

# NECESSITY ENTREPRENEURSHIP

Not only provides new and compelling conceptual frameworks from a variety of perspectives, including institutional, communal and cognitive notions, but also new holistic ways of viewing necessity combined with innovative methods.

—*John C Dencker, D'Amore-McKim School of Business, Northeastern University*

I am convinced that the intriguing set of articles published in this volume will inspire many scholars to take up research on necessity entrepreneurship!

—*Marc Gruber, EPFL*

This volume offers scholars a new set of theoretical and methodological tools to advance our shared understanding of a complex and growing global phenomenon.

—*Jill Purdy, University of Washington, Tacoma*

[...] a great group of international scholars, who provide fascinating evidence on how to theorize, study, narrate and visualize necessity entrepreneurship.

—*Friederike Welter, Institut für Mittelstandsforschung Bonn and University of Siegen*

Necessity entrepreneurship is broadly understood as the identifying and seizing of business opportunities to address basic needs such as food and shelter. This volume proposes new ways of seeing, theorizing, and researching necessity entrepreneurship.

Scholars from across the management field expand our collective understanding, presenting necessity entrepreneurship not just as an economic process but as a cluster of cognitive, communal, and institutional processes aimed at coping with various dimensions of necessity. Challenging and revising foundational assumptions underlying prior necessity entrepreneurship research, chapters unpack necessity entrepreneurs' inhabited cognitive processes, highlighting community-level insights on necessity entrepreneurship beyond the individual-level perspective that still dominates many necessity entrepreneurship studies.

This volume showcases novel theoretical frameworks and methodological approaches, ranging from quantitative measurement through artificial intelligence-based methods of visualization to qualitative-interpretative accounts, preparing the next stage of necessity entrepreneurship studies.

—*Sophie Bacq,*  
**Professor of Social Entrepreneurship and Coca-Cola Foundation Chair in Sustainable Development at IMD, Switzerland.**

—*Katrin M. Smolka,*  
**Associate Professor of Entrepreneurship and Innovation at Warwick Business School, University of Warwick, UK.**

—*Angelique F. Slade Shantz,*  
**Associate Professor of Strategy, Entrepreneurship and Management, University of Alberta, Canada.**

—*Pursey P.M.A.R. Heugens,*  
**Professor of Organization Theory at the Rotterdam School of Management, Erasmus University, The Netherlands.**

# RESEARCH IN THE SOCIOLOGY OF ORGANIZATIONS

Series Editor: Michael Lounsbury

Recent Volumes:

- Volume 62: Thinking Infrastructures
- Volume 63: The Contested Moralities of Markets
- Volume 64: Managing Inter-organizational Collaborations: Process Views
- Volume 65A: Microfoundations of Institutions
- Volume 65B: Microfoundations of Institutions
- Volume 66: Theorizing the Sharing Economy: Variety and Trajectories of New Forms of Organizing
- Volume 67: Tensions and Paradoxes in Temporary Organizing
- Volume 68: Macrofoundations: Exploring the Institutionally Situated Nature of Activity
- Volume 69: Organizational Hybridity: Perspectives, Processes, Promises
- Volume 70: On Practice and Institution: Theorizing the Interface
- Volume 71: On Practice and Institution: New Empirical Directions
- Volume 72: Organizational Imaginaries: Tempering Capitalism and Tending to Communities Through Cooperatives and Collectivist Democracy
- Volume 73A: Interdisciplinary Dialogues on Organizational Paradox: Learning from Belief and Science
- Volume 73B: Interdisciplinary Dialogues on Organizational Paradox: Investigating Social Structures and Human Expression
- Volume 74: Worlds of Rankings
- Volume 75: Organizing Creativity in the Innovation Journey
- Volume 76: Carnegie Goes to California: Advancing and Celebrating the Work of James G. March
- Volume 77: The Generation, Recognition and Legitimation of Novelty
- Volume 78: The Corporation: Rethinking the Iconic Form of Business Organization
- Volume 79: Organizing for Societal Grand Challenges
- Volume 80: Advances in Cultural Entrepreneurship
- Volume 81: Entrepreneurialism and Society: New Theoretical Perspectives
- Volume 82: Entrepreneurialism and Society: Consequences and Meanings
- Volume 83: Digital Transformation and Institutional Theory
- Volume 84: Organizational Wrongdoing as the “Foundational” Grand Challenge: Definitions and Antecedents
- Volume 85: Organizational Wrongdoing as the “Foundational” Grand Challenge: Consequences and Impact
- Volume 86: University Collegiality and the Erosion of Faculty Authority
- Volume 87: Revitalizing Collegiality: Restoring Faculty Authority in Universities
- Volume 88: Routine Dynamics: Organizing in a World in Flux
- Volume 89: Defining Web3: A Guide to the New Cultural Economy
- Volume 90: Sociological Thinking in Contemporary Organizational Scholarship
- Volume 91: Spaces for Creativity and Innovation Within and Across Organizational Boundaries

# RESEARCH IN THE SOCIOLOGY OF ORGANIZATIONS ADVISORY BOARD

## Series Editor

Michael Lounsbury  
*University of Alberta, Canada*

## RSO Advisory Board

Howard E. Aldrich, *University of North Carolina, USA*  
Shaz Ansari, *Cambridge University, UK*  
Silvia Dorado Banacloche, *University of Massachusetts Boston, USA*  
Christine Beckman, *University of Southern California, USA*  
Marya Besharov, *Oxford University, UK*  
Eva Boxenbaum, *Copenhagen Business School, Denmark*  
Ed Carberry, *University of Massachusetts Boston, USA*  
Lisa Cohen, *McGill University, Canada*  
Jeannette Colyvas, *Northwestern University, USA*  
Erica Coslor, *University of Melbourne, Australia*  
Gerald F. Davis, *University of Michigan, USA*  
Rich Dejordy, *California State University, USA*  
Rodolphe Durand, *HEC Paris, France*  
Robert Eberhart, *University of San Diego, USA*  
Fabrizio Ferraro, *IESE Business School, Spain*  
Peer Fiss, *University of Southern California, USA*  
Mary Ann Glynn, *Boston College, USA*  
Nina Granqvist, *Aalto University School of Business, Finland*  
Stine Grodal, *Northeastern University, USA*  
Markus A. Hoellerer, *University of New South Wales, Australia*  
Ruthanne Huising, *emlyon business school, France*  
Candace Jones, *University of Edinburgh, UK*  
Sarah Kaplan, *University of Toronto, Canada*  
Brayden G. King, *Northwestern University, USA*  
Matthew S. Kraatz, *University of Illinois at Urbana-Champaign, USA*  
Tom Lawrence, *Oxford University, UK*  
Xiaowei Rose Luo, *Insead, France*  
Johanna Mair, *Hertie School, Germany*  
Christopher Marquis, *Cambridge University, UK*  
Renate Meyer, *Vienna University, Austria*  
William Ocasio, *University of Illinois at Urbana-Champaign, USA*  
Nelson Phillips, *University of California, Santa Barbara, USA*  
Prateek Raj, *Indian Institute of Management Bangalore, India*  
Marc Schneiberg, *Reed College, USA*  
Marc-David Seidel, *University of British Columbia, Canada*

