ABSTRACT
As any other agent or organization, entrepreneurs are embedded in institutionalized contexts. They operate within a web of social relations, arrangements, and norms that constrain them, but also make their actions possible. At the same time, in developing their organizations entrepreneurs innovate and bring about changes at the institutional level. How do entrepreneurs manage to both leverage and change their institutional context? In this paper we contribute to unpack the notion of embeddedness focusing on the analysis of sustainable entrepreneurs - defined as those seeking a triple bottom line approach. Our findings show that, through different embedding processes, sustainable entrepreneurs embedded their organizations in two institutional arrangements, which we call mainstream and alternative. The first prioritizes economic gains, efficiency, growth and professionalization, while the second emphasizes social and environmental sustainability, as well as citizen participation. Our second finding is that, depending on how this dual embeddedness is carried out, three ideal types of embeddedness emerge, which we define balanced embeddedness, over-embeddedness in the alternative arrangement, and over-embeddedness in the mainstream arrangement. We argue that only the first one is conducive to innovation and to changes at the institutional level.

Biography: [http://www.esade.edu/faculty/daniel.arenas](http://www.esade.edu/faculty/daniel.arenas)