. In addition, music festivals in these communities are likely to receive significant amounts of governmental support distributed through the local government or directly to the cultural sector.

The communities included in this thesis were rather conservative with remote locations and low levels of in-migration. Other mechanisms may work when
introducing radical ideas in more open and innovative communities. Moreover, the cases in this thesis occurred in a national context with a well-developed welfare system and a strong public sector that is likely to stimulate community development through direct initiatives and economic support. Additional cases from different contexts are needed to generalise the results of this thesis. Future research could compare my theoretical model of the resource mobilisation process with cases from more open and innovative rural communities, cities, and communities outside Scandinavia. My framework may represent a basis to be further developed in studies of other types of community ventures and contexts.

This thesis emphasise the positive contributions of the community ventures in the local community, such as developing social wealth. However, some community ventures may fail to develop positive values and instead make the situation for the community even worse. This thesis illustrates success histories of community ventures and identified mechanisms that facilitated the resource mobilisation process. Future researchers may study unsuccessful cases to identify why the community venture failed in mobilising resources. Community ventures that contribute to unfavourable outcomes in the local community should also be studied to identify factors in the resource mobilisation process that influence a community negatively.

Following critical realism, the research is reductive (Gerrits and Verweij, 2013). By focusing on the particular theoretical approaches used in this thesis, I may overemphasise some mechanisms and downplay or miss others. A particular mechanism can lead to different actions at different times, and a specific event can have different causes because of different conditions. These conditions may be other mechanisms that are not included in my framework but should be identified to develop a more complete framework. Thus, there is a need for further triangulation of theories based on my empirical material to increase the window of explanation of the resource mobilisation process. Other researchers may use my data to explore the process by building upon other theoretical lenses and understanding. I incorporated insights from different theoretical approaches in the same framework. However, these approaches were explored in different studies. Thus, there is a need for research that explores all approaches in the same study.
Another characteristic of Scandinavian communities is that they have a tradition for collaboration across public and private sectors in collective development projects (Borch et al., 2008). Thus, further research may use my data to contribute to the increased research focus on new public management (Hansen et al., 2013).

This thesis distinguishes the local community, the external environment, and the community entrepreneurs as entities to simplify and develop a clear model. By focusing on these specific entities, I am likely to lose some of the properties of the resource mobilisation process. Thus, the role of a range of actors in this process needs to be investigated. Future research may develop a more fine-grained framework to illustrate how different sectors and actors within local communities and the external environment influence resource mobilisation. Stakeholder theory may be appropriate for further research exploring the role of different stakeholders in the process. My thesis showed that a multi-level, longitudinal case study is needed to capture the changes in the resource mobilisation process at different levels. Finally, studies on how community ventures mobilise resources in local communities will benefit from distinguishing between the internal and external environment.

Measuring social change is challenging. I discuss social change as extending social capital and local resources in this thesis. However, I do not explore how the resources and social capital actually change during the resource mobilisation process. Further research may further develop measures on the outcomes of this process. In addition to social capital, further research should examine different types of other resources within the local community, such as cultural, human, economic, and environmental capital. The resource-based view may be appropriate to explore how the resource base of local communities may change over time. The resource-based view may also be useful to explore how the resource base of community ventures is formed to stimulate social change in the local community.

Developing boundaries around what is included in the emerging venture and what belongs to the environment may be challenging because the community venture becomes embedded in the local community over time. Moreover, the boundary is likely to change over time because new actors will be included in the venture. Further
research may study how and why the boundaries of the community venture change over time as different actors participate and leave the venture and investigate how this influences the resource mobilisation process of community ventures.

This thesis is limited to studying the earliest phases of the resource mobilisation process of a nascent, emerging community venture, and the findings in this thesis cannot be directly transferred to a well-established venture. Determining which mechanisms may facilitate ventures in mobilising resources for their further development may be an interesting future research area. In particular, further research could explore how established ventures may balance new ideas and established routines. Theories that may be useful to explore the resource mobilisation of established community ventures may be the resource-based view and the dynamic capability approach. The individuals involved in developing a community venture are likely to be very motivated according to their social mission. How community ventures manage to motivate new actors to take responsibility for further development of the venture may also be a topic for further research (Howorth et al., 2004).
References


HEALY, M. & PERRY, C. 2000. Comprehensive criteria to judge validity and reliability of qualitative research within the realism paradigm. *Qualitative market research: An international journal*, 3, 118-126.


Appendix A. Conceptualizations of community entrepreneurship

This appendix summarises the different definitions employed in the community entrepreneurship literature in Table A.1. The context from which the definitions are developed is noted in the table.