Paul Spee, *University of Queensland, Australia*  
Paul Tracey, *Cambridge University, UK*  
Kerstin Sahlin, *Uppsala University, Sweden*  
Sarah Soule, *Stanford University, USA*  
Eero Vaara, *University of Oxford, UK*  
Marc Ventresca, *University of Oxford, UK*  
Maxim Voronov, *York University, Canada*  
Filippo Carlo Wezel, *USI Lugano, Switzerland*  
Melissa Wooten, *Rutgers University, USA*  
April Wright, *University of Warwick, UK*  
Meng Zhao, *Nanyang Business School & Renmin University, China*  
Enying Zheng, *Peking University, China*  
Tammar B. Zilber, *Hebrew University of Jerusalem, Israel*

*This page intentionally left blank*

RESEARCH IN THE SOCIOLOGY OF  
ORGANIZATIONS VOLUME 92

**NECESSITY  
ENTREPRENEURSHIP:  
GETTING BEYOND THE  
BINARY**

EDITED BY

**SOPHIE BACQ**  
*IMD, Switzerland*

**KATRIN M. SMOLKA**  
*University of Warwick, UK*

**ANGELIQUE F. SLADE SHANTZ**  
*University of Alberta, Canada*

and

**PURSEY P.M.A.R. HEUGENS**  
*Erasmus University Rotterdam, The Netherlands*



United Kingdom – North America – Japan  
India – Malaysia – China

Emerald Publishing Limited  
Emerald Publishing, Floor 5, Northspring, 21-23 Wellington Street, Leeds LS1 4DL.

First edition 2025

Editorial matter and selection © 2025 Sophie Bacq, Katrin M. Smolka,  
Angelique F. Slade Shantz, and Pursey P.M.A.R. Heugens.  
Individual chapters © 2025 The authors.  
Published under exclusive licence by Emerald Publishing Limited.

**Reprints and permissions service**

Contact: [www.copyright.com](http://www.copyright.com)

No part of this book may be reproduced, stored in a retrieval system, transmitted in any form or by any means electronic, mechanical, photocopying, recording or otherwise without either the prior written permission of the publisher or a licence permitting restricted copying issued in the UK by The Copyright Licensing Agency and in the USA by The Copyright Clearance Center. Any opinions expressed in the chapters are those of the authors. Whilst Emerald makes every effort to ensure the quality and accuracy of its content, Emerald makes no representation implied or otherwise, as to the chapters' suitability and application and disclaims any warranties, express or implied, to their use.

**British Library Cataloguing in Publication Data**

A catalogue record for this book is available from the British Library

ISBN: 978-1-83608-901-8 (Print)  
ISBN: 978-1-83608-900-1 (Online)  
ISBN: 978-1-83608-902-5 (Epub)

ISSN: 0733-558X (Series)



INVESTOR IN PEOPLE

# CONTENTS

<i>About the Editors</i>	<i>xi</i>
<i>About the Contributors</i>	<i>xiii</i>
<i>Foreword: Research in the Sociology of Organizations</i>	<i>xix</i>

<b>Introduction: From an Orthodox to an Emerging Revisionist View of Necessity Entrepreneurship</b> <i>Sophie Bacq, Katrin M. Smolka, Angelique F. Slade Shantz and Pursey P.M.A.R. Heugens</i>	<i>1</i>
--	----------

## **PART A TOWARD A NEW HETERODOXY IN NECESSITY ENTREPRENEURSHIP RESEARCH**

<b>Toward a Shared Agenda for Necessity Entrepreneurship Research: Definitions, Theories, and Perspectives</b> <i>Katrin M. Smolka, Pursey P.M.A.R. Heugens, Sophie Bacq and Angelique F. Slade Shantz</i>	<i>13</i>
---	-----------

## **PART B NECESSITY ENTREPRENEURS' INHABITED COGNITIVE PROCESSES**

<b>Stopping the Slide and Rising Above the Tide: Entrepreneurial Education to Move Out of Necessity into Opportunity</b> <i>Saras D. Sarasvathy and Maelle A. Perez</i>	<i>39</i>
<b>Towards a Strengths-Based View of Necessity Entrepreneurship</b> <i>Ketan M. Goswami</i>	<i>65</i>

## **PART C POVERTY AND INFORMALITY PERSPECTIVES ON NECESSITY ENTREPRENEURSHIP**

<b>Necessity Entrepreneurship as a Misnomer: Lessons Learned from Working with Poverty Entrepreneurs</b> <i>Michael H. Morris and Susana C. Santos</i>	<i>89</i>
---	-----------

- Constellations in the Galaxy: Ethnic Enclave Membership and Venture Behavior Among Necessity Entrepreneurs in a South African Township Informal Economy**  
*Mohammed Bendaanane, Siddharth Vedula, Robert Nason and Andrew Charman* 111

**PART D  
 INSTITUTIONAL VIEWS ON NECESSITY  
 ENTREPRENEURSHIP**

- Health Provider or Debt Collector? The Unintended Consequences of Integrating Income-Generating Activities with Community Health Interventions in Kenya**  
*Kenneth Ngari Ogendo, Emily Block, Andrea Caldwell Marquez and Bertha Ochieng* 141
- Navigating Intersectional Inequalities: Resource Assemblage for Firm Profits**  
*Kylie Heales, Charlene Zietsma and Luciano Barin Cruz* 163

