## EMBEDDING RESOURCES IN NEW SOCIAL BUSINESS VENTURES: A NETWORK INTERACTION APPROACH

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#### Abstract

The formation of social business ventures often occurs under conditions of significant resource and competence constraints, mainly when initiated by entrepreneurs with disabilities. These ventures challenge conventional entrepreneurial processes by relying on alternative mechanisms for mobilising and configuring resources. This paper investigates how resources interface during the emergence of a new social business venture developed within a using setting, where the entrepreneur acts primarily as a user of existing institutional and organisational arrangements. The study aims to examine how resource interaction processes enable the creation of a viable business venture in contexts characterised by limited initial endowments. Drawing on the Network Interaction Approach developed within the Industrial Marketing and Purchasing (IMP) tradition, the research employs a single-case study methodology, focusing on a social business venture founded by an entrepreneur with a disability. Data were collected through in-depth interviews, document analysis, and network mapping to trace the interaction patterns across market and non-market contexts. The findings reveal that the creation of the venture was not solely the result of individual agency but rather emerged through a complex web of resource reconfiguration and embedding processes involving public institutions, family networks, non-profit actors, and market-based relationships. Resource heterogeneity and institutional proximity were found to be crucial in enabling the transformation of dispersed resources into coherent combinations. The study concludes that social business emergence in using settings depends on the entrepreneur's capacity to activate and sustain inter-organisational relationships that compensate for structural constraints. By extending the application of the Network Interaction Approach to the field of social entrepreneurship, the paper offers theoretical insights into how ventures can be formed through networked resource mobilisation under conditions of adversity. It also provides implications for managerial practice and public policy, emphasising the importance of fostering supportive resource interfaces in the context of inclusive and socially oriented economic initiatives.

**Keywords**: Social enterprise; Social entrepreneurships; Business networks; Resource combining; Network Interaction Approach; New business ventures

Approach; New business venture **JEL Classification**: L31, L14, M13

#### 1. INTRODUCTION

The emergence of new ventures under conditions of constraint has become a subject of growing interest in both entrepreneurship and industrial network research. When entrepreneurial initiatives are initiated by individuals with disabilities, the complexity of venture formation increases, owing to the presence of not only resource scarcity but also institutional inertia, infrastructural barriers, and social stigma (López-Torres et al., 2024; Lytha et al., 2024). Within the literature on social entrepreneurship, such cases are often framed as exceptional or inspirational, yet the underlying processes through which actors mobilise and embed resources across organisational and institutional boundaries remain insufficiently examined (Mauksch & Dey, 2023; Sodhi & Dwivedi, 2024). In particular, the dynamic interplay between the entrepreneur's embeddedness in the using context and the configuration of supportive resource networks has received limited empirical attention.

In much of the entrepreneurship literature, venture creation is portrayed as a function of the entrepreneur's

ability to identify opportunities, mobilise resources, and execute strategies in line with market demands (West & Noel, 2009). Theories of opportunity recognition, entrepreneurial orientation, and resource-based views have dominated this field, often assuming that actors possess, or can access, the competences, legitimacy, and social capital necessary to act decisively (Choi & Chang, 2019). However, such assumptions are deeply problematic when applied to actors operating in fragile or marginalised settings, where the very conditions of action must be created through interaction rather than taken as given (López-Torres et al., 2024; Moses & Sharma, 2020). For individuals with disabilities, entrepreneurial engagement is not simply a matter of entering a market with a novel value proposition, but of constructing the social, material, and institutional conditions under which action becomes possible.

This paper investigates how a social business venture can emerge from within the using setting, defined not as a passive locus of consumption but as a generative site of problematisation, relational engagement, and innovation (Håkansson & Waluszewski, 2007; Cinti et al., 2024b). The

case study focuses on ALPHA a newly formed social enterprise created by a person with a motor disability, whose lived experience of mobility exclusion and infrastructural inaccessibility served as the starting point for business development. Rather than beginning with a well-formed solution or a market-driven opportunity, the case illustrates how new ventures may emerge through situated actor—resource interactions that unfold within a specific institutional and socio-material environment (Ciabuschi, Perna & Snehota, 2012; La Rocca & Snehota, 2021).

While mainstream accounts of entrepreneurship often prioritise formal capabilities—access to finance, management competence, strategic planning—this study foregrounds relational positioning and resource interaction as the primary mechanisms through which viability is constructed. In the case of ALPHA the entrepreneur did not begin with a clear product or business model but with an embodied experience of exclusion, which was gradually translated into collective experimentation, collaborative framing, and material adaptation. This perspective challenges the notion of entrepreneurship as a primarily individual or linear process, and instead draws attention to the socio-material configurations that enable entrepreneurial activity to take shape (La Rocca, Perna & Snehota, 2019).