Table A-1 Conceptualisations of community entrepreneurship

<table>
<thead>
<tr>
<th>Reference</th>
<th>Conceptualisations (paraphrased and quoted from the original source)</th>
<th>Context</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lotz (1989)</td>
<td>Community ventures are rooted in specific geographical realities for generating jobs that bring together resources from inside and outside the community.</td>
<td>Canada</td>
</tr>
<tr>
<td>Johannisson and Nilsson (1989)</td>
<td>Community entrepreneurs are facilitators of entrepreneurial events rather than promoters of individual business ventures, as they create a context for business entrepreneurship. Community entrepreneurship endeavours to mobilise, i.e., organise, both internal &quot;local&quot; and environmental &quot;global&quot; resources.</td>
<td>Sweden</td>
</tr>
<tr>
<td>Selsky and Smith (1994)</td>
<td>Community entrepreneurship is entrepreneurial leadership that arises within not-for-profit organisations seeking to create benefits for the community.</td>
<td>US</td>
</tr>
<tr>
<td>Haugh and Pardy (1999)</td>
<td>Community entrepreneurship is innovative re-combinations of pre-existing activities by inhabitants with shared interests living in a small basic administrative or statistical area.</td>
<td>UK</td>
</tr>
<tr>
<td>Leadbeater (1997)</td>
<td>Social entrepreneurs identify underutilised resources - individuals, buildings, and equipment - and find ways of employing them to satisfy unmet social needs. Social entrepreneurs who deploy entrepreneurial skills for social ends operate in parts of the traditional public sector, certain large private sector corporations and at the innovative edge of the voluntary sector.</td>
<td>UK</td>
</tr>
<tr>
<td>Dees (2001)</td>
<td>Social entrepreneurs act as agents of change in the social sector, by: 1) adopting a mission to create and sustain social value (not simply private value), 2) recognising and relentlessly pursuing new opportunities to serve that mission, 3) engaging in a process of continuous innovation, adaptation, and learning, 4) acting boldly without being limited by resources currently at hand,</td>
<td>US</td>
</tr>
<tr>
<td>Authors and Year</td>
<td>Description</td>
<td>Location</td>
</tr>
<tr>
<td>------------------</td>
<td>-------------</td>
<td>----------</td>
</tr>
<tr>
<td>Johnstone and Lionais (2004)</td>
<td>Community business organisations are embedded in and use the market, albeit in novel ways. Community business entrepreneurs have broader social goals, such as the development of the entire community.</td>
<td>International</td>
</tr>
<tr>
<td>Tracey et al. (2005)</td>
<td>Community enterprises have a strong commercial ethos and generate a substantial share of their revenues through trading. Furthermore, they are based on strong local linkages and have democratic structures that allow the involvement of organisational members in the governance of the enterprise. Finally, they are multifunctional organisations responsible for a variety of local initiatives.</td>
<td>UK</td>
</tr>
<tr>
<td>Austin et al. (2006)</td>
<td>Social entrepreneurship is an innovative, social value creating activity that can occur within or across the non-profit, business, or government sectors.</td>
<td>US</td>
</tr>
<tr>
<td>Mair and Marti (2006)</td>
<td>Social entrepreneurship is a process that involves the innovative use and combination of resources to pursue opportunities to catalyse social change and/or address social needs. It is a process resulting from continuous interaction between social entrepreneurs and the context in which they and their activities are embedded.</td>
<td>Spain</td>
</tr>
<tr>
<td>Peredo and Chrisman (2006)</td>
<td>A community-based enterprise is a community acting corporately as both an entrepreneur and enterprise in pursuit of the common good.</td>
<td>Latin America</td>
</tr>
<tr>
<td>Sharir and Lerner (2006)</td>
<td>The social entrepreneur is acting as an agent of change to create and sustain social value without being limited to resources currently at hand.</td>
<td>Israel</td>
</tr>
<tr>
<td>Spear (2006)</td>
<td>Social enterprises are trading organisations within the social economy, such as co-operatives and mutual and voluntary organisations.</td>
<td>UK</td>
</tr>
<tr>
<td>Weerawardena and Mort (2006)</td>
<td>Social entrepreneurship is a behavioural phenomenon expressed in a not-for-profit organisation context aimed at delivering social value through the exploitation of perceived opportunities.</td>
<td>Australia</td>
</tr>
<tr>
<td>Giedt and Parker (2007)</td>
<td>Green community entrepreneurship is the collective ability to mobilise resources, including social capital, to provide products or services that achieve environmental rather than profit-maximising goals.</td>
<td>Canada</td>
</tr>
<tr>
<td>Haugh (2007)</td>
<td>Community-led social ventures are owned and controlled by the members of the community where they are based, and any financial surplus is either reinvested in the venture or used to support other ventures that further enhance community benefits. They have the potential to revitalise communities via meeting local needs, developing the capacity of a community to</td>
<td>UK</td>
</tr>
<tr>
<td>Name</td>
<td>Definition</td>
<td>Country</td>
</tr>
<tr>
<td>-----------------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>----------</td>
</tr>
<tr>
<td>Shaw and Carter (2007)</td>
<td>Social entrepreneurs are individuals who establish enterprises primarily to meet social objectives rather than generate personal financial profit.</td>
<td>UK</td>
</tr>
<tr>
<td>Cooney (2008)</td>
<td>A community enterprise can be a charity, trust, co-operative, private company, or a public company. Community entrepreneurs build social, aesthetic and environmental capital, as well as the financial capital required to achieve the primary objectives of the community enterprise.</td>
<td>UK</td>
</tr>
<tr>
<td>Curtis (2008)</td>
<td>State-sponsored social enterprises are enterprises that emerge from the deliberative activity of public sector agencies, ostensibly to meet a need that is unmet by the public sector.</td>
<td>UK</td>
</tr>
<tr>
<td>Townsend and Hart (2008)</td>
<td>Social entrepreneurs appear to be organising under both for-profit and non-profit organisational forms to engage in essentially the same activities. They combine the elements of a for-profit focus on efficient use of economic resources with a non-profit focus on social value creation.</td>
<td>US</td>
</tr>
<tr>
<td>Zahra et al. (2008)</td>
<td>Social entrepreneurship encompasses the activities and processes undertaken to discover, define, and exploit opportunities in order to enhance social wealth by creating new ventures or managing existing organisations in an innovative manner</td>
<td>International</td>
</tr>
<tr>
<td>Barraket et al. (2009)</td>
<td>Social enterprises are not-for-profit organisations that exist to produce public benefits and trade in the marketplace to fulfil their mission, such as producing benefits for a specific local population.</td>
<td>Australia</td>
</tr>
<tr>
<td>Defourny and Nyssens (2009)</td>
<td>Social enterprises are private, not-for-profit organisations providing goods and services directly related to their explicit aim to benefit the community. They generally rely on collective dynamics involving various types of stakeholders in their governing bodies; they place a high value on their autonomy, and they bear economic risks related to their activity.</td>
<td>EMES network (EU)</td>
</tr>
<tr>
<td>Bridgstock et al. (2010)</td>
<td>Community, voluntary and public organisations, as well as private firms, working to solve social problems that have not been solved by the traditional mechanisms.</td>
<td>UK</td>
</tr>
<tr>
<td>Chell et al. (2010)</td>
<td>Social entrepreneurship refers to innovative activity with a social objective in either the for-profit sector, corporate social entrepreneurship (usually in the form of CSR-related activities) or the non-profit sector.</td>
<td>International</td>
</tr>
<tr>
<td>Di Domenico, Haugh et al. (2010)</td>
<td>Social enterprises seek to attain a particular social objective or set of objectives through the sale of products and/or services and, in doing so, aim to achieve</td>
<td>UK</td>
</tr>
<tr>
<td>Author(s)</td>
<td>Definition</td>
<td>Location</td>
</tr>
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<td>-----------</td>
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</tr>
<tr>
<td>Friedman and Desivilya (2010)</td>
<td>Financial sustainability independent of government and other donors. At their core, social enterprises are businesses that are market driven with commercial interests and activities used to affect social and community benefits.</td>
<td>Israel</td>
</tr>
<tr>
<td>Tapsell and Woods (2010)</td>
<td>Social entrepreneurship refers to a range of practices and discourses involving the creation of new and innovative organisations or enterprises to meet human needs and improve services in fields such as poverty reduction, healthcare, child protection, disability rights and environmental sustainability.</td>
<td>New Zealand</td>
</tr>
<tr>
<td>Kistruck and Beamish (2010)</td>
<td>The development and pursuit of opportunities for transformative social change achieved through innovative activities occurring within or across economic and social communities in a historical and cultural context.</td>
<td>US</td>
</tr>
<tr>
<td>Perrini et al. (2010)</td>
<td>Social entrepreneurship is an innovative use of resources to explore and exploit opportunities that meet a social need in a sustainable way.</td>
<td>Italy and UK</td>
</tr>
<tr>
<td>Rønning et al. (2010)</td>
<td>A community entrepreneur is an actor that initiates changes in the local community related to the local needs. The municipality is seen as a community entrepreneur.</td>
<td>Norway</td>
</tr>
<tr>
<td>Smith and Stevens (2010)</td>
<td>Social entrepreneurship denotes innovative and effective activities that focus strategically on resolving social market failures and creating opportunities to add social value systematically by using a range of organisational formats to maximise social impact and bring about change.</td>
<td>US</td>
</tr>
<tr>
<td>Bacq and Janssen (2011)</td>
<td>The social entrepreneur is a visionary individual, whose main objective is to create social value, simultaneously able to detect and exploit opportunities, leverage the necessary resources for his/her social mission and find innovative solutions to social problems in his/her community that are not properly met by the local system. This will lead him/her to adopt entrepreneurial behaviour.</td>
<td>International</td>
</tr>
<tr>
<td>Bacq and Janssen (2011)</td>
<td>Social entrepreneurship is the process of identifying, evaluating and exploiting opportunities intended to create social value through commercial, market-based activities and the use of a wide range of resources.</td>
<td>International</td>
</tr>
<tr>
<td>Moss et al.</td>
<td>Social entrepreneurship is a process in which resources</td>
<td>US</td>
</tr>
</tbody>
</table>
Social ventures refer to organisations that pursue innovation with a social objective, which can include for-profit, non-profit, or hybrid forms of organisation.