**PART E  
 METHODS AROUND NECESSITY  
 ENTREPRENEURSHIP**

- Measuring Necessity Entrepreneurship: Challenges and Implications**  
*Chad D. Coffman, Sanwar A. Sunny and Griffin W. Cottle* 193
- Quantitative Methods in the Field of Necessity Entrepreneurship**  
*Laura Rosendahl Huber and Caroline Witte* 211
- From the Ground Up: Unpacking the Visual Representation of Necessity Entrepreneurship**  
*Bernadetta A. Ginting-Szczesny* 227
- Moving Beyond “Jump In, Jump Out” Interviewing: Using More Complex Qualitative Methodologies to Build Deeper Theory in the Global South**  
*Patrick Shulist* 253

## ABOUT THE EDITORS

**Sophie Bacq** is Professor of Social Entrepreneurship and Coca-Cola Foundation Chair in Sustainable Development at IMD, Switzerland. Her research program centers on entrepreneurial action aiming to solve intractable social and environmental problems. More specifically, she examines and theorizes about social entrepreneurship and societal impact at the individual, organizational, and civic levels of analysis. Her research is published in top-tier management and entrepreneurship journals such as *Academy of Management Review*, *Academy of Management Annals*, *Academy of Management Perspectives*, *Entrepreneurship Theory and Practice*, *Journal of Business Venturing*, *Journal of Management*, and *Journal of Management Studies*.

**Katrin M. Smolka** is Associate Professor of Entrepreneurship and Innovation at Warwick Business School, University of Warwick, UK. Her research interests are multidisciplinary, bridging topics in organization theory with entrepreneurship. This includes necessity entrepreneurship (e.g., social inclusion/exclusion through entrepreneurship in deprived contexts), social-symbolic work and institutional work (e.g., communal coping of Indigenous entrepreneurs with intergenerational trauma), and craft (e.g., creative craft worker in precarious contexts). Her work is published in journals such as *Journal of Management Studies* and *Entrepreneurship Theory and Practice*.

**Angelique F. Slade Shantz** is Associate Professor of Strategy, Entrepreneurship, and Management and Canada Research Chair in Social Entrepreneurship at the Alberta School of Business, University of Alberta. Her research interests broadly focus on the role of business in addressing grand challenges, predominantly occurring at the intersection of entrepreneurship and poverty alleviation. Her current research explores institutional, cultural, and cognitive barriers to entrepreneurial activities and workplace motivation in contexts of resource scarcity. A secondary stream studies growth and degrowth in organizations. Her research has been published in leading journals such as *Academy of Management Journal*, *Organization Studies*, *Journal of Business Venturing*, *Journal of Management*, and *Journal of Management Studies*.

**Pursey P.M.A.R. Heugens** is Professor of Organization Theory at the Rotterdam School of Management, Erasmus University, The Netherlands. His research interests include the strategy and governance of organizational forms like family firms, professional service firms, business groups, and state-owned enterprises. He is also passionate about using research methods like meta-analysis and ethnography as a generative force for theory elaboration and development. His research appeared in leading journals such as *Administrative Science Quarterly*, *Academy of Management Journal*, *Academy of Management Review*, *Organization Studies*, and *Organization Science*.

*This page intentionally left blank*

# ABOUT THE CONTRIBUTORS

**Luciano Barin Cruz** is Full Professor of Management and Sustainability at HEC Montréal, Canada, where he also serves as Director for Pôle Ideos (Social Impact Hub), Director of the Sustainability Transition office, and Director of the “Sustainability Mindset” EMBA module. His research focuses on sustainability, social responsibility, and social impact, and his work has been published in the top management journals including *Academy of Management Review*, *Journal of Management Studies*, *Journal of Business Venturing*, *Organization*, *World Development*, and *Business and Society*, among others. His collaborative projects are developed with the support of Global Affairs Canada, International Development Research Centre, the Inter-American Development Bank, the Government of Quebec, the City of Montreal, Développement international Desjardins, TV5 Canada, Space for Life, Lallemand, among several others. He currently leads the SEED Network, an initiative to reinforce capabilities of local promoters of microfinance and entrepreneurship in developing countries.

**Mohammed Bendaanane** is a PhD candidate in Entrepreneurship at the Technical University of Munich, School of Management. His research focuses on the role of business in addressing grand societal challenges in sub-Saharan Africa. He is currently working on his PhD dissertation.

**Emily Block**, University of Alberta, Canada, is Associate Professor of Strategy, Entrepreneurship, and Management, and the George Cormie Chair in Management at the Alberta School of Business. She is the author of *Business on the Edge: How to Turn a Profit and Improve Lives in the World's Toughest Places*, where she explores how businesses can foster growth and positive change in post-conflict zones. Her research – published in prestigious journals such as *Academy of Management Journal*, *Strategic Management Journal*, and *Journal of Business Venturing* – focuses on values pluralism, legitimacy processes, and addressing grand challenges through organizational theory.

**Andrew Charman** is a researcher, social entrepreneur, and development practitioner. He studied sociology and economic development, focusing on the African context, and obtained his PhD in Social and Political Studies from Cambridge University. Along with colleagues at the Sustainable Livelihoods Foundation, an organization based in Cape Town, he has pioneered a series of area-based studies of business activities in South African townships.

**Chad D. Coffman** is Assistant Professor of Entrepreneurship at Boise State University. Prior to earning his PhD from the University of Missouri-Kansas City, he served as a United States Peace Corps Volunteer in Ghana. He holds a BA in Management and an MBA from Kansas State University.

**Griffin W. Cottle** is Assistant Professor of Management and Entrepreneurship at the University of Massachusetts Dartmouth. Prior to earning his PhD from the University of Missouri-Kansas City, he ran a microenterprise program for immigrants and refugees in Louisville, Kentucky. He holds a BA in Philosophy, Ethics, and Public Policy from the University of Northern Colorado, and an MPA from Syracuse University.

**Bernadetta A. Ginting-Szczesny** is a Postdoctoral Researcher in Entrepreneurship at Aalto University School of Business, Finland. Her research focuses on the socio-psychological dimensions of entrepreneurship in different contexts. She also seeks to develop innovative visual methodological approaches for entrepreneurship research.

