A rainbow of colors: The value of embeddedness for understanding actor entrepreneurship in organizational LGBTQ+ communities

Elio Shijaku*, Patricia Elgoibar

Universitat de Barcelona, Department of Business, Av. Diagonal 690, 08034, Barcelona, Spain

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**ABSTRACT**

Integrating the expanding organizational LGBTQ+ communities’ literature on actor entrepreneurship, we advance a conceptual framework theoretically grounded in the concept of embeddedness. Specifically, we highlight the contextual antecedents that clarify how homophily and prominence in organizational LGBTQ+ communities drive actor entrepreneurship. Our framework also illustrates the moderating role of actor attributes (i.e., personality traits), organizational environment, and the mediating role of resource acquisition in the actor embeddedness – entrepreneurship linkage.

1. Introduction

Extant literature that links organizational communities with actor entrepreneurship has been addressing several topics, including community development (Lyons et al., 2021), social transformation (Daskalaki et al., 2015), gender (Wang & Morrell, 2015), and the role of institutions (Jennings et al., 2013) among others. Within this lot, actor socialization has been critical to understanding how actor entrepreneurship embodied by entrepreneurial phases (i.e., initiation, engagement, and performance) develops (Shepherd et al., 2019).

A key concept of such socialization is *embeddedness*, defined as a system of social relations in which actors dynamically interact (De Herdt, 2002). Embeddedness creates entrepreneurial opportunities and affects entrepreneurial orientation and performance (Rodrigo-Alarcón et al., 2018; Thornton et al., 2011; Uzzi & Gillespie, 2002). In this context, organizational communities matter as they provide a network view for the inception of actor embeddedness and foster our understanding of actor entrepreneurship within organizations (McKeever et al., 2014). However, much remains uncovered, specifically how embeddedness fosters actor entrepreneurship in lesser-known organizational communities despite recent calls on the issue (Cavalcanti & Ferreira, 2021; Rae, 2021).

Over the last decade, there have been a shift in the attention given to lesbian, gay, bisexual, transgender, and queer (forthwith LGBTQ+) communities within organizations (Alexandra Beauregard et al., 2018; Bell et al., 2011). Recent data demonstrate the economic impact LGBTQ+ business owners and entrepreneurs with Gaingels, a network of some 700 investors, like Bettencourt, who fund gay- and trans-inclusive firms, seeing its investments grow 10-fold in just two years: from $5 million in 2018 to about $50 million in the first eight months of 2020 (Lopez, 2020). In this vein, organizational LGBTQ+ communities are an essential network context that fosters actor entrepreneurship through embeddedness.

Organizational LGBTQ+ communities are essential to tackle issues such as ’onlyness’ and to provide executive aspirations, with LGBTQ+ women being 1.5 times more likely than straight men to advance into senior leadership for role model purposes (Ellsworth et al., 2020). Furthermore, being honest about their sexual orientation or gender identity affects employee turnover (Ceron, 2022).

However, it is not clear what mechanisms are affecting the actor embeddedness - entrepreneurship linkage in organizational LGBTQ+ communities. Typically, actor embeddedness would amplify benefits associated with organizational LGBTQ+ communities as it provides voice (Alexandra Beauregard et al., 2018), visibility (Colgan & McKearney, 2012), offers social support (Githens, 2012; Githens & Aragon, 2009), reduces stigmatization (McFadden & Crowley-Henry, 2018), and provides a chance to meet similar actors and lobby for supportive LGBTQ+ changes (Bell et al., 2011; Githens & Aragon, 2009; McFadden & Crowley-Henry, 2018).

In this context, our objective is to develop the theoretical foundations necessary to consolidate existing findings into a more homogeneous body of literature that will contribute to opening the black box surrounding the actor embeddedness – entrepreneurship linkage. For this purpose, we advance a systematically driven, conceptual framework by...
recognizing that as a social ascription, actor embeddedness is a fundamental feature of organizational LGBTQ+ communities.

As such, how embeddedness influences actor entrepreneurship will impact how it is perceived by the actors (i.e., organizational LGBTQ+ community members). Specifically, we argue that actor embeddedness in organizational LGBTQ+ communities, embodied by homophily and prominence, leads to increased actor entrepreneurship (i.e., entrepreneurial phases). Further, we advance current research on the actor embeddedness – entrepreneurship linkage by positing the moderating roles of actor attributes (i.e., personality traits) and organizational environment. Finally, we highlight the mediating role of resource acquisition in the actor embeddedness – entrepreneurship linkage.

Our study offers several contributions to both theory and practice. First, our review is the first of its kind to explore the actor embeddedness – entrepreneurship linkage in this context. With this conceptual endeavor, we address the need to advance research on actor embeddedness in lesser-known organizational communities such as LGBTQ+. Second, analyzing extant literature has led us to a novel conceptual framework that we hope may generate new knowledge and directions of research.

As such, how embeddedness influences actor entrepreneurship will impact how it is perceived by the actors (i.e., organizational LGBTQ+ community members). Specifically, we argue that actor embeddedness in organizational LGBTQ+ communities, embodied by homophily and prominence, leads to increased actor entrepreneurship (i.e., entrepreneurial phases). Further, we advance current research on the actor embeddedness – entrepreneurship linkage by positing the moderating roles of actor attributes (i.e., personality traits) and organizational environment. Finally, we highlight the mediating role of resource acquisition in the actor embeddedness – entrepreneurship linkage.