Levie and Hart (2011)  
Social economic activity is defined by the UK GEM team as follows: any type of activity, organisation or initiative that has a particularly social, environmental or community objective. This might include providing services or training to socially deprived or disabled persons, using profits for socially oriented purposes, or organising a self-help group for community action.

Wilson and Post (2013)  
Social entrepreneurs are agents that perform functions and provide services that had been considered the sole prerogative of states.
Appendix B. Earlier empirical studies on community entrepreneurship

This appendix summarises the aims, types, theoretical perspectives, main findings, and units of analysis in previous studies on community entrepreneurship. I selected empirical studies published in journals and book chapters using the Google Scholar search tool. I employed key words such as community entrepreneur*, community venture, community-based venture, social entrepreneur*, and social venture.
Table B-1 Empirical research on community entrepreneurship

<table>
<thead>
<tr>
<th>Study</th>
<th>Aims of study</th>
<th>Theoretical perspectives</th>
<th>Type of study</th>
<th>Main findings (paraphrased and quoted from the original source)</th>
<th>Unit of analysis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Johannisson et al. (1989)</td>
<td>Action research on community entrepreneurs to distinguish them from commercial entrepreneurs.</td>
<td>No theoretical approach stated.</td>
<td>X X *</td>
<td>Networking is even more crucial as an organising vehicle for community entrepreneurs than for autonomous entrepreneurs. Enterprises that aim at both business venturing and community revitalisation call for social and commercial networking in local arenas.</td>
<td>X</td>
</tr>
<tr>
<td>Johannisson (1990)</td>
<td>Exploring the importance of local and global networking of community entrepreneurs.</td>
<td>Network theory.</td>
<td>X X 2</td>
<td>Community entrepreneurs need to organise numerous local individuals from the beginning - the primary means for this is their personal networks. Community entrepreneurs carry more legitimacy and are more resourceful than autonomous entrepreneurs.</td>
<td>X</td>
</tr>
<tr>
<td>Selsky and Smith (1994)</td>
<td>Exploring a leadership approach to social change.</td>
<td>No theoretical approach stated.</td>
<td>X 2</td>
<td>Community entrepreneurs play a role at two levels, the organisational level and the community level, in developing the collective capacities of organisations sharing interests in one or more community issues.</td>
<td>X</td>
</tr>
<tr>
<td>Leadbeater (1997)</td>
<td>Exploring the successes and failures of social entrepreneurs to</td>
<td>No theoretical approach stated.</td>
<td>X 5</td>
<td>Social entrepreneurs develop solutions to social problems and create new services from scratch. They promote collaborative solutions to social problems that help to bring together the</td>
<td>X</td>
</tr>
<tr>
<td>Study</td>
<td>Research Question</td>
<td>Theoretical Approach</td>
<td>Methodology</td>
<td>Findings</td>
<td>Critical Success Factors</td>
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<tr>
<td>Haugh (1999)</td>
<td>Investigates an example of group entrepreneurship and explores the relationship between environment and entrepreneurship.</td>
<td>No theoretical approach stated.</td>
<td>X X 6</td>
<td>Community entrepreneurship describes the situation in which a group of individuals from a community work together, initially without the formal structure of an organisation, to generate and develop ideas and opportunities with social and economic benefits for their community. A critical success factor is to be sensitive to local issues when constructing community entrepreneurship development projects.</td>
<td>Three success factors for social entrepreneurship leads to significant changes in the social, political, and economic contexts for poor and marginalised groups. First, capacity-building initiatives are associated with attention to local groups and resource providers. Second, package dissemination initiatives pay attention to user and disseminator.</td>
</tr>
<tr>
<td>Thompson (2002)</td>
<td>Exploring what social entrepreneurs in the voluntary sector do and achieve for the community.</td>
<td>No theoretical approach stated.</td>
<td>2</td>
<td>The entrepreneurs network widely to find the necessary resources; creativity was apparent, a dependence on volunteer support and the founder. There is a need for training in specific skills such as human resource management and fund raising. There is also a need for peer-group support networks in which individuals can share experiences, issues and problems and help one another.</td>
<td>Three success factors for social entrepreneurship leads to significant changes in the social, political, and economic contexts for poor and marginalised groups. First, capacity-building initiatives are associated with attention to local groups and resource providers. Second, package dissemination initiatives pay attention to user and disseminator.</td>
</tr>
<tr>
<td>Alvord et al., (2004)</td>
<td>Exploring factors associated with successful social entrepreneurship.</td>
<td>No theoretical approach stated.</td>
<td>X 7</td>
<td>Three success factors for social entrepreneurship leads to significant changes in the social, political, and economic contexts for poor and marginalised groups. First, capacity-building initiatives are associated with attention to local groups and resource providers. Second, package dissemination initiatives pay attention to user and disseminator.</td>
<td>Three success factors for social entrepreneurship leads to significant changes in the social, political, and economic contexts for poor and marginalised groups. First, capacity-building initiatives are associated with attention to local groups and resource providers. Second, package dissemination initiatives pay attention to user and disseminator.</td>
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</tbody>
</table>
stakeholders. Third, movement-building initiatives emphasise external relationships with allies and political targets. All initiatives search to mobilise and build on the assets of the poor constituencies they serve.

| Johnstone and Lionais (2004) | Exploring the similarities and differences between community business entrepreneurship and traditional entrepreneurship processes. | No theoretical approach stated. | X | 3 | There are strong links between community business entrepreneurship and the depleted community. Entrepreneurs use the sense of community to access social capital and leverage it to create economic capital. Trust in the entrepreneurs and the community goals of the organisations they formed provided access to human and financial capital. | X | X |