**Ketan M. Goswami** (PhD, Ivey Business School, University of Western Ontario, Canada) is Assistant Professor of Entrepreneurship and Innovation at Warwick Business School, University of Warwick, UK. His research interests are at the intersection of entrepreneurship and structural inequalities.

**Kylie Heales** is Assistant Professor of Entrepreneurship at Miami University, USA. Her research interest is in organizational theory and entrepreneurship as she explores how taken-for-granted ways of life affect entrepreneurial outcomes. Her co-authored paper emerging from her dissertation was awarded the 2023 Best Organization and Management Theory Entrepreneurship Paper at the 83rd Annual Meeting of the Academy of Management. She completed her PhD at the University of Alberta, Canada, during which she received one of Canada's most prestigious scholarships, the Mary-Jean Mitchell Green Pierre Elliott Trudeau Foundation scholarship, for her academic, leadership, and entrepreneurial talents. She completed her MBA at Duke University where she interned at the Bill and Melinda Gates Foundation and co-founded a fintech firm. In addition to academics, she has 10 years of experience helping nonprofits, startups, and Fortune 500 companies enhance operational performance.

**Andrea Caldwell Marquez**, University of Texas San Antonio, USA, is Assistant Professor of Management in the Alvarez College of Business at the University of Texas at San Antonio. She received her PhD from the University of Texas at Austin, her MBA from the University of Notre Dame, and undergraduate degrees in Marketing, Spanish, and International Studies from Penn State University. She is passionate about using her research and teaching to advance a more socially responsible and sustainable approach to business management. In particular, she

has a strong interest in organizational responses to society's grand challenges. Her research has investigated social ventures, impact accelerators, and a Colombian peacebuilding nongovernmental organization.

**Michael H. Morris** is Professor of Entrepreneurship and Social Innovation at the University of Notre Dame's Keough School of Global Development, in the USA. The entrepreneurship programs he has built at three universities have received global recognition for excellence. His work is focused on the empowering potential of entrepreneurship, and his outreach efforts have facilitated the development of thousands of ventures. He currently directs the Urban Poverty and Business Initiative, the Global Partnership for Poverty and Entrepreneurship, and Entrepreneurship Empowerment in South Africa. He has authored 16 books and published over 150 scholarly journal articles. He is a Past President of the United States Association for Small Business and Entrepreneurship. He has been awarded the Academy of Management's Dedication to Entrepreneurship Award, the Leavey Award from the Freedoms Foundation for impacting private enterprise education, the Oberwager Prize for affecting students beyond the classroom, and the Legacy Award from the Global Consortium of Entrepreneurship Centers. ORCID: 0000-0003-2784-410X

**Robert Nason** is Associate Professor of Strategy and Organization, and William Dawson scholar at the Desautels Faculty of Management at McGill University. His research explores the role of entrepreneurship in society and is currently focused on entrepreneurship and economic inequality – examining entrepreneurial activity in contexts of poverty and wealth.

**Bertha Ochieng** is Professor of Integrated Health and Social Care at De Montfort University in the UK. She has comprehensive knowledge and experience in health and social care as a clinician, an academic, and as a researcher working with community groups and health and social care providers. Her research expertise is in the field of health and well-being of black and other marginalized and socially disadvantaged families. Using participatory models of research, her work focuses on children, young people, and their families' experiences of health and social care provision, self-care strategies for maintaining health and well-being, service development, and wider public health agenda.

**Kenneth Ngari Ogendo**, PhD(c) Strathmore University Kenya, has worked in public health in both the public and private sectors in Kenya. He brings 15 years of experience in supporting the development of community and public health policy, strategy, and programming. He is currently a PhD candidate pursuing Business and Management at Strathmore University, working to bridge public health and management theories. He is passionate about health equity and social justice and seeks to address the grand challenge of financing community health workers through his scholarly work.

**Maelle A. Perez** is a PhD student at the University of Virginia's Darden Graduate School of Business. Her research interests revolve around the evolving landscape of necessity-driven entrepreneurship and digital transformation.

**Laura Rosendahl Huber** is Assistant Professor at the Department of Strategy and Entrepreneurship of the Rotterdam School of Management, Erasmus University, Rotterdam, The Netherlands. She received her PhD from the University of Amsterdam. Her research interests include female entrepreneurship, entrepreneurial teams, and entrepreneurial decision-making. She is an expert in the use of randomized controlled trials that she frequently uses to study these topics.

**Susana C. Santos** is Associate Professor of Entrepreneurship in the Jim Moran College of Entrepreneurship at Florida State University in Tallahassee, Florida, USA. She received her PhD from ISCTE-IUL Business School, Instituto Universitário de Lisboa, Portugal. She has published more than 50 peer-reviewed papers. Her primary research interests focus on the intersection of entrepreneurship and adversity, in particular under conditions of poverty. She co-authored the book *Poverty and Entrepreneurship in Developed Economies* and co-edited *Annals of Entrepreneurship Education and Pedagogy* (Volumes 5 and 6) and *The Emergence of Entrepreneurial Behavior: Intention, Education and Orientation*. Other research interests include social entrepreneurship, gender, entrepreneurship education, and individual and team processes in entrepreneurship. ORCID: 0000-0003-2859-9732

**Saras D. Sarasvathy** is Paul Hammaker Professor at University of Virginia's Darden Graduate School of Business. A leading scholar on the cognitive basis for high-performance entrepreneurship, her work on effectuation is widely acclaimed as a rigorous framework for research and education enabling the cocreation of enduring organizations around the world.

**Patrick Shulist** is Assistant Professor of Sustainability in Business at the Aalto University School of Business. He received his PhD from the Ivey Business School at a Western University. His research interests focus on the work of development organizations and on necessity entrepreneurs in sub-Saharan Africa.

**Sanwar A. Sunny** is Assistant Professor and the Lockheed Martin Chair of Entrepreneurship at the Merrick School of Business at the University of Baltimore. His research focuses on sustainable entrepreneurship. He holds a PhD in Entrepreneurship and Innovation and MPA from the University of Missouri-Kansas City and a Bachelors in Mechanical Engineering from the University of Kansas.