2. Methodology

This section reviews the literature intersecting actor embeddedness and entrepreneurship in organizational LGBTQ+ communities. An overview of the approach employed in the research is provided in Fig. 1.

As Fig. 1 highlights, we conducted a systematic review of extant literature to identify relevant contributions to organizational LGBTQ+ communities dealing with the actor embeddedness – entrepreneurship linkage. Such publications were identified through a structured, iterative search strategy by selecting keywords about specific dimensions such as LGBTBQ+ (e.g., “lgbt”, “homosexual”, “queer”), community (e.g., “belongingness”, “attachment”, and “kinship”), entrepreneurship (e.g., “entrepreneur”, “entrepreneurism,” and “entrepreneurial”), and embeddedness (e.g., “embeddedness”, “social connectedness”, and “sociocultural network”) (see Appendix A1 for a complete list).

From a selection perspective, and similar to other systematic reviews (e.g., Zahoor et al., 2020), we searched Web of Science (WoS), an academic database provided online by Clarivate Analytics, to identify the articles on the topics’ intersection. From a combination of the keyword search results for each dimension (i.e., LGBTQ+, community, entrepreneurship, and embeddedness), 30 articles were selected. Further, the results were cross-checked with Scopus, Elsevier’s abstract and citation database (Zhu & Liu, 2020), whose combined keyword search in the exact dimensions yielded 54 articles. The combined results from both WoS and Scopus (n = 84) were then screened according to fit-for-purpose quality criteria (Adams et al., 2017) based on language (i.e., English) and relevance (i.e., the intersection of the topics). Such procedure removed 70 articles, of which 20 were duplicates, and the rest were not deemed relevant (i.e., belonged to nonmanagement fields such as sociology). Cited references were also cross-checked to identify additional relevant publications. Following the completion of the search for appropriate contributions, we obtained a total of 14 research articles that provided the basis for the development of our conceptual framework, which will be discussed in the following sections. We are not concerned about sample size, due to both the rigor of the selection process and the fact that systematic reviews on LGBTQ+ perspectives use similar sample sizes (e.g., Caceres et al., 2020).

2.1. State of the art research

The above methodology presents a snapshot of the current literature that ties LGBTBQ+, communities, entrepreneurship, and embeddedness. The following sections focus on (1) defining organizational LGBTQ+ communities, (2) introducing community-based actor entrepreneurship, and (3) offering traditional versus network views of actor entrepreneurship in organizational LGBTBQ+ communities (see Table 1 for an overview).

![Fig. 1. Overview of the selection process.](image-url)
Table 1
Selected research on actor embeddedness - entrepreneurship linkage in organizational LGBTQ+ communities.