To frame this phenomenon analytically, the study adopts the Network Interaction Approach (NIA), which extends the ARA model (Actors-Resources-Activities) by locating business development within and across three interdependent settings: Developing, Producing, and Using (Waluszewski & Håkansson, 2007; Cinti & Lillini, 2024). While previous studies in the Industrial Marketing and Purchasing (IMP) tradition have investigated how ventures gain position through relational work and supplier mobilisation, little is known about how the using setting can serve as a site for venture emergence, particularly when the focal actor inhabits the role of user, advocate, and entrepreneur simultaneously. While the NIA has been applied primarily to examine innovation dynamics across developing, producing, and policy settings, its conceptualisation of the using setting remains underexplored. This paper builds on the NIA not only as an analytical lens but as a theoretical framework to be extended. Specifically, it repositions the using setting as a productive and generative context—rather than a passive endpoint of innovation diffusion. By empirically tracing how a social business venture emerged from within the use context, the study contributes to the conceptual development of the NIA by foregrounding the role of embedded users in resource configuration, problem framing, and institutional adaptation.

The aim of this study is to explore how a differently abled person is able to mobilise and recombine heterogeneous resources—technical, institutional, relational—to enable the emergence of a viable new social business venture.

The guiding research question is: How do resource interactions shape the emergence of a new social business venture from a using setting?

By examining the case of ALPHA the paper addresses a dual gap in the literature: the limited understanding of entrepreneurship from within the use context, and the under-theorisation of disability as a productive node in resource interaction networks.

The remainder of the paper is structured as follows. Section 2 reviews the literature on entrepreneurship under constraint, social entrepreneurship and disability, and introduces the conceptual framing of the Network Interaction Approach. Section 3 outlines the research methodology and case selection logic. Section 4 presents the empirical findings, while Section 5 discusses the theoretical and practical implications. The conclusion offers final reflections and suggests avenues for further research.

#### 2. LITERATURE REVIEW

#### 2.1. Entrepreneurship under Constraints: Resources, Intentions, and Systemic Barriers

Entrepreneurship has long been recognised as a crucial driver of economic and social development, particularly in contexts where formal employment pathways are limited or inaccessible (López-Torres et al., 2024). However, when individuals with disabilities (IwDs) engage in entrepreneurial activities, their experiences diverge sharply from conventional trajectories. Challenges arise not merely from functional impairments, but from entrenched systemic conditions such as inaccessible infrastructure, inadequate training systems, financial exclusion, and social stigma (López-Torres et al., 2024; lytha et al., 2024). These barriers make resource mobilisation particularly fragile and contingent upon informal networks, civil society, and local institutions.

In such constrained contexts, entrepreneurial intention often emerges through adaptive interaction rather than pre-defined planning. Concepts such as effectuation and bricolage converge here: entrepreneurs act with what they have, creatively recombining peripheral resources and forming commitments through interaction, rather than relying on pre-existing structures or capital (Sarasvathy, 2001; Baker & Nelson, 2005; Di Domenico et al., 2010). This perspective highlights how adversity can become a productive context for venture formation, where resource mobilisation is incremental, distributed, and grounded in everyday relations rather than institutionalised channels (Sodhi & Dwivedi, 2024; lytha et al., 2024).

However, the link between intention and venture emergence remains theoretically underdeveloped, particularly in cases where systemic barriers must first be negotiated before resource activation becomes possible. As noted by Korsgaard, Berglund and Thrane (2021),

entrepreneurship under institutional constraints often entails an incremental shaping of legitimacy and viability through informal experimentation, boundary-crossing, and adaptive learning..

# 2.2. Social Entrepreneurship and Disability: Emerging Perspectives and Institutional Dynamics

Recent contributions in the field of social entrepreneurship have begun to reframe disability not as a deficit but as a potential source of innovation, leadership, and insight. Rather than treating people with disabilities as passive recipients of assistance, this literature positions them as active agents of change who reconfigure existing norms and expectations around value creation (Mauksch & Dey, 2023). This shift toward recognising entrepreneurial agency within the disability community is further supported by inclusive entrepreneurship frameworks, which highlight the importance of structural enablers—such as training, institutional mentorship, and collective organising—in fostering viable business initiatives (Butkevičienė & Lawton Smith, 2024).