**Siddharth Vedula** is Associate Professor of Entrepreneurship at the Technical University of Munich, School of Management. His research is on the reciprocal relationship between entrepreneurs and communities – exploring how they

influence and shape each other. He serves on the editorial review board of several premier management journals.

**Caroline Witte** is Assistant Professor at the Department of Strategy and Entrepreneurship of the Rotterdam School of Management, Erasmus University Rotterdam, The Netherlands. She received her PhD from the Erasmus School of Economics. Her research interests include entrepreneurship, international business, and development economics, with a special focus on the role of institutions and political instability in business decisions.

**Charlene Zietsma** is the Max McGraw Professor of Sustainable Enterprise at the University of Michigan's School for Environment and Sustainability and the Ross School of Business and Faculty Director of the Erb Institute, USA. She is an International Research Fellow of the Oxford University Centre for Corporate Reputation. Her research focuses on social innovation: the individual, organizational, and collective efforts to make (and resist) significant, large-scale change in the context of sustainability and social justice issues. She studies institutional work and change processes, social and sustainable entrepreneurship, and social movements focused on grand challenges and wicked problems. Her work has been published in the top management journals, with several winning best article awards, and she was awarded the Administrative Science Quarterly Scholarly Contribution Award for significant impact within organization studies.

*This page intentionally left blank*

# FOREWORD: RESEARCH IN THE SOCIOLOGY OF ORGANIZATIONS

*Research in the Sociology of Organizations* (RSO) publishes cutting-edge empirical research and theoretical papers that seek to enhance our understanding of organizations and organizing as pervasive and fundamental aspects of society and economy. We seek provocative papers that push the frontiers of current conversations, that help to revive old ones, or that incubate and develop new perspectives. Given its successes in this regard, RSO has become an impactful and indispensable fount of knowledge for scholars interested in organizational phenomena and theories. RSO is indexed and ranks highly in Scopus/SCImago as well as in the *Academic Journal Guide* published by the Chartered Association of Business Schools.

As one of the most vibrant areas in the social sciences, the sociology of organizations engages a plurality of empirical and theoretical approaches to enhance our understanding of the varied imperatives and challenges that these organizations and their organizers face. Of course, there is a diversity of formal and informal organizations – from for-profit entities to nonprofits, state and public agencies, social enterprises, communal forms of organizing, nongovernmental associations, trade associations, publicly traded, family owned and managed, private firms – the list goes on! Organizations, moreover, can vary dramatically in size from small entrepreneurial ventures to large multinational conglomerates to international governing bodies such as the United Nations.

Empirical topics addressed by RSO include the formation, survival, and growth of organizations; collaboration and competition between organizations; the accumulation and management of resources and legitimacy; and how organizations or organizing efforts cope with a multitude of internal and external challenges and pressures. Particular interest is growing in the complexities of contemporary organizations as they cope with changing social expectations and as they seek to address societal problems related to corporate social responsibility, inequality, corruption and wrongdoing, and the challenge of new technologies. As a result, levels of analysis reach from the individual to the organization, industry, community and field, and even the nation-state or world society. Much research is multilevel and embraces both qualitative and quantitative forms of data.

Diverse theory is employed or constructed to enhance our understanding of these topics. While anchored in the discipline of sociology and the field of management, RSO also welcomes theoretical engagement that draws on other disciplinary conversations – such as those in political science or economics, as well as work from diverse philosophical traditions. RSO scholarship has helped push forward a plethora of theoretical conversations on institutions and institutional

change, networks, practice, culture, power, inequality, social movements, categories, routines, organization design and change, configurational dynamics, and many other topics.

Each volume of RSO tends to be thematically focused on a particular empirical phenomenon (e.g., creative industries, multinational corporations, and entrepreneurship) or theoretical conversation (e.g., institutional logics, actors and agency, and microfoundations). The series publishes papers by junior as well as leading international scholars and embraces diversity on all dimensions. If you are a scholar interested in organizations or organizing, I hope you'll find RSO to be an invaluable resource as you develop your work.

Professor Michael Lounsbury  
Series Editor, *Research in the Sociology of Organizations*  
Canada Research Chair in Entrepreneurship and Innovation  
University of Alberta

# INTRODUCTION

## FROM AN ORTHODOX TO AN EMERGING REVISIONIST VIEW OF NECESSITY ENTREPRENEURSHIP

Sophie Bacq<sup>a</sup>, Katrin M. Smolka<sup>b</sup>,  
Angelique F. Slade Shantz<sup>c</sup> and  
Pursey P.M.A.R. Heugens<sup>d</sup>

<sup>a</sup>*IMD, Switzerland*

<sup>b</sup>*University of Warwick, UK*

<sup>c</sup>*University of Alberta, Canada*

<sup>d</sup>*Erasmus University Rotterdam, The Netherlands*

### ABSTRACT

*This introduction offers a revisionist view of necessity entrepreneurship (NE). The volume editors are thereby challenging orthodox perspectives that equate NE solely with financial poverty and lack of employment and self-sustenance alternatives. Rather, a more nuanced understanding of NE as encompassing cognitive, communal, and institutional processes aimed at coping with various dimensions of necessity is needed. The editors encourage moving beyond solely individualistic accounts to theorize NE as an emergent property of social systems and a source of novel social structures. The editors further outline how this volume aims to expand our collective understanding of NE by theorizing it more holistically and make a plea to break new theoretical and methodological ground. The introduction then introduces the volume's five sections, which propose new ways of seeing, theorizing, and researching NE. These sections cover: (1) moving toward a new heterodoxy*

---

**Necessity Entrepreneurship: Getting Beyond the Binary**

**Research in the Sociology of Organizations, Volume 92, 1–10**

**Copyright © 2025 by Sophie Bacq, Katrin M. Smolka, Angelique F. Slade Shantz and Pursey P.M.A.R. Heugens**

**Published under exclusive licence by Emerald Publishing Limited**

**ISSN: 0733-558X/doi:10.1108/S0733-558X20250000092002**

*in NE research, (2) examining necessity entrepreneurs' cognitive processes, (3) exploring poverty and informality perspectives, (4) adopting institutional views, and (5) showcasing novel methodological approaches. The editors hope that by challenging existing paradigms and proposing new conceptual frameworks, this volume can help advance our understanding of NE and lay the groundwork for future work in the field.*

**Keywords:** Necessity entrepreneurship; revisionist view; entrepreneurial cognition; poverty alleviation; informal economy; institutional theory; Global South

## WHY AN RSO VOLUME ON NE

Over the past decade, research on NE has expanded dramatically. In most existing works, the concept is broadly understood as identifying and seizing business opportunities that address basic needs, typically occurring when decent or desirable livelihood alternatives do not exist (Dencker et al., 2021; O'Donnell et al., 2024). Such robust scholarly interest is not surprising when one realizes that NE is one of the most common types of entrepreneurial activity both in the developed and developing world (Desai, 2011; Dheer & Treviño, 2022). Although much of the early work examined NE in the context of developing countries and conceptualized it in terms of a response to shortages (primarily of employment alternatives), emerging research has begun to study NE in a broader range of empirical settings and from a variety of theoretical perspectives (O'Donnell et al., 2024).