<table>
<thead>
<tr>
<th>Authors</th>
<th>Journal</th>
<th>Year</th>
<th>Type of analysis</th>
<th>Theoretical lens</th>
<th>Sample and data</th>
<th>Method</th>
<th>Main findings</th>
<th>Link to actor entrepreneurship</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beauregard, T., Arevshatian, L., Booth, J. E., &amp; Whittle, S.</td>
<td>International Journal of Human Resource Management</td>
<td>2018</td>
<td>Empirical, qualitative</td>
<td>Invisible stigma disclosure, silence theory</td>
<td>100 FTSE company websites; information analysis.</td>
<td>Content analysis</td>
<td>Only 17% of FTSE company websites refer directly to transgender individuals, illustrating the extent to which trans voices are unheard in the workplace.</td>
<td>Engagement, involvement, and empowerment are critical components of employee voice. The absence of voice is detrimental to entrepreneurship.</td>
</tr>
<tr>
<td>Cavalcanti, AL; Ferreira, JJ</td>
<td>Strategic Change – Briefings in entrepreneurial finance</td>
<td>2022</td>
<td>Empirical, qualitative</td>
<td>Marginalization, entrepreneurial orientation</td>
<td>6 Brazilian entrepreneurs</td>
<td>Content analysis</td>
<td>This study advances the consideration of the identities of individuals who report a correlation between their acceptance as homosexuals and the courage to become an entrepreneur, accept the risks, and strive to meet their career expectations.</td>
<td>LGBT entrepreneurs who take risks in their businesses raise their chances of obtaining high financial benefits.</td>
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<tr>
<td>Colgan, F., &amp; McKearney, A.</td>
<td>Equality, Diversity, and Inclusion</td>
<td>2012</td>
<td>Empirical, qualitative</td>
<td>Spirals of silence theory</td>
<td>14 UK organizations; In-depth interviews with 149 LGB employees within 14 UK case study organizations plus 55 in-depth interviews with management, trade unions, and LGBT company networks reps.</td>
<td>Qualitative software N-vivo</td>
<td>LGBT employee network groups provide visibility, community, and voice. Self-organized mechanisms offer a safe space within which minority groups may develop group identity, consciousness, and strategies for change.</td>
<td>Employee network groups provide a route for LGBT employees to develop entrepreneurial strategies for change as the LGBT constituency becomes visible.</td>
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<tr>
<td>Cunningham, G. B., &amp; Nite, C.</td>
<td>Journal of Sport Management</td>
<td>2020</td>
<td>Empirical, quantitative</td>
<td>Institutional theory</td>
<td>65 National Collegiate Athletic Association departments and their communities; Data gathered from publicly available resources in 2017.</td>
<td>Regression analysis</td>
<td>Success results are higher when there is alignment between community expectations and the inclusiveness of sports organizations.</td>
<td>At an organizational level, groups with high LGBT diversity and an inclusive environment show greater entrepreneurial creativity, organizational attractiveness, and performance.</td>
</tr>
<tr>
<td>Demmisse, M., Benschop, Y., &amp; van den Brink, M.</td>
<td>British Journal of Management</td>
<td>2019</td>
<td>Empirical, qualitative</td>
<td>Network and gender</td>
<td>Multiple case studies of 5 diversity networks in financial services organizations in the Netherlands; 30 in-depth</td>
<td>Qualitative software Atlas, TI and discourse analysis.</td>
<td>Leaders tend to construct value by individual career development and community building.</td>
<td>Diversity network leaders discursively build the value of their networks against the backdrop of discourses on diversity and equality. Board members of LGBT (continued on next page)</td>
</tr>
<tr>
<td>Authors</td>
<td>Journal</td>
<td>Year</td>
<td>Type of analysis</td>
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<tr>
<td>Galloway, L.</td>
<td>International Small Business Journal</td>
<td>2012</td>
<td>Empirical, qualitative</td>
<td>Heteronormativity</td>
<td>11 gay entrepreneurs in the UK</td>
<td>Manual thematic analysis</td>
<td>Discrimination experiences influence career choice. Entrepreneurs do not altogether remove the negative experiences of being gay as the social and cultural status quo prevails.</td>
<td>Networks particularly value community building to prevent isolation. Primary motivators for gay men to become entrepreneurs are not related to experiences of discrimination but to the desire for economic autonomy, being oneself and out of the closet, career success, and the development of diverse businesses among others.</td>
</tr>
<tr>
<td>McPhail, R., McNulty, Y., &amp; Hutchings, K.</td>
<td>The International Journal of Human Resource Management</td>
<td>2016</td>
<td>Empirical, qualitative</td>
<td>Social capital</td>
<td>Expatriates; 20 semi-structured interviews with LG expats</td>
<td>Manual thematic analysis</td>
<td>Unique social capital opportunities, challenges, and barriers are identified for LG expats.</td>
<td>Social capital is explored concerning LG expats' perceptions of how they use their relational, structural, and cognitive capital to address opportunities, challenges, and barriers. Queer workers are enthusiastic about joining labor efforts due to their use of creative expression.</td>
</tr>
<tr>
<td>O'Brien, M. E.</td>
<td>Work, Employment, and Society</td>
<td>2020</td>
<td>Empirical, qualitative</td>
<td>Social networks</td>
<td>3 NYC retail organizations; 22 in-depth interviews with queer and trans labor organizers and workers in NYC.</td>
<td>Transcription of the interviews to tag recurring themes and triangulation with news reports, organizational publications, and campaign documents.</td>
<td>LGBT workers are more likely to join organizing campaigns and play leadership roles. This is due to a) their experience with managerial discrimination and b) prior social movement activity.</td>
<td>Queer workers are enthusiastic about joining labor efforts due to their use of creative expression.</td>
</tr>
<tr>
<td>Pulcher, S., Guerci, M., &amp; Köllen, T.</td>
<td>Journal of Organizational Change Management</td>
<td>2020</td>
<td>Empirical, qualitative</td>
<td>Heteronormativity</td>
<td>Seven trade unions in Italy; 4 LGBT activists, a CEO, industrial relations officer, 13 semi-structured interviews</td>
<td>Multiple case study</td>
<td>Italian unions act as institutional entrepreneurs in the sexual orientation field by framing the issue of the inclusion of LGBT workers as an issue of including minority groups under the broad umbrella of equality in workplaces, and by cooperating with LGBT associations</td>
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2.1.1. Defining organizational LGBTQ+ communities

Social identities are relevant across all life domains as they help actors define themselves and shape their daily social interactions (Di Marco et al., 2021). When social identity comes under threat, the unity of actors becomes essential for their mutual support (Dennisen et al., 2019). The identity of LGBTQ+ actors is impacted by discrimination, harassment, and, in extreme cases, violence. Actors of LGBTQ+ communities tend to support each other, and establishing organizational LGBTQ+ communities is a way of finding emotional ties and a safe space within organizations (Colgan & Ledwith, 2002; Colgan & McKearney, 2012).

Previous studies have analyzed discriminatory behaviors toward LGBTQ+ actors (Di Marco et al., 2019), the impact of organizational LGBTQ+ communities on firm performance (Pichler et al., 2018; Pulcher et al., 2020), the need for LGBTQ+ voice (Colgan & McKearney, 2012), and the importance of LGBTQ+ actor inclusion in organizational success (Cunningham & Nite, 2020) among other aspects. From this research, organizational LGBTQ+ communities are seen as essential platforms for organizational development and change in the workplace (Githens, 2012), contributing to organizational effectiveness (Gedro, 2007) and increasing employee awareness of LGBTQ+ issues (Githens, 2012).

