



## **Entrepreneurial Apparel Design, Development and Production: An Embedded Socio-Economic Process**

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**Statement of the Problem.** Individuals who launch entrepreneurial apparel design, development, and production businesses often experience start-up difficulties associated with resource availability and constraints, as well as incomplete knowledge and perceptions of opportunities in the apparel industry. We examine the concept of embeddedness as a mechanism for accessing resources and for addressing information gaps. This empirical research uses Giddens' (1979) theory of structuration to investigate the conception of entrepreneurship, involved in regional apparel design, development, and production, as an embedded socio-economic process. Application of structuration enables exploration of the link between entrepreneurship (as agent) and the context (as structure); thus, allowing study of how social structures affect or encourage entrepreneurial activity. Qualitative methodology was employed because our objectives were to explore and understand the relationships acquired rather than to measure. Drawing evidence from a longitudinal study of three regional supporting structures and their impact on three entrepreneurial apparel design, development, and production businesses, this paper presents an initial investigation into embeddedness over time.

**Related Literature and Research Questions.** Embeddedness, concerning an individual's ties within an environment, has been highlighted as impacting the general business process. Uzzi's (1997) work has addressed embeddedness in better dress apparel firms within the context of New York City's manufacturing industry. Previous findings indicate that knowledge and resources gained through being embedded often compensated for environmental constraints (Arenius & De Clercq, 2005). Study of entrepreneurs has found that embeddedness affects the shaping and sustaining of business (Jack & Anderson, 2002). We address the following research questions:

RQ1 How are relationships acquired and embedded among business entities?

RQ2 How does the context of social embeddedness sustain the entrepreneurial process?

To address the research questions, three regional supporting entities were examined as providing structural scaffolding enabling varying types and degrees of linkages. They included the following: 1) an annual state-wide meeting for advancing of regional apparel design, development, and production comprised of successful and experienced businesses ranging from small to international in scope; 2) a long-existing, large-scale formal cooperative providing technical assistance to rural and urban efforts in launching and sustaining business ventures; and 3) a non-profit network organized to link individual apparel design, development and production businesses in advancing education, cooperation, and to strengthen the economic and social value

of entrepreneurial businesses. The entrepreneurial apparel design, development, and production businesses involved three rural community apparel cut and sew centers located across the state region. All three cut and sew centers were supported by investors from within their communities with varying degrees of social and economic backing. The first center was established by three partners as a social enterprise dedicated to re-structuring U.S. manufacturing through creation of dignified jobs. The second center was established by ten local couples to generate jobs in the community, and specialized in knitted goods. Over time, the center manager assumed ownership of the business from these investors. The third center was established by a single investor, as a successful owner of several types of local businesses, and specialized in woven goods. All three centers interacted with the three previously described regional entities, and to varying degrees with each other. Participants included leaders from the regional entities and the entrepreneurs.

**Methods.** Ethnographic techniques were employed, including triangulation, to study apparel development and production entrepreneurs in a regional context. Data collection was conducted over a four year period with participants interviewed a minimum of two times. Open interviews explored the development and effect of embeddedness and the development of the businesses. Analysis of data used a constant comparative method, seeking explanatory themes from the respondents' account of their particular understanding of the process and structure. These techniques provided exploration as to the relationships between embeddedness and the entrepreneurial process. We also gathered rich information through observation of interactions over time and first-hand accounts of entrepreneurs' businesses history. While the entrepreneurs, both as supporting entities and as individual firms, are not representative of the entrepreneurial universe, they do provide useful data for reaching an understanding of the 'how' questions.

**Implications and Future Research.** This National Science Foundation funded research highlights that the entrepreneurial process cannot be examined in the purely isolated economic sense. The structure process is sustained by, and anchored in, a social context. Entrepreneurs were embedded in the evolving structure (RQ1). There was no common route or mechanism for embedding as entrepreneurs became embedded in different ways and at different levels (RQ1). Embedding created opportunities fitting the specific needs of the regional apparel product design, development and production process (RQ2). Social embeddedness involved understanding of the regional apparel production structure, in both present and future forms, thus creating or strengthening ties, and sustaining both the link and the structure (RQ2). This process generated credibility and acquisition of new knowledge regarding how business is directed as part of the larger apparel industry.

The contribution of our research lies in its longitudinal value-gathering across multiple entities involved in the apparel design, development and production entrepreneurial processes. Though non-generalizable, it illustrates an initial understanding of how these businesses embed in social– economic roles.

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