The purpose of this volume is threefold. First, it aims to expand our collective understanding of NE by presenting it not just as an economic process aimed at alleviating immediate sustenance needs but as a cluster of cognitive, communal, and institutional processes aimed at coping with various dimensions of necessity. Second, it encourages scholars to move beyond overly individualistic accounts of NE and instead theorize it as an emergent property of social systems as well as a source of novel social structures in its own right, without overlooking the agency of necessity entrepreneurs. Third, it challenges researchers to break new theoretical and methodological ground for the study of NE, to prepare for a next generation of NE studies. In summary, we aim to provide a “revisionist view” of NE.

In this volume, we therefore strive to feature works of scholars from different specializations within the broader management field (e.g., psychology, entrepreneurship, organization theory) using a variety of methodological approaches (e.g., text-to-image artificial intelligence (AI), discourse analysis, visual methods, geospatial analysis, ethnography, experiments and quasi-experiments, intervention studies) and theoretical frameworks (e.g., strengths-based approaches, effectuation theory, institutional theory, motivation theory, and ethnic enclave perspectives, as well as endemic and grounded theories) to make sense of the broad and rich phenomenon that NE is.

## ORTHODOX AND EMERGING REVISIONIST VIEWS OF NE

Historically, NE refers to individuals starting a business out of necessity, usually due to a lack of other livelihood options (Dencker et al., 2021). In this regard, it is usually contrasted with opportunity entrepreneurship, which describes individuals who start a business on their own initiative, acting out of passion or on a perceived market opportunity. This narrow view sets the basis for what we call the “orthodox view” of NE. The left column of Table 1 illustrates this view.

Yet, while researchers have recently put more focus on NE as a field of study, it is still largely an understudied area, particularly when compared to opportunity entrepreneurship (O'Donnell et al., 2024). We therefore still lack an understanding of the unique motivations, challenges, and outcomes associated with NE (e.g., Weber et al., 2023). As a response, the collection of Papers in this volume illustrates that NE and necessity entrepreneurs are much more varied than what is suggested by the classic juxtaposition with opportunity entrepreneurship and opportunity entrepreneurs. The “revisionist perspective” is what we set forth in the remainder of this volume and a summary of which can be found in the right column of Table 1. This view, including the entrepreneurs featured in the empirical studies in the present volume, all speak to this greater variety of entrepreneurial experiences.

**Table 1.** Contrasting the Orthodox and Emerging Revisionist Views of Necessity Entrepreneurship.

Orthodox View of Necessity Entrepreneurship	Emerging Revisionist View of Necessity Entrepreneurship
Necessity is equated with financial poverty (e.g., Amorós & Cristi, 2011; Morris et al., 2020)	Necessity is not just poverty in monetary terms – people face all kinds of necessity (e.g., Morris & Santos, 2024; Soudararajan et al., 2024)
Necessity is equated with amoral behavior through anomie (e.g., Chatterjee, 2019)	Anomie can stimulate creative deviance in necessity entrepreneurs (e.g., Cullen et al., 2014)
Necessity involves presentism, temporal myopia, and hyperbolic discounting of future options (e.g., Matos & Hall, 2021).	Necessity entrepreneurs carefully weigh future options and behave accordingly (e.g., Shepherd et al., 2022)
Necessity breaks down norms of solidarity and breeds existential individualism (e.g., Roux et al., 2015; Shah et al., 2012)	Necessity entrepreneurs are embedded in community and family settings (e.g., Shepherd et al., 2022; Slade Shantz et al., 2018)
Necessity entrepreneurship is associated with a lack of strategic sophistication (e.g., Block et al., 2015)	Necessity entrepreneurs do strategize, even though in different ways (e.g., Allen et al., 2024; Nikiforou et al., 2019)
Necessity entrepreneurship offers no room for competitive differentiation and involves copycat behavior (e.g., Weiss et al., 2024)	Necessity entrepreneurs do cater to differentiated customer demands (e.g., Weiss et al., 2023)
Necessity entrepreneurship leads to low-growth or no-growth businesses (e.g., Calderon et al., 2017; Rodrigues & Teixeira, 2020)	Necessity entrepreneurship can offer a steppingstone to moderate growth (e.g., Morris et al., 2023)
Necessity entrepreneurship equals a complete lack of agency (Block & Koellinger, 2009)	Necessity entrepreneurs do exercise agency – in unexpected ways (e.g., Griffin-El & Olabisi, 2018, 2024; Imas et al., 2012; Nikiforou et al., 2019)

## VOLUME OUTLINE AND CONTENTS

The five sections of this volume collectively propose new ways of seeing, theorizing, and researching NE (Table 2). In Section A, the Volume Editors (Paper 1) set the stage by challenging and revising a number of the foundational assumptions