Yet, even progressive strands of this literature risk reproducing the logic of exceptionality, where successful ventures are portrayed as rare cases of personal brilliance or resilience. This framing often overlooks the critical role of enabling institutions, intermediary actors, and resource infrastructures that support the relational emergence of such ventures. Moreover, while it is increasingly acknowledged that hybrid logics—balancing market viability with community orientation—shape the dynamics of social enterprise (Moses & Sharma, 2020), there remains a lack of insight into how this balancing act unfolds in settings where the entrepreneur is also a service user or beneficiary.

Educational institutions, particularly universities, are often cited as catalysts for inclusive entrepreneurship. They offer structured environments for training, mentoring, and network building. However, access to such environments is uneven, and their institutional logics often remain poorly adapted to the needs of entrepreneurs with disabilities. The interaction between personal motivation, institutional responsiveness, and social infrastructure remains critical for understanding how social businesses develop, especially when initiated from a position of perceived marginality.

This paper responds to these challenges by moving beyond deficit-based or hero-based narratives, focusing instead on the interactional and institutional processes through which a social business can take shape within a using setting. The case of ALPHA illustrates how institutional actors—such as local government officials, teachers, and health professionals—do not merely enable or block innovation but participate actively in configuring its boundaries and potentialities.

#### 3. RESEARCH DESIGN

Understanding how social business ventures emerge from within the using setting-particularly when initiated by individuals with disabilities—requires a methodological approach capable of capturing relational processes, institutional entanglements, and situated practices. Rather than assuming resource availability or entrepreneurial agency as given, this study investigates how resources are assembled, negotiated, and reconfigured across networked interfaces over time. To this end, a qualitative, single case study design was adopted, consistent with the interpretive orientation of the Industrial Marketing and Purchasing (IMP) tradition. This approach allows for an in-depth, temporally sensitive exploration of resource interaction and venture formation, while attending to the lived experience and embedded agency of the focal actor.

This study adopts an interpretive, network-oriented research design, grounded in the Network Interaction Approach (NIA), a development within the Industrial Marketing and Purchasing (IMP) research tradition. At its core, the NIA draws upon the Actors–Resources–Activities (ARA) model, which conceptualises innovation not as a linear sequence but as an emergent outcome of continuous interaction between heterogeneous elements (Håkansson & Waluszewski, 2007). This interaction unfolds within and across four interrelated settings: Policy, Developing, Producing, and Using (Waluszewski & Håkansson, 2007; Baraldi et al., 2012; La Rocca et al., 2021; Harrison et al., 2023; Cinti & Lillini, 2024).

While much of the existing literature has focused on the developing and producing settings, this paper turns attention to the using setting—a setting viewed by the traditional perspectives as the endpoint of innovation, where new solutions are adopted and assessed (Etzkowitz & Leydesdorff, 1998; Etzkowitz & Leydesdorff 2000; Carayannis & Cambell, 2009). According to IMP literature, this study shows that the using setting can also be a generative setting, where people who are directly involved can identify problems, bring resources together, and help shape new ways of organising.

This study explores how the embeddedness in the using setting grants entrepreneurs access to experiential knowledge, situated legitimacy, and institutional proximity—resources that are otherwise difficult to replicate. In particular, this occurs in the social entrepreneurship context, where the needs are more sensitive, but the resources are more constrained. The study is observed through a case of a focal entrepreneur—a person with a motor disability— who doesn't enter the venture formation process from outside, but rather from within the institutional and infrastructural network, which she has long navigated.

It further investigates whether tacit insights into systemic shortcomings and latent needs can serve as strategic capital, enabling entrepreneurs to mobilise collaborators, reframe institutional agendas, and initiate forms of alignment that extend beyond the scope of conventional venture creation.

Accordingly, the analytical focus of the study is on how resource interaction and embedding unfold across the DPU settings, with particular attention to the role of the using setting in catalysing innovation (Waluszewski et al., 2024). In line with IMP thinking, resource reconfiguration is not treated as a mechanical assembly of inputs, but as a relational, situated, and iterative process (Baraldi, 2003; La Rocca, Perna & Snehota, 2019). Value does not reside in discrete assets, but emerges in the interface between user needs, institutional arrangements, and networked experimentation.

Through this lens, the considered case is not analysed as a standalone social entrepreneurial event, but as a network configuration, one in which educators, civic officials, public institutions, technical collaborators, and informal social supports interact over time. The NIA provides the conceptual structure for unpacking this process, allowing the study to contribute both to scholarship on entrepreneurship under constraint, and to the theoretical development of the using setting within the IMP tradition.

#### 3.1. Research Methodology

This study investigates the formation of a social business venture initiated by a person with a motor disability in central Italy. The venture, ALPHA, focuses on urban accessibility and inclusive mobility. It was not launched through traditional entrepreneurial routes but emerged from within the everyday experiences of the founder as a long-time user of fragmented public services and mobility systems. Rather than entering an external market environment, the entrepreneur activated a dispersed network of educators, civil servants, designers, and community actors, unfolding how a venture can take shape through embedded interaction across technical and institutional boundaries.