<p>| Sharir and Lerner (2006) | Exploring key factors that contribute to the success of a social venture initiated by an individual entrepreneur. | No theoretical approach stated. | X | X | Social entrepreneurship attempts to apply business strategies to more effectively confront complex social problems. Social entrepreneurs are driven by multiple motives. Social entrepreneurship lacks an infrastructure to provide access to capital during the venture's start-up stage, and social ventures are overly dependent on external sources of funding and staff prepared to accept below-market wages and volunteers. Social ventures are likely to lack managerial experience and financial resources and require assistance from public sector or non-profit organisations. | X | X | X | X |</p>
<table>
<thead>
<tr>
<th>Author and Year</th>
<th>Focus</th>
<th>Theoretical Perspective</th>
<th>Category</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anderson et al. (2006)</td>
<td>Explores business development activities that flow from recent developments in indigenous land rights in a Canadian context.</td>
<td>No theoretical perspective stated.</td>
<td>X</td>
<td>Indigenous groups in Canada identify opportunities and create businesses, but their reasons for doing so and the organisational forms they adopt extend far beyond wealth creation for the entrepreneur(s)/owner(s) involved. The wealth is generated to fund social objectives, broadly defined. A key criterion in the search for and identification of suitable opportunities is the extent to which they conform to the community’s broad objectives and the capabilities and ambitions of community members.</td>
</tr>
<tr>
<td>Spear (2006)</td>
<td>Exploring distinctive characteristics of social entrepreneurship in the co-operative sector.</td>
<td>No theoretical perspective stated.</td>
<td>X</td>
<td>The motivations of social entrepreneurs are diverse. The entrepreneurs occupy a central role within their organisations but collaborated with a broad group of external stakeholders closely and fundamentally involved across public/private boundaries. Identifies the need for a more collective and distributed perspective on entrepreneurship.</td>
</tr>
<tr>
<td>Weerawarana and Mort (2006)</td>
<td>Advance the conceptualisation of the social entrepreneurship construct based on empirical research using the grounded theory method.</td>
<td>Behavioural approach.</td>
<td>X</td>
<td>Social entrepreneurship is a multi-dimensional model involving the dimensions of innovativeness, proactiveness, and risk management. Social entrepreneurship is a behavioural phenomenon. Social entrepreneurial behaviour is deeply influenced by the requirements of the environment, the need to develop sustainable organisations, and the need to achieve the social mission. The competitive environment within which they operate requires them to adopt a competitive posture in the areas of funds</td>
</tr>
<tr>
<td>Study</td>
<td>Methodology</td>
<td>Outcomes</td>
<td>Notes</td>
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<tr>
<td>Hjorth and Bjerke (2006)</td>
<td>Develop a language and approach to understand sociality-creating processes.</td>
<td>No theoretical approach stated.</td>
<td>Entrepreneurship belongs to society and not primarily to business. Thus it is a need to move from the social to the public and from consumers to citizens. This may change understandings of entrepreneurship as a societal force. This will facilitate citizens’ efforts to achieve creative goals without damaging one another’s efforts, as policymakers believe in individuals rather than relying on consumer behaviour. We should move towards a novel discourse on entrepreneurship as society-creating force.</td>
<td></td>
</tr>
<tr>
<td>Campi et al. (2006)</td>
<td>Testing theory related to whether work integration social enterprises (WISE) across Europe are multi-stakeholder enterprises.</td>
<td>Stakeholder approach.</td>
<td>Most WISEs are multi-stakeholder enterprises. The participation of stakeholders in the WISE leads to influence within boards.</td>
<td></td>
</tr>
<tr>
<td>Hulgård (2006)</td>
<td>Identify the role of each type of stakeholders in Danish social enterprises.</td>
<td>Stakeholder approach.</td>
<td>Danish work integration social enterprises are highly dependent on the public sector. A social objective, such as work and social integration, is the preeminent goal. None of the organisations held that an economic goal, such as the production of goods and services, are their primary goal.</td>
<td></td>
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<tr>
<td>Study</td>
<td>Methodology</td>
<td>Theoretical Approach Stated</td>
<td>X</td>
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<tr>
<td><strong>Lindgren and Packendorff (2006)</strong></td>
<td>Developing an understanding of the phenomenon of entrepreneurship as boundary work in relation to a local cultural context.</td>
<td>No theoretical approach stated.</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td><strong>Gliedt and Parker (2007)</strong></td>
<td>Explore the process of green community entrepreneurship in the social economy.</td>
<td>No theoretical approach stated.</td>
<td>X</td>
<td>12</td>
</tr>
<tr>
<td><strong>Haugh (2007)</strong></td>
<td>Grounded theory to create a stage model and investigate the community-led</td>
<td>No theoretical approach stated.</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td><strong>Shaw and Carter (2007)</strong></td>
<td>Exploring the similarities and differences between social and commercial enterprises.</td>
<td>No theoretical approaches stated.</td>
<td>X</td>
<td>80</td>
</tr>
<tr>
<td><strong>Curtis (2008)</strong></td>
<td>Exploring the implications of a critical approach to theory and methods for the study of social enterprises and social entrepreneurship.</td>
<td>Several theoretical approaches discussed.</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td><strong>Urban (2008)</strong></td>
<td>Integrate the</td>
<td>No theoretical</td>
<td>X</td>
<td>287</td>
</tr>
<tr>
<td>Study</td>
<td>Research Question</td>
<td>Approach</td>
<td>Theoretical Approaches</td>
<td>Study Findings</td>
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<tr>
<td>Jones et al. (2008)</td>
<td>Examine how social entrepreneurial identity can be constructed through narratives.</td>
<td>No theoretical approaches stated.</td>
<td>X X 1</td>