**Table 2.** Section and Paper Summaries.

Section/Paper	Author(s)
Introduction: From an orthodox to an emerging revisionist view of necessity entrepreneurship	Sophie Bacq, Katrin M. Smolka, Angélique F. Slade Shantz, and Pursey P.M.A.R. Heugens
<i>A. Toward a New Heterodoxy in Necessity Entrepreneurship Research</i>	
1. Toward a shared agenda for necessity entrepreneurship research: Definitions, theories, and perspectives	Katrin M. Smolka, Pursey P.M.A.R. Heugens, Sophie Bacq, and Angélique F. Slade Shantz
<i>B. Necessity Entrepreneurs' Inhabited Cognitive Processes</i>	
2. Stopping the slide and rising above the tide: Entrepreneurial education to move out of necessity into opportunity	Saras D. Sarasvathy and Maelle A. Perez
3. Toward a strengths-based view of necessity entrepreneurship	Ketan M. Goswami
<i>C. Poverty and Informality Perspectives on Necessity Entrepreneurship</i>	
4. Necessity entrepreneurship as a misnomer: Lessons learned from working with poverty entrepreneurs	Michael H. Morris and Susana C. Santos
5. Constellations in the galaxy: Ethnic enclave membership and venture behavior among necessity entrepreneurs in a South African township informal economy	Mohammed Bendaanane, Siddharth Vedula, Robert Nason, and Andrew Charman
<i>D. Institutional Views on Necessity Entrepreneurship</i>	
6. Health provider or debt collector? The unintended consequences of integrating income-generating activities with community health interventions in Kenya	Kenneth Ngari Ogendo, Emily Block, Andrea Caldwell Marquez, and Bertha Ochieng
7. Navigating intersectional inequalities: Resource assemblage for firm profits	Kylie Heales, Charlene Zietsma, and Luciano Barin Cruz
<i>E. Methods Around Necessity Entrepreneurship</i>	
8. Measuring necessity entrepreneurship: Challenges and implications	Chad D. Coffman, Sanwar A. Sunny, and Griffin W. Cottle
9. Quantitative methods in the field of necessity entrepreneurship	Laura Rosendahl Huber and Caroline Witte
10. From the ground Up: Unpacking the visual representation of necessity entrepreneurship	Bernadetta A. Ginting-Szczesny
11. Moving beyond "jump in, jump out" interviewing: Using more complex qualitative methodologies to build deeper theory in the Global South	Patrick Shulist

underlying earlier waves of NE research. Discussing the rapidly emerging field of NE, the authors highlight its pre-paradigmatic state and point to the need for enhanced definitional, theoretical, and methodological clarity. The authors reflect on choices scholars must make to move from eclectic toward more programmatic NE research, including on how to collectively define NE, whether to opt for theoretical eclecticism or integration, and what methodological approaches are necessary to reflect our increasingly sophisticated understanding of NE.

Section B extends the individual-level perspective that dominates many NE studies by unpacking necessity entrepreneurs' inhabited cognitive processes. Sarasvathy and Perez (Paper 2) examine new sources of NE stemming from employment-substituting technologies such as AI, and the implications for entrepreneurship education. These authors push the reasoning further, encouraging us to consider that we may need to teach everyone how to create jobs, for themselves as well as for their communities. Goswami (Paper 3) leverages a strengths-based perspective and sheds a welcome positive light on the inherent merits and strengths of NE, more specifically on the relational (social capital), temporal (time), and moral (social disparities) fronts. While profits, scaling, and growth have been disproportionately privileged both in entrepreneurship theory and practice, in line with strengthening assertions to recognize social-, civic-, and community-focused pursuits, Goswami urges us to adopt a more fine-grained approach to the relational, temporal, and moral aspirations pursued by necessity entrepreneurs.

Section C highlights and celebrates the poverty and informality perspectives on NE. Based on a historical account of NE, Morris and Santos (Paper 4) stress the importance not to conflate NE with venture creation pursued by those in poverty conditions. They raise several distinctions between the two, including in terms of motives, drivers, founder identity, and needs served by the venture. Bendaanane, Vedula, Nason, and Charman (Paper 5) highlight that community is an important, yet relatively understudied, influence on NE. This Paper takes a closer look at community in NE through the lens of ethnicity. Studying a community of necessity entrepreneurs with different ethnic backgrounds in a township of Cape Town, South Africa, the authors explore how the construct of ethnic enclaves – that is, communities of both place and identity – can both help and hinder foreign entrepreneurs in this context. Their work sheds new insights on the dynamics of community and ethnicity among necessity entrepreneurs, as well as the tradeoffs of scrutiny and rigidity they face. Furthermore, the study advances promising micro-geography methods.

Next, Section D features Papers that adopt institutional views on NE. Ogendo, Block, Marquez, and Ochieng (Paper 6) explore the role of community health promoters in NE and highlight the significant challenges they face in maintaining their public health roles while engaging in income-generating activities, emphasizing the tensions and potential barriers to meeting basic healthcare needs. This Paper highlights the critical importance of considering contextual and institutional dynamics when designing poverty alleviation strategies through entrepreneurship within public service frameworks. Then, Heales, Zietsma, and Barin Cruz (Paper 7) examine the patterns of social inequalities (gender, family responsibilities, and religion) and resources (formal, social, and cultural) associated

with venture profitability among necessity entrepreneurs. Using qualitative comparative analysis (QCA) to identify multiple pathways to profitability, their study challenges prevailing deficit and homogeneous narratives about necessity entrepreneurs. By offering a nuanced perspective on the intersectional inequalities of necessity entrepreneurs, the authors suggest that multiple inequalities are not always associated with poor performance, but they do have real cumulative effects on entrepreneurial resources.

Finally, Section E showcases novel methodological approaches to study NE, ranging from quantitative measurement and a review of existing quantitative approaches through AI-based methods of visualization to qualitative-interpretative accounts. Coffman, Sunny, and Cottle (Paper 8) endeavor to measure NE. Their findings, based on data collected in Ghana and Côte d'Ivoire, suggest that NE and opportunity entrepreneurship are better conceptualized as existing along a continuum, rather than as distinct categories. The validated scale offers a more nuanced measurement tool, enhancing research accuracy and policy efficacy in transitioning individuals from NE to opportunity entrepreneurship. Despite this advancement which could help us make strides on capturing levels of NE in countries or regions, the authors stress the fact that the broad and somewhat loose meaning of NE challenges measurement accuracy. Furthermore, while the use of quantitative methods in the field of NE is quite prevalent, there seems to be a lack of attention to current trends in the area of causal inference and an overreliance on a select few secondary databases as well as a lack of attention to primary data collection. This inevitably leads to an overly strong focus on Western economies, whereas NE is much more prevalent in low- and middle-income countries. To counter this important limitation, Rosendahl Huber and Witte (Paper 9) call for better data and better methods and challenge researchers to go beyond the “low hanging fruits,” for instance, by investing time and effort in (quasi-)experimental methods, in a concerted effort to advance the field. The next Paper innovatively addresses the question of how we can foster new narratives and reduce representational stereotyping. Ginting-Szczesny (Paper 10) uses text-to-image generative AI to give shape to the online public discourse on NE and invite readers to critically reflect on how this notion is visually represented. One key takeaway from this Paper is the potential of using text-to-image generative AI to develop knowledge in entrepreneurship. Analyzing AI-generated images, which are based on extensive online datasets, allows us to question existing representations and develop new (counter)narratives. Ginting-Szczesny also enhances the methods set for NE researchers by providing a detailed and transparent example of using text-to-image generative AI as a research tool, covering steps from data generation to the qualitative analysis of the rhetorical organization of a discourse within the images. Finally, she suggests that exploring the physical, emotional, personal, and contextual aspects of NE – what she calls “groundedness” – can offer new insights for future research. In the final Paper, Shulist (Paper 11) highlights the vast theory-building opportunities that studying NE in the Global South represents. To fully realize these opportunities, methodological choices must be considered deeply and in some cases drastically rethought. Theory is not built in a vacuum but is only as good as the attendant methods, argues Shulist, so that complex theory