2.1.2. Community-based actor entrepreneurship

Extant literature has emphasized how actor entrepreneurship involving the initiation, engagement, and performance of new ventures, affects the well-being of organizational communities enhanced by actors willing to pursue viable opportunities (Chreim et al., 2018; Larson, 1991; Shepherd et al., 2019; van der Zwan et al., 2016).

Actor entrepreneurship is considered as a process of social interaction between the organizational community and the entrepreneur rather than an outcome of a single individual (Shepherd, 2015). This consideration stems because actor entrepreneurship underscores a set of entrepreneurial behaviors, where social interaction is paramount to resource access and allocation. In this vein, actor entrepreneurship is considered as a vehicle for social mobility and community development (Edelman et al., 2010).

The idiosyncratic characteristics of organizational communities (e.g., typology) influence actor entrepreneur and its viability (Marlow et al., 2018). Community-based attributes such as gender and minority status significantly impact entrepreneurial self-efficacy and entrepreneurial outcome expectations (Liguori et al., 2018). In the minority sense, actor entrepreneurship can empower disadvantaged organizational communities such as LGBTQ+ by enhancing the innovative potential of their actors (Wang & Morrell, 2015).

Extant research recognizes the effect of organizational communities on actor entrepreneurship (Grossman et al., 2012). Despite this effect’s presence (Rae, 2021; Ram & Jones, 2008; Wang & Altiay, 2012), extant research has focused chiefly on ethnic minorities (Kloosterman, 2018; Rae, 2021) and women studies (Marlow et al., 2018), whereas organizational LGBTQ+ communities have received less attention (Galloway, 2012; Leppel, 2016; Schindehutte et al., 2005; Willsdon, 2005). This lack of focus has been attributed to relative invisibility, as organizational LGBTQ+ community actors have a marked tendency to remain “in the closet” (Di Marco et al., 2014; Ng & Rumens, 2017; Willsdon, 2005).

Even if extant research is starting to explore organizational LGBTQ+ communities, several limitations arise. First, studies investigate mostly male gay employees, which remain very limited to having an encompassing view of organizational LGBTQ+ communities. Therefore, the research needs to include lesbian, bisexual, transsexual, queer, and other
organizational communities under the LGBTQ+ umbrella. Second, research has been done in Western societies, and there is a need to understand the dynamics of organizational communities in other societies with diverse cultural and environmental factors. Finally, extant research explores actor entrepreneurship as a freelance activity toward venture creation (Rumens & Ozturk, 2019), disregarding actor entrepreneurship within organizations. We address these issues through an actor-based view of the embeddedness – entrepreneurship linkage in organizational LGBTQ+ communities.

2.1.3. A traditional view of actor entrepreneurship in organizational LGBTQ+ communities

Organizational community literature has traditionally focused on the attributes of communities rather than the relationships that enable the community to exist (Wade, 1995). This focus applies to organizational LGBTQ+ communities where the issues of heteronormativity and homonormativity have plagued the gender and sexual aspects, especially when considering actor entrepreneurship (Galloway, 2012; Marlow et al., 2018). Specifically, organizational LGBTQ+ community studies have traditionally assumed an exclusive hetero/homonormative vision of the male/female, gay/lesbian entrepreneur, with an added theoretical expectation of gendered accounts of actor entrepreneurship despite being empirically contradicted (Ahl, 2006).

Further complexities arise when entrepreneurs use stereotypical heteronormative and homonormative precepts for a strategic purpose (Rosenfeld, 2009). For example, LGBTQ+ actors may choose entrepreneurship in sectors where they are less likely to experience discrimination (Chung & Harmon, 1994). For gay men, sexual identity has been primarily associated with gay activity, whereas for lesbians, both gender (female) and sexual (homosexual) result in a more substantial political and emotional component (Eliason, 1996; Germon et al., 2020; Schindehutte et al., 2005). This rationale may well extend to organizations. Lastly, areas of high LGBTQ+ economic activity are becoming increasingly attractive to the heterosexual population as economically viable markets and as areas of safety for heterosexual women. This pattern supports the principles of Queer Theory that there is no homogenous LGBTQ+ community (Galloway, 2007), further adding to the complexities of analyzing these communities.

Research can disentangle these complexities by studying the relationships (i.e., networks) within organizational LGBTQ+ communities. This answer to these complexities is because organizational communities are defined as actors connected by communication networks and other embedded relations (Monge et al., 2008). Such embeddedness could pave the way for organizational LGBTQ+ identity recognition as complex and diverse linkages are analyzed through social network tools. Additionally, it would enable researchers to view networks as an additional theoretical lens that explains LGBTQ+ occupations (Tilcsik et al., 2015).

2.1.4. A network view of actor entrepreneurship in LGBTQ+ communities

Social network analysis has been an essential tool for analyzing different organizational communities, including communities of practice (Cross et al., 2006), knowledge communities (Cohen et al., 2008; Henry & Pinch, 2002), and transnational communities (Coe & Bunnell, 2003). Across this research, the concept of embeddedness has been omnipresent, identified broadly as the nature, depth, and extent of actors’ ties into situated social relations such as innovation systems (Coe & Bunnell, 2003), geographic networks (Gittelman, 2007), industrial clusters (Balland et al., 2016), and virtual communities (Castells, 2003).