#### Case Study Approach and Justification

A theoretical sampling strategy guided the case selection (Eisenhardt & Graebner, 2007), based on three key criteria: (1) the entrepreneur's embeddedness in the use setting as a service user and system critic, (2) the centrality of resource recombination across institutional and informal interfaces, and (3) the venture's positioning within a network of public, civic, and educational actors. Rather than seeking representativeness, the aim was to select a case that could enable deep insight into the interactional mechanisms that conventional frameworks tend to overlook.

The study adopts a single-case design because the focal case represents a revelatory setting that allows an indepth examination of resource embedding in social ventures under severe resource constraints. This context provides a unique opportunity to generate theoretical insights that would be difficult to capture through multiple cases (Yin, 2014; Siggelkow, 2007). While findings

are not statistically generalisable, they offer analytical generalisation by contributing to theory development and extending existing conceptual frameworks. To enhance methodological transparency, the coding process was conducted collaboratively by two researchers. After an initial round of open coding, discrepancies were discussed and resolved through iterative comparison, ensuring intercoder agreement and shared interpretation of emergent themes (Miles & Huberman, 1994).

#### Access, Reflexivity and Research Ethics

Access to the field was negotiated through the entrepreneurial team itself, which had existing relationships with public institutions and regional development platforms. The research benefited from the dual positioning of the entrepreneur: as both a policy interlocutor (involved in participatory governance tables) and as a member of a network of civic actors advocating for inclusion. This dual role granted the researcher entry into formal interviews, informal planning sessions, and local policy consultations.

A reflexive stance was adopted throughout the research process. Given the interpretive nature of the study and the proximity between researcher and participants, particular care was taken to acknowledge the researcher's influence on meaning-making and framing. Fieldnotes and memos were systematically used to track evolving interpretations and document the situated nature of knowledge production. Ethical approval was obtained through the host institution, and all participants provided informed consent prior to interviews or inclusion in observational sessions.

#### Data Collection

Primary data were collected between February 2024 and February 2025 through a combination of methods. A total of 28 actors were interviewed. A series of 15 semi-structured interviews was conducted with the main actors of Focal Firm ALPHA (see Table n. 1, pg. 6), while other key actors, within policy, developing, producing and using setting, such as municipal officials, educational facilitators, and civil society representatives, were engaged through thematic panels (e.g., Local Development Round Table, Community Welfare Round Table, and Young and Future Round Table, see Appendix).

Additional data were gathered through participant observation during workshops, co-design labs, and public presentations involving the venture and its institutional counterparts. Secondary data, such as document analysis, including project materials, local policy documents, and communication plans, were collected. This triangulated approach ensured both breadth and depth in capturing the distributed and relational nature of resource mobilisation. The semi-structured interviews facilitated the emergence of narrative accounts and situated forms of knowledge, while participant observation offered insight into implicit dynamics, informal practices, and institutional responsiveness in real time (Patton, 2014).

Supplementary materials—such as internal slide decks, public statements, and working documents—were used to corroborate and contextualise the interactional sequences described by the participants.

#### Data Analysis

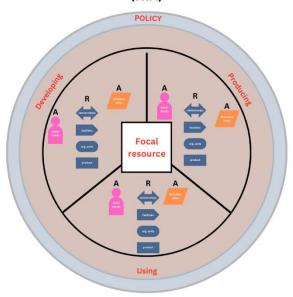
Data analysis followed an abductive logic, using the systematic combining approach (Dubois & Gadde, 2002). This involved moving iteratively between empirical material and theoretical constructs, allowing both data and framework to evolve during the process. The NIA model (Cinti & Lillini, 2024) served as initial sensitising concepts, particularly for tracing how actors, resources, and activities became interlinked over time and across settings.

The analysis unfolded in two coding cycles. In the first, descriptive codes were assigned to raw data to identify Figure 1. | Conceptual Framework

categories such as "institutional access," "trust-building," "resource adaptation," and "problem framing." In the second cycle, pattern codes were used to trace how these categories clustered and interacted across empirical episodes. Thematic patterns such as situated legitimacy, distributed mobilisation, and institutional responsiveness were identified and linked to the theoretical framework.

Throughout the analysis, particular attention was paid to *how* resources became embedded, not only through formal agreements but through repeated, situated interaction across technical, social, and institutional interfaces. The resulting interpretive structure informed both the findings and the discussion of their implications for theory and practice.