<td>A narrative analysis shows how an ideological social activist entrepreneur constructs his identity through a process of crafting divisionism that distinguishes, and simultaneously creates, the three related self-constructions: the Me, Not-Me, and Suppressed-Me. The relationship between the social entrepreneurs and the social context in which they are embedded is complex.</td>
</tr>
<tr>
<td>Parkinson et al. (2008)</td>
<td>Questions the application of the entrepreneurship discourse to social entrepreneurship in the UK by analysing how those involved in social enterprises appropriate or re-</td>
<td>No theoretical approaches stated.</td>
<td>X 20</td>
<td>Ideological and cultural meanings are central to social entrepreneurs: 1) their position within the ideological struggle between the local government and community, 2) need-driven action, anchored firmly in the present and immediate past; 3) collective action for local change.</td>
</tr>
<tr>
<td>Source</td>
<td>Description</td>
<td>Methodology</td>
<td>Initial Research</td>
<td>Current Research</td>
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<tr>
<td>Moss et al. (2010)</td>
<td>To highlight the development of important themes in the relevant literature through a content analysis of Special Issues of academic journals, beginning when social entrepreneurship research first appeared in the literature.</td>
<td>No theoretical approach stated.</td>
<td>Initial social entrepreneurship research centred on change processes in the public policy sphere. Value-creation in the non-profit sector then became more important. The current focus is on theory-driven research in multiple sectors.</td>
<td>X</td>
</tr>
<tr>
<td>Di Domenico et al. (2010)</td>
<td>Exploring social entrepreneurial action by applying and extending the theoretical framework of social bricolage.</td>
<td>Bricolage concept.</td>
<td>The process of social bricolage is conceptually distinct from other forms of bricolage. Social bricolage is associated with resource-poor environments in which the lack of resources drives social enterprises to employ all available means to acquire unused or underused resources that are capable of being leveraged in a different way to create social value. The process of social bricolage has following stages: making do, refusal to be constrained by limitations, and improvisation, social value creation, stakeholder participation,</td>
<td>X</td>
</tr>
<tr>
<td>Name</td>
<td>Description</td>
<td>X</td>
<td>10</td>
<td>Organisations that are historically for-profit are more successful at engaging in social intrapreneurship than non-profit. Both for-profits and non-profits will benefit from a greater degree of separation, and the effect will be strongest for non-profits.</td>
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<tr>
<td><strong>Kistruck and Beamish</strong></td>
<td>Exploring how the initial organisational form, whether for-profit or non-profit, may impact the ability of the social venture to successfully engage in new activities in which social and financial goals are balanced.</td>
<td></td>
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<td></td>
</tr>
<tr>
<td><strong>Lundqvist and Middleton</strong></td>
<td>To interrelate social, civic, community, and other forms of entrepreneurship in search of a more unifying concept of societal entrepreneurship for Sweden and beyond.</td>
<td>X</td>
<td>59</td>
<td>The field of entrepreneurship emphasising societal utility is fragmented and contains many parallel discourses. There is potential for more unifying concept. Societal entrepreneurship in Sweden should be regarded more as a mechanism for renewal and experimentation than an alternative to a public sector that addresses basic human needs. In the Swedish setting, the collective dimensions of entrepreneurship are the most relevant.</td>
</tr>
<tr>
<td>Author(s)</td>
<td>Conceptual Model/Approach</td>
<td>Methodological Framework</td>
<td>Findings</td>
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<tr>
<td>Heilbrunn (2010)</td>
<td>Draws on Hudson’s concepts of places and spaces to develop a conceptual model that investigates entrepreneurial opportunities in changing communities.</td>
<td>No theoretical approach stated.</td>
<td>Four clusters of communities are based on available capital and capacity. Both the scope and variety of entrepreneurship vary within the four clusters of communities. Social entrepreneurship flourishes more in communities providing space, in terms of infrastructure, and place, in terms of high levels of social capital, than in depleted communities, which faced a deficit in terms of economic infrastructure and social integration.</td>
<td></td>
</tr>
<tr>
<td>Corner and Ho (2010)</td>
<td>Explore how social entrepreneurship opportunities are recognised and exploited through theory building.</td>
<td>Rational/economic approach and effectuation approach</td>
<td>Four patterns of opportunity development: 1) Opportunity development is more complex than simply the identification and exploitation phases modelled in the commercial entrepreneurship literature. The pattern of opportunity development occurs along a spectrum on which effectuation processes dominates at one end and rational/economic processes prevails at the other. The middle of the spectrum reflects a balance. 2) Collective action is a part of the broad pattern of opportunity development. 3) Experience corridors are linked to collective action. 4) Spark illustrates that there is an insight or moment of inspiration that engenders opportunity development.</td>
<td></td>
</tr>
<tr>
<td>Teasdale (2010)</td>
<td>Exploring the impact of social enterprise on social exclusion.</td>
<td>No theoretical approach stated.</td>
<td>Different forms of social enterprise affect different dimensions of social exclusion in different ways. Social and community businesses are more economic orientated and provide employment within an area. Non-profit and community enterprises are more socially oriented and provide</td>
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</table>
space for excluded individuals to bond, leading to social inclusion within a group. Social enterprises with hierarchical decision-making processes deliver services to excluded groups, while social enterprises adopting collective decision-making processes (community enterprises and community businesses) involve excluded people in a managerial capacity and help individuals to develop bridging and linking social capital that can lead to social inclusion at a societal level.