Researchers have recognized that embeddedness provides an opportunity to form a deeper understanding of how entrepreneurs, as socialized actors, interact with each other and as a whole (Granovetter & Swedberg, 2018; McKeever et al., 2014). Embeddedness in entrepreneurial networks (Lefebvre et al., 2015) creates opportunities via available resources and shapes entrepreneurial outcomes such as venture performance, entrepreneurial orientation, and value creation (Rodrigo-Alarcon et al., 2018; Uzzi & Gillespie, 2002). Organizational community structures provide the context, location, and mechanisms for actor embeddedness and help disentangle the black box of entrepreneurial manifestations (McKeever et al., 2014).

Actor entrepreneurship is known to be embedded in the structure of organizational relations (Simsek et al., 2003). Studies show that personalized ties between entrepreneurs and bankers lead to cheaper loan interest rates (Uzzi, 1999). Furthermore, embeddedness through network contacts impacts early internationalization (Schwens & Kabi, 2009). Embeddedness also affects actor entrepreneurship via trust building and constraining entrepreneurial decision-making (Li et al., 2013). Different forms of embeddedness, such as trust, identification, and obligations among entrepreneurial actors, shed light on how relationships become essential resources for attaining firm growth (Bird & Zellweger, 2018).

Actor embeddedness is relevant in minority communities such as female entrepreneurship networks by fomenting leadership of network development and challenging gender structures due to questioning masculinity in entrepreneurship (Roos, 2019). Nevertheless, little is known about the relationship between actor embeddedness and entrepreneurship in organizational LGBTQ+ communities. Exploring this issue would be helpful because studies from our selected sample show that actor embeddedness promotes diversity networks (Dennisen et al., 2019) and helps shape LGBTQ+ social identities (Rumens & Ozturk, 2019) within organizations.

Organizational LGBTQ+ communities consist of actors with diverse social identities (i.e., sexual identity, gender, race/ethnicity, and class background), marked by heterogeneous experiences across community spaces (Martos et al., 2015). Management literature has analyzed the relationship between social networks and organizational LGBTQ+ communities from different theoretical perspectives, including employee turnover (Lazer & Friedman, 2007), public opinion (Bell et al., 2011; Colgan & McKearney, 2012), career development (Kaplan, 2014; Nan Cam Trau & Haertel, 2004), stigmatization (Alexandra Beauregard et al., 2018; Hudson, 2008; Kulik et al., 2008; Ragins, 2008), social identity (Clair et al., 2005; Paisley & Tayar, 2016; Rowley & Maldoveau, 2003), institutional change (Creed et al., 2010; Sea & Creed, 2002), heteronormativity (Galloway, 2012), stakeholder theory (Briscoe et al., 2014), and social role theory (Anglin et al., 2018). As a result, several aspects of this relationship can be highlighted.

Interpersonal networks are an essential boundary condition for organizational LGBTQ+ community actors suffering from invisible stigma (Trau, 2015). This point is relevant because disclosure depends on the type of relationship that these actors establish in their informal networks (Ragins, 2008), and stigma is a particularly negative aspect as it can affect career advancement and potentially lead to job loss (Clair et al., 2005). Organizations increasingly rely on networks that non-stigmatized employees establish with actors of stigmatized organizational communities such as LGBTQ+ (i.e., mentors, allies, and cultural brokers) (Kulik et al., 2008). Furthermore, organizations often shelter their expatriates, including LGBTQ+ employees, by embedding them in purposefully created social networks to avoid engagement with local culture and foment interaction with other expatriates (Paisley & Tayar, 2016). Next, we explore how embeddedness is the toolbox that helps us to better understand organizational LGBTQ+ communities.

2.1.5. Embeddedness as a toolbox - an organizing framework

Our systematic review suggests a framework of embeddedness as a driver of actor entrepreneurship in organizational LGBTQ+ communities. It also highlights several attributes that act as moderators and mediators to the actor embeddedness – entrepreneurship linkage. We expand on this in the following sections.

2.1.5.1. Embeddedness as a driver of actor entrepreneurship. Embeddedness represents a critical mechanism for actor entrepreneurship, given
its potential to influence resource acquisition and firm performance (Hite, 2003; Uzzi, 1996; Zaheer et al., 1998). In this sense, embeddedness helps entrepreneurs in identifying resources that start-up need to undertake to survive (McKeever et al., 2014). For example, Cunningham and Nite (2020) show that LGBT inclusion (i.e., population density), which can be related to embeddedness (Gilsing et al., 2008), successfully influences organizational performance.

Minority entrepreneurship literature has highlighted the relevance of homophily for embedded actors within entrepreneurial networks (Carter et al., 2003; Greenberg & Mollick, 2017; Ibarra, 1993; Neumeyer et al., 2019). Homophily, typically defined as the tendency to associate with an actor with similar others, is an essential factor affecting actor entrepreneurship. For example, Grossman et al. (2012) show that interpersonal homophily, such as gender, affects how nascent entrepreneurs attribute value to those they meet to build new venture networks and launch new ventures. This behavior shows that as individuals embed themselves in homogeneous social structures, they are more likely to interact with similar actors (Phillips et al., 2013). Homophily affects individual connections and helps shape informal networks as entrepreneurs rely on similar relationships in the early stages of new ventures (Gartner et al., 2004).