### Network Interaction Approach (NIA)



Source: authors' elaboration based on Cinti et al. 2024

#### 4. RESEARCH FINDINGS

The emergence of ALPHA did not follow a linear sequence of opportunity identification, planning, and resource mobilisation. Instead, the venture unfolded through networked interaction, situated experimentation, and recombinatory resource work—all of which were embedded in the founder's lived experience as a user of constrained systems. This section presents the key empirical patterns identified in the case, structured around three themes: relational legitimacy, resource reconfiguration, and collective learning across boundaries (see Table 1). The entrepreneur's position as a user of public services and infrastructures, rather than as a recognised economic actor, initially placed her outside traditional venture support channels. Yet this very embeddedness created situated relational legitimacy. Through repeated interactions with teachers, civil

servants, and disability advocates, the founder came to be recognised not simply as a beneficiary, but as someone who could articulate system-level breakdowns and mobilise collective concern. One vignette illustrates this well. During the panel of the Local Development round table, the founder did not present a business plan but described the emotional and logistical implications of navigating the city with limited mobility. Rather than framing this as a personal complaint, she reframed it as a design problem and invited others to reflect on their institutional role in reproducing or transforming exclusion. This intervention, according to one municipal official interviewed, "changed the tone of the whole discussion — she wasn't asking for help, she was inviting us to rethink the way we work." Through such interactions, informal bonds with school leaders, IT specialists, and urban planners evolved into relational bridges, enabling cross-domain collaboration. Her legitimacy was not conferred from above, but enacted in practice through narrative, persistence, and resonance.

The venture did not begin with access to structured resources—no funding, no incubator, no technical team. Instead, the founding phase consisted of assembling a provisional architecture from disparate and often peripheral assets. For example, a digital mapping tool developed for tourists was adapted into a prototype for accessibility monitoring; a teacher's project on civic engagement became a channel for co-designing urban path audits; and a public sector mobility report was repurposed as baseline data. This reconfiguration was possible not because the entrepreneur controlled these resources, but because she was able to create relational contexts in which their value could be recombined. Each

asset became relevant not on its own, but through its alignment with others—a process that required constant translation, mediation, and negotiation. One technical partner described the early phase as "messy but exciting - everyone brought their own piece, and we kept reshaping the puzzle." The venture's technical backbone emerged through iterative alignments, facilitated by the founder's ability to hold the problem space together and keep collaborators engaged, even when formal commitments were lacking. This highlights a key insight: resource value in the using setting is not given, but enacted through social interaction and contextual adaptation. The process is not only distributed but fundamentally interdependent—no actor holds the full solution, yet each becomes indispensable to its gradual assembly.

Table 1 | Thematic Abductive Analysis – ALPHA Case

Themes	Codes	Illustrative Quotes	Social Entrepreneurship Theory Observed	Implications
Situated Legitimacy	Trust-building; Framing exclusion as shared concern	"She wasn't asking for help, she was inviting us to rethink the way we work." (Municipal official, 05/02/2024)	Embedded legitimacy as alternative to formal credentials (Di Domenico et al., 2010)	Legitimacy can be enacted through embedded engagement, not just institutional recognition.
Resource Recombination	Provisional asset assembly; Tool adaptation	"Everyone brought their own piece, and we kept reshaping the puzzle." (IT Collaborator, 20/02/2024)	Bricolage and effectuation in constrained environments (Baker & Nelson, 2005; Sarasvathy, 2001)	Innovation under constraint depends on translating and combining peripheral resources.
Institutional Responsiveness	Programmatic adjustment; Role reframing	"At first I thought we were just helping her—then I realised she was helping us see something missing in our own programmes." (Education Authority, 13/04/2024)	Institutional plasticity and mutual learning (Korsgaard et al., 2021)	Institutions evolve through sustained user interaction, not just formal policy.
Boundary-Spanning Agency	Relational alignment; Network interface	"She held the space together—people didn't drop out because she kept it relevant for each of us." (Civic Technologist, 12/02/2024)	Relational agency and collaborative navigation of uncertainty (Sarasvathy, 2001; Di Domenico et al., 2010)	Entrepreneurship as collective interface work expands the view of agency in social ventures.

A striking dimension of the case is how *institutional actors* themselves changed over time through their engagement with the venture. What began as occasional support evolved into deeper forms of alignment, co-design, and policy experimentation. This responsiveness was not automatic but emerged from repeated interaction, cumulative learning, and re-framing of roles. For instance, a staff member from the local education office initially treated the initiative as a typical social project but later became an active facilitator of inter-school collaboration. "At first I thought we were just helping her," they said. "Then I realised she was helping us see something we were missing in our own programmes."