<p>| Hill et al. (2010) | Analyses the social entrepreneurship literature to identify and interpret the concepts that lend coherence to a largely conceptual and analytic scholarly literature. | No theoretical approach stated. | X | X | 212 | Social entrepreneurship will deepen our understanding of the social context of entrepreneurship and contribute to commercial entrepreneurship. Social entrepreneurship challenges the primacy of the shareholder and raises questions regarding the viability and structure of alternative, participatory arrangements that incorporate stakeholders into governance structures. |
| Bridgstock et al. (2010) | Consider how diversity management (DM) may be used to leverage innovation in the policies and practices of social enterprises, in other words, a diversity management approach. | Diversity management approach. | X | X | ** | Applying diversity management to social enterprise settings give greater benefits. Social ventures have conceived networked diversity as a means to provide innovative solutions for managing diversity. Numerous social enterprises can tap into the resources and relationships of established corporations and public sector organisations to pursue collaborative social innovation for sustainable growth. Social enterprises should consider options for DM in the interests of |</p>
<table>
<thead>
<tr>
<th>Reference</th>
<th>Contribution</th>
<th>No theoretical approach stated.</th>
<th>X</th>
<th>1</th>
<th>A five-stage model of the social entrepreneurship process is affected by the role of individuals, contexts, and organisational arrangements. The comprehensive framework explores the dynamics by which social entrepreneurship opportunities are identified and exploited.</th>
<th>X</th>
</tr>
</thead>
<tbody>
<tr>
<td>Perrini et al. (2010)</td>
<td>Exploring the phases and dimensions of the process by which social entrepreneurial opportunities are identified, evaluated, exploited and brought to scale.</td>
<td>No theoretical approach stated.</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Tapsell and Woods (2010)</td>
<td>Explore some of the theoretical insights emerging from work in the social entrepreneurship field and complexity theory.</td>
<td>Complexity theory.</td>
<td>X</td>
<td>1</td>
<td>The collective is important in Maori entrepreneurship. Self-organisation is a means by which collective innovation and enterprise practices may be understood. We should extend the static conception of organisations to a view that emphasises the dynamic, non-equilibrium aspect of the environment in which innovation occurs.</td>
<td>X</td>
</tr>
<tr>
<td>Urbano et al. (2010)</td>
<td>Analyse how environmental factors affect the emergence and implementation of</td>
<td>Institutional theory.</td>
<td>X</td>
<td>7</td>
<td>Both informal and formal institutions are important in the generation of social entrepreneurship in Catalonia. Informal institutions are more important than formal institutions.</td>
<td>X</td>
</tr>
<tr>
<td>Author</td>
<td>Title</td>
<td>Methodology</td>
<td>Year</td>
<td>Page</td>
<td>Description</td>
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<tr>
<td>Meyskens et al. (2010)</td>
<td>Discover relationships using the resource-based view of entrepreneurship and the social value creation characteristics of social entrepreneurs.</td>
<td>Resource based view.</td>
<td>2010</td>
<td>70</td>
<td>Social entrepreneurs, when viewed through resource-based lens, employ similar internal operational processes in utilising resource bundles to commercial entrepreneurs. Social entrepreneurs utilise &quot;new combinations&quot; (Schumpeter 1934) of resources.</td>
<td></td>
</tr>
<tr>
<td>Friedman and Desivilya (2010)</td>
<td>Build theory on social entrepreneurship and conflict engagement through a social constructionist lens.</td>
<td>Conflict theory.</td>
<td>2010</td>
<td>1</td>
<td>A &quot;Studio for Social Creativity&quot; addresses the action strategies that may be drawn on to help redefine inter-group relations, enhance social networks, activate social capital, leverage diversity, and challenge the existing power structure in a region. Integrating social entrepreneurship and conflict engagement processes can enhance regional development in a divided society. Conflict engagement often builds better relationships among individuals but rarely leads to substantive change.</td>
<td></td>
</tr>
<tr>
<td>Curtis (2011)</td>
<td>Develop a theoretical approach based on Geertzian thick description to explore the ideological aspects</td>
<td>No theoretical approach stated.</td>
<td>2011</td>
<td>1</td>
<td>A specific characteristic of danwei in China is that the state and the private realms are bound together in a unique mix of labour relations. The localised, spatial aspect, the urbanised nature of the phenomenon and the horizontal bundle of activities that are delivered through the danwei represent a challenge to the goal of social</td>
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of the danwei (workplace) as social entrepreneurship to highlight what is distinctly Chinese about the concept.