requires complex methods. While this Paper does highlight examples of studies living up to the ideal, it takes particular issue with a common approach to studying NEs, namely “jump in–jump out” interviews, where Global North scholars conduct a small number of interviews in the Global South to then quickly “jump out” and conduct standard grounded theory analyses with little input from local voices. Seeking to guide future research to new directions, this Paper highlights methodological strategies for sensitization before designing a study, for building a better empirical base, and for rethinking analytical approaches to developing robust theory about the complex socially, culturally, and historically embedded nature of NE in the Global South.

## CONCLUSION

Taken together, the works included in this volume present a comprehensive and multifaceted exploration of NE, which for too long has been oversimplified and underappreciated. The authors in this volume highlight its complexity, challenges, and promises but also call for researchers, policymakers, and practitioners to approach NE with greater nuance, methodological rigor, and contextual sensitivity. As such, we believe that this volume represents a significant milestone in the study of NE. As we reflect on the diverse perspectives and insights presented across these Papers, several key themes emerge that collectively push the boundaries of our understanding and lay the foundation for future research in this area.

First, there is a clear and urgent need to reconceptualize NE (cf. Papers 1, 3, and 4). The traditional necessity–opportunity dichotomy, while useful as an initial framing, no longer helps us advance the field. Instead, as several authors argue, we need a more nuanced understanding that recognizes the complexity and diversity within NE. When redefining and reframing NE, we can acknowledge the strengths and potential of necessity entrepreneurs rather than focusing on the deficits.

Second, the importance of context in shaping NE experiences and outcomes is a recurring theme throughout the volume (cf. Papers 5–7 and 11). From ethnic enclaves in South African townships to the intersectional inequalities faced by entrepreneurs in Haiti, authors in this volume underscore that NE is not a monolithic phenomenon, but one that is deeply embedded in its specific social, cultural, and economic contexts. This recognition calls for more contextually sensitive research approaches and tailored policy interventions. It is essential that we account for the unique challenges and opportunities those different settings bring about.

Third, this volume also makes a strong case for methodological innovation and rigor in NE research (cf. Papers 8–11). The limitations of current measurement approaches are made obvious and arguments are presented for adopting more sophisticated quantitative methods including (quasi-)experimental designs. Equally important is the call for more immersive and nuanced qualitative approaches. The authors in this volume encourage researchers to move beyond “jumping in and jumping out” to methods that can capture the richness of necessity entrepreneurs’ experiences. The suggestion to use

AI-generated imagery as a tool for exploring representations of NE is particularly innovative and points to the potential of new technologies in advancing our understanding of NE.

Fourth, another critical insight that authors in this volume stress are the unintended consequences of NE interventions (cf. Papers 6 and 7). NE scholars need to stay cognizant of outcomes that NE initiatives can bring about by accident. The authors remind us of the need for careful, holistic considerations of the broader impacts that those NE initiatives and policies can have.

Fifth, the volume also brings important questions to the forefront about how NE is represented and perceived, both in academic discourse and public media (cf. Papers 3 and 10). The authors in this volume thereby challenge us to reconsider our own biases and assumptions. This shift in representation of necessity entrepreneurs is not only relevant for academics but has real implications for the ways in which policies are shaped. Even more important, such positive shift can even impact how necessity entrepreneurs view themselves and their own potential.

Sixth, another key contribution of this volume is bridging theory and practice (cf. Papers 2 and 5–7). A number of authors offer insights that have direct implications for policy and intervention designs, from rethinking entrepreneurship education in light of changing work patterns to considering how institutional resources can be leveraged to overcome intersectional inequalities. We believe that these insights challenge us to move beyond “one-size-fits-all” in supporting necessity entrepreneurs. Instead, we need more nuanced, context-sensitive approaches that recognize the diversity within NE and the multiple pathways through which individuals can leverage entrepreneurship to improve their own lives but also lives in their communities.

In conclusion, this volume seeks to challenge existing paradigms, propose new conceptual frameworks, and call for methodological innovations. We firmly believe that the study of NE has the potential to not only advance our theoretical understanding but also lay the groundwork for meaningful change. By doing so, we can move beyond viewing NE simply as a subject of study and instead approach it as a powerful lever for inclusive economic development and societal change. The future of NE is not just about a better theoretical understanding of the phenomenon – it is about contributing to a more equitable and sustainable world where entrepreneurship can be a pathway to empowerment for all, regardless of their starting point or circumstances.

## REFERENCES

- Alderfer, C. P. (1969). An empirical test of a new theory of human needs. *Organizational Behavior and Human Performance*, 4(2), 142–175.
- Allen, J. S., Combs, J. G., Carr, J. C., Michaelis, T. L., & Joseph, D. L. (2024). More than one way to pivot: The case for opportunity and survival pivots. *Journal of Management*, 01492063241236763.
- Amorós, J. E., & Cristi, O. (2011). Poverty and entrepreneurship in developing countries. In M. Minniti (Eds.), *The dynamics of entrepreneurship: Evidence from global entrepreneurship monitor data* (pp. 209–230). Oxford University Press.