Such shifts reflect not only a change in attitude but in activity structure: co-organising events, facilitating feedback loops, and adjusting internal funding

mechanisms to accommodate the venture's evolving needs. These forms of *institutional plasticity* became crucial to embedding the venture within a wider governance network (see Table 2).

The entrepreneur's embeddedness in the using setting enabled her to act as a *boundary interface*, translating user knowledge into institutional terms and, conversely, shaping user expectations through collaborative framing. This mutual adaptation created a shared zone of experimentation, in which new organisational forms could take root—not through top-down implementation, but through negotiated relational work.

Table 2 | NIA Analysis - ALPHA Case

NIA	Actors	Resources	Activities	Themes Emerged by Thematic Analysis	Insights and Implications
Policy	Municipal officials, education authorities, regional policymakers	Local funding schemes, inclusion mandates, governance frameworks	Agenda setting, table participation, role redefinition	Institutional Responsiveness	Institutions can evolve their roles and procedures through embedded interaction with users.
Developing	Teachers, co-design facilitators, civic technologists	Curricula, participatory design tools, classroom projects	Co-design sessions, civic education labs, needs articulation	Resource Recombination	Resource integration in early- stage ventures is mediated by pedagogical and social framing.
Producing	IT developers, urban planners, digital mapping advisors	Digital infrastructure, technical expertise, civic data tools	Prototype adaptation, spatial audits, digital tool development	Resource Recombination, Boundary- Spanning Agency	Technical development is catalysed by interprofessional dialogue and problem-driven improvisation.
Using	Entrepreneur, accessibility auditors, local citizens	Tacit knowledge, situated legitimacy, mobility data	User storytelling, public interventions, informal coordination	Situated Legitimacy, Boundary- Spanning Agency	Embedded actors act as relational interfaces, creating legitimacy and coherence in emergent configurations.

Table 3 | Practical Implications

Stakeholder group	Key Insight	Practical Implication		
Policy makers	Institutional responsiveness emerges through iterative interaction with users, not top-down programmes.	Design flexible funding schemes and adaptive governance mechanisms that allow ventures to shape and co-steer implementation.		
Managers/ Practitioners	Embedded users enact legitimacy through lived experience and relational work.	Recognise and leverage user-embedded legitimacy as a strategic resource in collaborative projects.		
Educators/ Intermediaries	Entrepreneurship unfolds through relational agency rather than individual heroism.	Integrate relational and boundary-spanning practices into entrepreneurship education and support programmes.		

Source: Author's

The findings reveal how situated legitimacy, resource recombination, institutional responsiveness, and boundary-spanning agency are not only analytical categories but also actionable levers for policy, management, and education. To make these practical implications more accessible and applicable, Table 3 translates the main findings into concrete areas of intervention. These implications highlight how actors across policy, management, and education can play active roles in enabling inclusive entrepreneurial processes emerging from within using settings.

#### 5. DISCUSSION

The case of ALPHA provides a processual account of how a social business venture can emerge not from the periphery of a market opportunity but from deep within a setting of use, through interaction, situated legitimacy, and institutional responsiveness (Håkansson & Waluszewski, 2007; Cinti & Lillini, 2024). The findings

show that venture formation in such constrained environments is less about seizing a gap and more about holding open a problem space long enough for resources to be recombined and actors to realign. This section discusses how these findings address the research question—How do resource interactions shape the emergence of a new social business venture from a using setting?—and reflects on their implications for theory and practice. Traditionally, the using setting has been treated as the space where innovations are evaluated, accepted, or rejected-typically positioned at the endpoint of development processes (Etzkowitz & Leydesdorff, 2000; Carayannis & Campbell, 2009). In this study, however, the using setting is shown to function as a generative infrastructure for resource interaction. entrepreneur's position within this setting enabled access to problem framings, latent needs, and relational touchpoints that were not externally observable. The embeddedness allowed the focal entrepreneur to act

simultaneously as user, organiser, and interpreter, mobilising action through configuration.

This redefinition of the using setting empirically confirms the NIA model by highlighting that value can emerge in interaction between settings from the using one, and not only be delivered to it (Cinti & Lillini, 2024; Waluszewski et al., 2024). Rather than focusing on transfer mechanisms between producers and users, the findings suggest that innovation and venture emergence can originate within a network of use through embodied experience, situated legitimacy, and collective experimentation (Cinti et al., 2024). The case challenges the dominant entrepreneurship literature, which emphasises resource acquisition as a key threshold in venture formation. Instead of beginning with resource possession, ALPHA emerged through a process of relational assembly, where peripheral distributed and elements recontextualised into functional alignments. This confirms a central tenet of the IMP perspective: resource value is not intrinsic, but enacted through interaction (Baraldi et al., 2012). It also reinforces the idea that actors do not act alone, but within webs of interdependence where coordination, trust, and responsiveness are constitutive of viability (Halinen & Törnroos, 2005).