<table>
<thead>
<tr>
<th>Study</th>
<th>Focus</th>
<th>Key Concepts</th>
<th>Research Question</th>
<th>Findings</th>
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</thead>
<tbody>
<tr>
<td>Dana and Light (2011)</td>
<td>Explore the causes of herding in the backgrounds and ethnicities of the &quot;entrepreneurs&quot;.</td>
<td>Social capital, cultural capital, human capital.</td>
<td>X 24 Ethnic Finns regard their self-employment as an individualistic form of entrepreneurship and focus on financial capital and profit. Sami asserts that the maintenance of a cultural tradition is more important than the maximisation of financial profits. Sami cooperates and recognises the importance of the social, human, and cultural capital passed from adults to children in the community.</td>
<td>X</td>
</tr>
<tr>
<td>Partzsch and Ziegler (2011)</td>
<td>Examine the role and authority of the social entrepreneur.</td>
<td>No theoretical approach stated.</td>
<td>X 1 Social entrepreneurs are characterised by their innovative potential: pushing through new ideas that create complex changes in society and affect a range of actors. These innovations serve as their main source of authority. Their local embeddedness and educational efforts and their goals provide additional sources of accountability and legitimacy.</td>
<td>X</td>
</tr>
<tr>
<td>Morris et al. (2011)</td>
<td>Explore whether university-based entrepreneurship programmes can become a transformational</td>
<td>Complex adaptive systems theory.</td>
<td>X 1 Chaos is a necessary condition for growth and order-generation is necessary condition for survival. Corporations, governments, and other social ventures are important to promote social entrepreneurship through a collaborative partnership. Approaches that are bottom-up,</td>
<td>X X X</td>
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<tr>
<td>Study</td>
<td>Methodology</td>
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<td>Notes</td>
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<tr>
<td>Handy et al. (2011)</td>
<td>Examines community-based entrepreneurship (CBE) from a grassroots perspective using a sustainable business in India.</td>
<td>No theoretical approach stated.</td>
<td>Natural, autonomously developed CBE without Western intervention can help to fine tune understandings of sustainable CBE and assist practitioners in learning what works and what does not when proposing CBE. The Peredo and Chrisman (2006) model of CBE’s expectation that a programme will have multiplicity of goals and all local individuals will be equally leaders and doers are overly idealistic for the real world.</td>
<td>X</td>
</tr>
<tr>
<td>Sundin (2011)</td>
<td>Demonstrates that not only social enterprises, but also conventional ones are based on social intentions and these social intentions often have community dimensions.</td>
<td>No theoretical approach stated.</td>
<td>Conventional research and the public debate on entrepreneurship and on social and community entrepreneurship are influenced by false notions rather than on empirical facts. Empirical studies of entrepreneurship have been conducted on a limited area of entrepreneurship. General and theoretical conclusions have been made without acknowledging the limited and biased state of the material.</td>
<td>X</td>
</tr>
<tr>
<td>Moss et al. (2011)</td>
<td>Exploring the dual identities of award-winning social ventures recognised by FastCompany magazine and the Organisational identity approach</td>
<td>Organisational identity approach</td>
<td>The social ventures exhibit dual identities: a utilitarian organisational identity (i.e., entrepreneurial, product oriented) and a normative organisational identity (i.e., social, person oriented). Compared to other high-performing entrepreneurial enterprises, social ventures have a greater normative identity and an</td>
<td>X</td>
</tr>
<tr>
<td>Skoll Foundation.</td>
<td>Equivalent utilitarian identity.</td>
<td>Lehner and Kansikas (2012)</td>
<td>Thematically analyse and cluster existing research on opportunity recognition in social entrepreneurship, identify possible correlations between the schools of thought in social entrepreneurship and Sarasvathy's three views on opportunity recognition.</td>
<td>No theoretical approach stated.</td>
</tr>
<tr>
<td>Study</td>
<td>Description</td>
<td>Methodology</td>
<td>Findings</td>
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<tr>
<td>Desa (2012)</td>
<td>Examine how regulatory, political, and technological institutions affect resource-mobilisation in social ventures</td>
<td>Institutional theory and bricolage approach.</td>
<td>Contrary to the predominant view of resource mobilisation, social entrepreneurs confronted with institutional constraints engage in bricolage to reconfigure existing resources at hand. In this process, bricolage can act as a legitimating mechanism for intuitional change.</td>
<td></td>
</tr>
<tr>
<td>Westlund and Gawell (2012)</td>
<td>Investigate how the case organisation, Frysthuset, was able to build social capital through, and for, entrepreneurial efforts seeking to facilitate the development of youths</td>
<td>Social capital approach.</td>
<td>The case, Frysthuset, builds partnerships and alliances with public, private and civil actors. In other words, it builds new social capital and creates new norms and values. The combination of societal entrepreneurship and social capital building that Frysthuset achieves can be understood as an explanation for its success.</td>
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<tr>
<td>Study</td>
<td>Focus</td>
<td>Methodology</td>
<td>Findings</td>
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<tr>
<td>Datta and Gailey (2012)</td>
<td>Broaden existing understanding of women's entrepreneurship by focusing on less studied types of ventures and contexts - a social entrepreneurial venture in India.</td>
<td>Empowerment approach.</td>
<td>The empowerment elements are embedded in the business models of for-profit social entrepreneurial ventures. Women in a highly patriarchal society, such as India, can successfully engage in collective entrepreneurship as a means to achieve economic and social empowerment.</td>
<td></td>
</tr>
<tr>
<td>Meyskens and Carsrud (2013)</td>
<td>Applies the Resource based view (RBV) to nascent green-technology ventures to gain insights into how these ventures mobilise resources through different partnerships.</td>
<td>RBV approach.</td>
<td>Ventures with a greater breath of partners tend to access more heterogeneous resource bases. Both partnership diversity and resources lead to venture development; however, resource mobilisation does not mediate the partnership diversity-venture performance relationship.</td>
<td></td>
</tr>
<tr>
<td>Wilson and Post (2013)</td>
<td>Explore the missions and business models of social ventures that were for-profit hybrid ventures.</td>
<td>No theoretical approach stated.</td>
<td>Social and economic value need not be inconsistent or incompatible. Harnessing market dynamics to explicitly address deeply rooted social and environmental issues is the essence of the potential power of social business - as the nature of the social change is embedded in, and occurs as a result of, the core product or service.</td>
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**Lepoutre et al. (2013)**