Organizational LGBTQ+ communities provide a platform that enables actors to share experiences such as discrimination (e.g., harassment and marginalization) and support actor entrepreneurship (Mara et al., 2021; Schindehute et al., 2005). From our selected sample, O’Brien (2021) shows how queer workers rely on their shared experiences to support labor organizing efforts that benefit as a result of actors’ creative expression, a well-known entrepreneurial trait (Altinay et al., 2021).

Such support will increase the further the actors share similar experiences, thus promoting actor homophily across the LGBTQ+ community. Homophily provides a social structure that allows for flexibility and can support the conditions under which entrepreneurial opportunities are enabled, especially in high-uncertainty contexts (Busch & Barkema, 2020). Actor homophily helps entrepreneurial opportunities in LGBTQ+ communities as it allows the actors to become more creatively expressive, an essential aspect of actor entrepreneurship (Altinay et al., 2021). Therefore, we argue that actor homophily in LGBTQ+-communities has a positive effect on actor entrepreneurship, and our first proposition is the following:

**Proposition 1. Homophily within LGBTQ+ communities leads to increased actor entrepreneurship.**

**Prominence** has been defined as the central positioning actors achieve in community networks because of embeddedness (Colgan & McKearney, 2012; Seelos et al., 2011, pp. 333–363; Yeniyurt & Carnovale, 2017). Actor prominence may increase reputation, an important motivating factor for LGBT entrepreneurs (Cavalanti & Ferreira, 2022). As actor embeddedness grows, so does the influence of an actor relative to others (Ferranti et al., 2009), enabling better control over resource allocation (Burt, 2004), subjective performance (Prajapati & Biswas, 2011), opportunity discovery (Shu et al., 2018), and entrepreneurial passion (Ho & Pollack, 2014).

Organizational boundaries have become less clear-cut and information more accessible (Manev & Stevenson, 2001). In this vein, prominence in networked organizational LGBTQ+ communities fosters actor voice that can span boundaries such as unionized versus nonunionized workplaces (Colgan & McKearney, 2012). Thus, prominent LGBTQ+ actors are likelier to speak up with ideas and suggestions (Venkataramani et al., 2016).

Prominence in organizational LGBTQ+ communities enables actors to increase their visibility and voice via activism, ultimately supporting entrepreneurial strategies (Colgan & McKearney, 2012; Walker, 2009). From our sample, Alexandre Beauregard et al. (2018) show that trans employees voice, regarded as a proliferation of trans employee network communities due to actor embeddedness, can significantly affect trans employee performance. In doing so, prominence enables actors to span community boundaries as network centrality provides easy access and potential control of information and resources (Kwon et al., 2020), which are known to be invaluable assets for successful entrepreneurial phases (Ferranti et al., 2009). In the light of these arguments, we propose that network prominence helps actors engage in entrepreneurship. Therefore, our second proposition is the following:

**Proposition 2. Prominence within LGBTQ+ communities leads to increased actor entrepreneurship.**

2.1.5.2. Attributes moderating the actor embeddedness-entrepreneurship linkage in organizational LGBTQ+ communities. The actor embeddedness–entrepreneurship linkage, embodied by homophily and prominence, is not exhaustive. In the following paragraphs, we argue that how personality and organizational environment are moderators of this relationship.

**Personality**, defined as the inherent predisposition of individuals to act or behave in different ways (Singh, 2019), is an essential factor affecting the actor embeddedness–entrepreneurship linkage. Some personality traits such as proactivity, conscientiousness, emotional stability, nurturing, socialization, and education are deemed positive (Hwee Nga & Shamugananthan, 2010; Singh, 2019). Others, such as extraversion and narcissism, are ambiguous or may negatively affect their direct relationship with embeddedness and entrepreneurial endeavors (Anglin et al., 2018; Singh, 2019). In this sense, personality traits help entrepreneurs create social value via socialization, extraversion, and mastery (de Beer, 2018; Hwee Nga & Shamugananthan, 2010; Littunen, 2006; Rauch & Frese, 2014; Singh, 2019; Irengün & Arıkboga, 2015).

However, little is known about how personality traits affect the actor embeddedness–entrepreneurship linkage in organizational community settings such as LGBTQ+ communities. This matters because negative personality traits such as inhibited emotional expression, lack of empathy and homophobia are known to lead to increased allostatic load (i.e., chronic stress) among LGBTQ+ community members (Juster et al., 2019), an outcome linked to actor entrepreneurship (Patel et al., 2019; Wiklund et al., 2019).

Whereas personality is consistently seen as an antecedent to actor embeddedness and entrepreneurship, studies have also shown its validity as a moderator. From our selected sample, Anglin et al. (2018) show that LGBTQ+ entrepreneurs generally yield greater performance when using narcissistic rhetoric than heterosexuals. Given such moderator effect and the relatedness of personality traits to actor embeddedness and entrepreneurship, two scenarios may be argued.