This finding contributes to the literature on entrepreneurship under constraint by showing that scarcity is not only a limitation, but a condition that requires interactional labour-reinterpreting what is available, negotiating mutual commitment, and holding space for joint development (Baker & Nelson, 2005; Korsgaard, Berglund & Thrane, 2021). It also highlights how resource recombination in the using setting is accelerated by temporal and emotional proximity to the problem, making iterative testing and framing more fluid than in classical new venture contexts. The role of institutional actors in the case was not static. Instead of merely enabling or obstructing the venture, institutions themselves evolved, learning to respond, co-develop, and experiment with new forms of engagement. This dynamic confirms the processual character of institutional work in networked settings (La Rocca et al., 2021; Harrison et al., 2023). Rather than relying on policy incentives or formalised support schemes alone, the emergence of ALPHA was made possible through informal commitments, narrative alignment, gradual adjustment of programme logics.

This suggests that public institutions can become active participants in innovation not simply by funding or regulating, but by reorganising their own routines and expectations, as policy setting (Mauksch & Dey, 2023; Di Domenico, Haugh & Tracey, 2010; Cinti & Lillini, 2024). The venture thus served not only as a recipient of institutional support but as a catalyst for institutional reflexivity. This finding expands the understanding of innovation in B2B, new social business ventures and policy networks by showing how mutual learning and adaptation occur in boundary spaces, often facilitated by actors embedded within use.

Finally, the case problematises conventional understandings of entrepreneurial agency (Butkevičienė & Lawton Smith, 2024). The founder of ALPHA did not act as a solo innovator with a vision and resources to match. Instead, she functioned as a network interface, activating and coordinating a heterogeneous array of actors, each contributing under conditions of uncertainty, informality, and partial commitment. Her legitimacy was not drawn from credentials or investment but from continuous interaction, embeddedness, and trust. This reframing suggests that entrepreneurial agency in constrained environments should be seen as relational agency—the ability to attract, connect, and maintain interaction among actors who would not otherwise collaborate. This agency is exercised not through domination or persuasion, but through presence, iteration, and the capacity to make problems visible and actionable to others.

#### 6. CONCLUSION

This paper has examined how a social business venture may emerge from within a using setting, through relational processes of resource interaction, institutional negotiation, and situated legitimacy. Drawing on the Network Interaction Approach (NIA) within the Industrial Marketing and Purchasing (IMP) tradition, the study has illuminated the distributed, negotiated, and experimental character of venture formation under conditions of constraint. The case of ALPHA unfolds that innovation need not originate from R&D labs or incubators, but can instead arise within a network —through lived friction, situated knowledge, and persistent interaction (Håkansson & Waluszewski, 2007; Baraldi et al., 2012; La Rocca et al., 2021).

The study makes three key theoretical contributions. First, it reinterprets the *using setting* as an amenable generative infrastructure. While traditionally viewed as the endpoint of innovation diffusion—where solutions are merely adopted and assessed (Etzkowitz & Leydesdorff, 1998; Carayannis & Campbell, 2009)—the using setting is shown here to be a space of articulation, where problems are framed, peripheral assets mobilised, and institutional routines reshaped.

Second, the study contributes to a reframing of entrepreneurial agency (Butkevičienė & Lawton Smith, 2024). Rather than portraying the entrepreneur as a self-contained, foresighted actor, the analysis foregrounds embedded agency—a form of action constituted through situated positioning, relational alignment, and the capacity to enrol others across domains (La Rocca, Perna & Snehota, 2019). This resonates with recent research on entrepreneurship under constraint, which highlights how marginalised entrepreneurs often rely on bricolage, recombination, and informal networks to construct viable paths forward (Sarasvathy, 2001; Korsgaard, Berglund & Thrane, 2021; Baker & Nelson, 2005). The study underscores that embeddedness in the using setting can

provide access to experiential knowledge, situated legitimacy, and institutional proximity—resources that are rarely available through conventional venture pathways. The findings show how tacit insights into systemic shortcomings and latent needs can become strategic capital, enabling entrepreneurs to mobilise collaborators, reframe institutional agendas, and foster new alignments that extend beyond standard models of venture creation.

