Sustainability-driven Entrepreneurship as a contributor to socio-economic transitions to sustainability

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Socio-ecological transitions require changes in the business sector. Economists tend to focus on regulatory options for greener and fairer business environments, while firms are expected to exhibit profit-maximizing behaviour. In recent years, an increasing number of enterprises were started with sustainability as their primary goal. These sustainability-driven enterprises (SuEs) still need to survive economically, yet profit becomes a means for achieving sustainability rather than an end in itself. As such, SuEs integrate economic, social and environmental dimensions of conducting business. This includes their holistic ethical motives (Dunham, 2010); acting as agents for sustainability education (Rodgers, 2010); reasoning processes within organisational design (Parrish, 2010); and the role of social contexts (Clifford and Dixon, 2006).

As a result, sustainability can be said not only to take shape in products and services and in organizational forms, but also in business models, culture and networks SuEs embody. In a narrow sense, SuEs can then be understood as innovative start-ups or spin-offs that supply environmentally and socially beneficial products and services with the potential to conquer a large part of the market. However, SuEs as a concept does not limit itself to the creation of a sustainable culture of goods and services but also represents agents of change and emancipation that challenge unsustainable institutional structures.

So far, SuEs have established themselves only within niches. However, SuEs do not act in isolation. For a move beyond the niche, structures need to actively support the creation of all dimensions of wealth and wellbeing, including a shift to a much broader definition of wealth creation. Enabling conditions include the creation of ‘value articulating institutions’ for sustainability (Jacobs, 1997; Vatn, 2009) and acknowledgment of diverse knowledge for greening the economy (Seyfang and Smith, 2007). In regards to policy support for entrepreneurial activity, supporting SuEs may challenge the traditional process of starting up new ventures and how they are aligned to common resources, networks, places and different stakeholders.

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From a theoretical perspective, we are interested in understanding the co-evolutionary mechanisms of translations between innovative niches and the incumbent, current regime (Smith, 2007). Based on 15 company cases, plus supplementary data collected in 2 educational institutions and 5 regulatory institutions, our project analyzes the diffusion of sustainability-driven entrepreneurship from a multi-level perspective in the Vienna-Bratislava region. Our research includes the investigation of firm practices as well as an exploration of the supporting institutional scenery to enable a better understanding of challenges and success factors of SuEs and their diffusion into the regional economy.

The paper addresses the following:

- How can sustainability-driven entrepreneurs and their networks contribute to socio-economic transitions to sustainability?
- Which structural factors are currently hindering successful sustainability-driven entrepreneurs from widening their influence in the Vienna-Bratislava region?
- Which measures could support sustainability-driven entrepreneurs and therefore enhance the mainstreaming of sustainable products and services in the Vienna-Bratislava region?