First, positive personality traits (e.g., socialization) would increase the positive effect of embeddedness on actor entrepreneurship. This effect is possible because entrepreneurial outcomes, including creativity, are tied to how actors build embeddedness via socialization in their organizational LGBTQ+ communities (Fang et al., 2015; Shalley et al., 2015). Socialization is crucial for organizational LGBTQ+ communities as it enables actors to learn about this particular community (Mendez, 2020).

Second, negative personality traits may inhibit the positive relationship between actor embeddedness and entrepreneurship in organizational LGBTQ+ communities. For example, narcissism may be initially positive for actor embeddedness within the LGBTQ+ community. However, ultimately, it will harm LGBTQ+ actor entrepreneurship as narcissistic actors are often regarded as aggressive, overconfident, and arrogant (Anglin et al., 2018; Campbell et al., 2004; Ronningstam, 2005). For example, excess arrogance fails to increase financial support to entrepreneurs by investors (Hewe & Menges, 2022). Given the above arguments, we propose the following:

**Proposition 3a. Positive personality traits (e.g., socialization) increase the positive effects of embeddedness in LGBTQ+ communities on actor entrepreneurship.**
Proposition 3b. Negative personality traits (e.g., narcissism) decrease the positive effects of embeddedness in LGBTQ+ communities on actor entrepreneurship.

Organizational environment is another essential factor affecting actor entrepreneurship in organizational communities. Extant research has shown that environmental factors such as institutions (Dorado & Ventresca, 2013), climate (De Clercq & Rius, 2007), and culture (Leppäaho et al., 2018) positively affect actor entrepreneurship. Concerning our particular context of organizational LGBTQ+ communities, Pulcher et al. (2020) show that trade unions can function as an institutional entrepreneurs by contributing to the diffusion and adaptation of LGBT diversity initiatives. Furthermore, Webster et al. (2018) show that environmental factors such as formal LGBTQ+ policies and practices, LGBTQ+ supportive climate, and supportive workplace relationships reduce stressors for LGBTQ+ employees.

Pichler et al. (2018) found that the presence of LGBT-supportive policies is associated with higher firm value, productivity, and profitability, thus tying LGBT-supportive policies to organizational performance outcomes. Additionally (Trau, 2015), found that perceptions of organizational climate (i.e., discriminatory or supportive) affect the disclosure of stigmatized identities in embedded actors of organizational LGBTQ+ communities, which then impact their entrepreneurial creativity.

Thus, we argue that the organizational environment moderates the actor embeddedness – entrepreneur linkage. This moderation effect means that the organizational environment may influence the degree of actor embeddedness in organizational LGBTQ+ communities and thus the positive outcome (or absence thereof) of actor entrepreneurship. Specifically, the presence (or absence thereof) of supportive environmental factors would increase or decrease the positive impact of prominence on actor entrepreneurship by acting as ‘climates of intra-preneurship’ (Neessen et al., 2019). Additionally, it would increase or decrease the impact of actor homophily on actor entrepreneurship because a supportive organizational environment would encourage LGBTQ+ actors to ‘come out’ within this community. Conversely, a discriminatory organizational environment would impair ‘coming out’ efforts (Monaco & Pezzella, 2022) and further hamper actor entrepreneurship (Kidney, 2021). In the light of these arguments, our fourth proposition is the following:

Proposition 4. The organizational environment will moderate (in terms of success or absence thereof) the effect of embeddedness in LGBTQ+ communities on actor entrepreneurship.

2.1.5.3. Attributes mediating the actor embeddedness-entrepreneurship linkage in organizational LGBTQ+ communities. Past research has highlighted that how resource acquisition leads to increased actor entrepreneurship via embeddedness in organizational LGBTQ+ communities. Embedded ties are essential for entrepreneurs because they counteract resource acquisition costs, the latter seen as a vital outcome of cooperative behavior (Newbert & Tornikoski, 2013). In this context, embeddedness matters because acquired resources are assumed to be valuable (Cavalcani & Ferreira, 2022; Ozdemir et al., 2016; Zhang, 2010).

Embeddedness helps LGBTQ+ actors fight discrimination and stereotyping issues in specific resource acquisition settings such as expatriation (McPhail et al., 2016). This effect is particularly salient for organizational LGBTQ+ communities because, as Galloway (2012) finds, there is a perceived resource acquisition problem from formal networks, and “a lack of successful gay role models in the business community may have implications for the entrepreneurial and growth potential of firms owned by gay people.” This finding is similar to others, such as women-owned firms, with formal and informal networks seen as sources of financial resources (Kickul et al., 2007). In the light of these arguments, we propose that resource acquisition will mediate the relationship between embeddedness in organizational LGBTQ+ communities and actor entrepreneurship because entrepreneurial phases continuously require resources obtained through network ties (Leung et al., 2006; Witt et al., 2008). Therefore, our fifth proposition is the following:

Proposition 5. Embeddedness in LGBTQ+ communities leads to increased resource acquisition that in turn increases actor entrepreneurship.

3. Discussion

This study aimed to better understand the relationship between actor embeddedness and entrepreneurship in organizational LGBTQ+ communities by integrating research into a unified conceptual framework (see Fig. 2).