Third, the findings advance understanding of *institutional* co-evolution and plasticity (Mauksch & Dey, 2023; Di Domenico, Haugh & Tracey, 2010). While institutions are often treated as static enablers or constraints, the case shows how they may transform through sustained interaction with embedded actors. Public officials and educators who initially approached the venture as a charitable initiative gradually adjusted their expectations, procedures, and resource flows, moving from episodic support to long-term collaboration. This aligns with research on inclusive and engaged forms of social entrepreneurship, in which institutions are not external backdrops but active participants in reshaping roles, expectations, and norms (Mauksch & Dey, 2023; Di Domenico, Haugh & Tracey, 2010).

From a managerial perspective, these insights suggest that supporting marginalised entrepreneurs involves more than individual capacity-building. It requires attention to the relational fields in which ventures are formed. This includes fostering trust-based interfaces, enabling collaborative project spaces, and legitimising non-traditional resource configurations. Value, in this context, does not reside in discrete assets or actors alone, but in the interfaces where meanings, materials, and expectations are aligned through use (Baraldi et al., 2011).

From a policy perspective, the study calls for a shift in programme logic. Public interventions should move beyond rigid funding cycles and predefined eligibility metrics, and instead support hybrid environments that enable experimentation across organisational and disciplinary boundaries (Cinti & Lillini, 2024; Waluszewski et al., 2024). The case of ALPHA shows that when institutions engage not only as funders or regulators but as relational counterparts in problem framing and solution-building, new pathways for inclusive innovation can emerge.

In sum, this paper contributes to a rethinking of innovation and new social business ventures as an embedded, interactive process shaped by uneven access, systemic friction, and negotiated alignment. It opens analytical space for studying venture formation not from the centre but from the margins, where the capacity to act must be constructed through relational work, rather than assumed as a precondition.

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#### **APPENDIX: PRIMARY DATA COLLECTION – ALPHA CASE**

#	Role	Modality	Duration (min)	Date	Notes
1	Entrepreneur (ALPHA)	Semi-structured Interview	60	05/02/2024	Focus on lived experience and venture origin
2	Educator	Semi-structured Interview	50	08/02/2024	Classroom projects on accessibility
3	Civic Technologist	Semi-structured Interview	55	12/02/2024	Technical framing and civic data usage
4	Urban Planner	Semi-structured Interview	45	16/02/2024	Walkability audits and urban integration
5	IT Collaborator	Semi-structured Interview	50	20/02/2024	Early prototype development
6	Co-design Facilitator	Semi-structured Interview	60	23/02/2024	Co-design of inclusive routes
7	Health Policy Officer	Semi-structured Interview	55	01/03/2024	Healthcare access and equity framing
8	NGO Trainer	Semi-structured Interview	60	05/03/2024	Civic training and social impact
9	Public School Leader	Semi-structured Interview	45	08/03/2024	Linking school events to urban trials
10	Youth Coordinator	Semi-structured Interview	50	12/03/2024	Engagement of youth in participatory design
11	Local Development Consultant	Semi-structured Interview	50	15/03/2024	Consultation on local trial feedback
12	Regional Policy Maker	Semi-structured Interview	55	19/03/2024	Policy adaptation and scalability insights
13	Inclusion Specialist	Semi-structured Interview	60	22/03/2024	Role in reshaping inclusion narratives
14	Digital Mapping Advisor	Semi-structured Interview	50	26/03/2024	Expertise on data collection and user flows
15	Accessibility Auditor	Semi-structured Interview	60	29/03/2024	Auditing physical barriers and system gaps
16	Municipal Official	Panel Discussion	90	03/04/2024	Inclusive mobility planning and implementation
17	Disability Advocate	Panel Discussion	90	06/04/2024	Reframing systemic exclusion in public services
18	Mobility Manager	Panel Discussion	90	10/04/2024	City-level resource coordination and timelines
19	Education Authority	Panel Discussion	90	13/04/2024	Educational programming and accessibility
20	Social Policy Analyst	Panel Discussion	90	17/04/2024	Social policy responsiveness to disability
21	Citizen Representative	Panel Discussion	90	20/04/2024	User narrative integration into planning
22	Urban Inclusion Officer	Panel Discussion	90	24/04/2024	Embedding inclusion into civic infrastructure
23	Digital Services Manager	Panel Discussion	90	27/04/2024	Smart city services and participatory data
24	Transportation Policy Head	Panel Discussion	90	30/04/2024	Strategic review of mobility programmes
25	Public Health Officer	Panel Discussion	90	04/05/2024	Cross-sector coordination and social needs
26	Cultural Engagement Coordinator	Panel Discussion	90	07/05/2024	Mobilisation of cultural institutions
27	Community Project Leader	Panel Discussion	90	11/05/2024	Neighbourhood-level action and engagement
28	Infrastructure Strategist	Panel Discussion	90	14/05/2024	