Develop a methodology that enables the measurement of social entrepreneurship worldwide in a manner that is consistent with the different definitions.

No theoretical approach stated.  

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<th>Country</th>
<th>Methodology</th>
<th>Sample Size</th>
<th>Dataset</th>
<th>Findings</th>
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A dataset that will be of substantial relevance for the further development of the social entrepreneurship field is presented. Countries with higher rates of traditional entrepreneurship activity also tend to have higher rates of social entrepreneurial activity.

**Acs et al. (2013)**

Clarify the role of social entrepreneurship in relation to charity and philanthropy as creators of social value and the relationships among entrepreneurial forms in the creation of social value.

No theoretical approach stated.  

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Highly successful innovative ventures, the Microsoft corporation and Grameen Bank, have both had profound economic and social impacts on the world, even if those impacts derive from very different perspectives and motivations. Having a social goal is not necessary to be a social venture. The result is more important than the goal of social value creation. Thus, for-profits should also be considered part of social entrepreneurship.

*) One qualitative case study and a quantitative study with a sample of 183 entrepreneurs  
**) 6 cases and a quantitative study with a sample of 285 ventures  
***) One qualitative case study and a quantitative study with a sample of 202 ventures.
Appendix C. Information letter to the informants

To [The informant]

ACCORDING TO THE INTERVIEWS RELATED TO [THE PARTICULAR CASE]

Thank you for helping me with my PhD project at Nordland Research Institute in Bodø. According to The Data Protection Official for Research, I am obliged to provide information regarding the implementation and use of the interviews.

Description of the project

Related to my PhD Project at Nordland Research Institute in Bodø, I will examine the development of music festivals in Norway. The focus is on the enthusiasts within rural communities who mobilise resources in the rural community to develop a music festival that has a positive impact on the community. Thus, I want to study the cultural enthusiasts’ interactions with public authorities, volunteers, and businesses in different communities. I have chosen [The particular case] as a case in my project.

The goal of the project is to reveal factors that stimulate and hamper the development of these types of arrangements. I am interested in communicating this knowledge to politicians and policy makers. The results of the project will therefore be presented in several ways, such as at various seminars and conferences, in journal papers, and in a thesis.

Data collection

Related to the project, during a two to three year period, I will conduct several interviews with you as an enthusiast for [the particular case]. In addition, I will conduct interviews with central actors who influence the development of the festival. These persons will be revealed during the project period. Access to other types of written documentation is also highly interesting to increase the understanding of the start-up process of the festival.

Anonymity
Everything said in the interviews will be treated confidentially, as will information collected through other types of sources, such as e-mails. I have the responsibility of confidentiality, and no one will have access to the personal information appearing in the interviews or the e-mails. The information will only be used for research. Because of practical considerations, I want to record the interviews; however, I can transcribe the interview with pen and paper if you prefer. The record will be deleted when the research is completed. Because you have a central role in the local community, it will be impossible to keep your identity anonymous. You will therefore have an opportunity to read through the results before they are presented. The research is reported to The Data Projection Official for Research, Norwegian Social Science Data Services, and the research design is developed according to existing statutes and guidelines.

Participation in the research is voluntary, and you will have the opportunity to leave the research project at any time.

**Thank you for your help**

Best regards, Ingebjørg Vestrum