Thus far, the implications of the impact of embeddedness in
organizational LGBTQ+ communities on actor entrepreneurship remain unexplored despite calls on the issue (Cavalcanti & Ferreira, 2021; Rae, 2021). Our systematic review highlights a missing link between actor embeddedness and entrepreneur-ship in organizational LGBTQ+ communities. We delve deeper into this linkage by proposing a conceptual framework in which actor embeddedness, embodied by network concepts such as homophily and prominence, positively affects actor entrepreneurship. Homophily allows embedded LGBTQ+ actors to share their experiences, whereas prominence increases voice within the organization, ultimately leading to increased actor entrepreneurship (i.e., initiation, engagement, performance).

Further, we propose that the actor embeddedness–entrepreneurship linkage hinges on actor attributes such as positive and negative personality traits. Specifically, positive personality traits (e.g., socialization) will strengthen the actor embeddedness–entrepreneurship relationship due to increased creativity, which is deemed as a crucial entrepreneurial factor. Conversely, negative personality traits (e.g., narcissism) will decrease actor entrepreneurship as they carry aspects (e.g., arrogance) that ultimately hamper entrepreneurial activities.

An organizational environment that supports or discriminates against LGBTQ+ values will affect positively or negatively the actor embeddedness–entrepreneurship linkage. This moderation effect is possible because the intrapreneurial climate and ‘coming out’ issues hamper entrepreneurial behavior.

From a mediation perspective, actor embeddedness is seen as a prerequisite for resource acquisition that, in turn, is known to affect actor entrepreneurship. In this vein, resource acquisition derived from organizational LGBTQ+ community embeddedness is crucial, given the ‘onlyness’ and stigma that LGBTQ+ actors feel or may be subjected to within organizations.

From a theoretical perspective, this is the first study that we know of to advance a conceptual framework concerning the actor embeddedness–entrepreneurship linkage in organizational LGBTQ+ communities. Besides furnishing a more robust foundation for actor entrepreneurship in organizational LGBTQ+ communities, the basic assumptions of our framework can also be extrapolated to related research domains such as women entrepreneurship (Yadav & Unni, 2016) and minority entrepreneurship (Dabici et al., 2020), where actor embeddedness may enrich the understanding of these particular communities.

From a managerial perspective, organizations would be well suited to use the findings of our study to explore the dynamics of organizational LGBTQ+ communities. Managers should be aware of organizational LGBTQ+ communities receiving sufficient social and formal support through the organizational environment to develop their activities and analyze LGBTQ+ actor embeddedness within organizations to improve their entrepreneurial or intrapreneurial endeavors.

By exploring the constituents presented in our conceptual framework, organizations can support organizational LGBTQ+ communities to foster actor embeddedness and entrepreneur-ship. Specifically, acknowledging actor homophily and prominence would enable managers to spot role model LGBTQ+ employees that carry ‘voice’ and may act as brokers between the LGBTQ+ community and the other parts of the organization. Such acknowledgment may help in understanding how organizational LGBTQ+ communities evolve.

HRM systems may also be developed to help managers in understanding and designing LGBTQ+ practices that consider actor attributes such as personality traits that moderate the actor embeddedness–entrepreneurship linkage (Everly & Schwarz, 2015). In this vein, the organizational environment (i.e., climate, informal institutions, and culture) that supports organizational LGBTQ+ communities may provide additional mechanisms that enhance actor entrepreneurship by reducing stigma and discrimination.

Despite our contributions, this study is not without its limitations. When considering the actor embeddedness–entrepreneurship linkage, we found a relatively limited research pool, particularly in the context of organizational LGBTQ+ communities. Thus, the selected studies included in this article offer valuable yet limited insights for understanding the relationship in question. As research on organizational LGBTQ+ communities gains momentum, we hope that future studies will broaden the insights provided in this study. Especially meaningful could be the inclusion of other communities, such as intersexual and asexual (Ritzé et al., 2021), as well as other cultural contexts (Lubbe, 2015).

Despite the taxonomy of entrepreneurial processes (i.e., initiation, engagement, and performance), entrepreneurial processes have been categorized in other forms (e.g., prelaunch, launch, and postlaunch dimensions (Baron & Henry, 2010)). This categorization makes it challenging to understand how actor embeddedness affects specific aspects of the entrepreneurial process. Therefore, future research may need to align different definitions of entrepreneurship to understand its relationship with actor embeddedness further.

Finally, we consider embeddedness from an actor perspective as embedded within communities. In this vein, future research may delve into the embeddedness mechanisms that span from individuals to entrepreneurial communities (Guercini & Ranfagni, 2016).

4. Conclusions

Our study aimed to provide a conceptual framework on the actor embeddedness–entrepreneurship linkage by integrating multiple insights obtained via a systematic review and theoretically grounding this expanded view within organizational LGBTQ+ communities. Our propositions provide a parsimonious lens through which actor entrepreneurship in organizational LGBTQ+ communities can be broadened and enriched. Given the rising importance of LGBTQ+ communities, we believe that this study is timely. In a society growing toward equality and nondiscriminatory environments, exploring the potential for value creation of organizational LGBTQ+ communities becomes an essential priority in the research agenda.

Acknowledgments

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Appendix A1. Search keywords per dimension

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<th>Entrepreneurship</th>
<th>Embeddedness</th>
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Appendix A2. List of articles selected from the systematic review


References


