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Sustainable entrepreneurial orientation and supply chain dynamic capabilities for social value creation: evidence from MSEs in the East London fashion cluster

Helen Beney

A Thesis Submitted in Fulfilment of the Requirements for the Degree of Doctor of Philosophy

The University of Sussex

April 2022
Declaration

I hereby declare that this thesis has not been, and will not be, submitted in whole or in part to another University for the award of any other degree.

Helen Beney

Acknowledgements

Thank you, Andrew for your constant support through this research. You have been my cheerleader, mentor, and confidant. I am sorry for the ‘absence’ it has caused. I could not have done it without you. To Anthony and Constantin, thank you for your kind and generous supervision. You gave me space when I needed it, a forum for discussion and debate, and challenge when deserved. Anthony, especially, thank you for your support and encouragement towards the completion of this final document.

Finally, I must thank all the people who generously gave their time to respond to my questions. I would particularly like to thank the MSEs who participated in the case studies for their access, generosity, interest, and the insights they provided.
Abstract
This research considers why and how MSEs create social value in clusters and the role of Sustainable Supply Chain Management (SSCM) innovation in achieving this. In so doing, it bridges a gap between SSCM research and studies into creative clusters and sustainable business ecosystems in the fields of strategic entrepreneurship and economic geography.

The research uses a critical realist philosophy with a five-step abductive design and two phases of data collection. It builds on the management theories of value co-creation, sustainable and entrepreneurial orientation, the dynamic capabilities framework, and non-market criteria to explore social value. It positions enterprises as both social and political, and not simply economic entities.

Forty-seven interviews were conducted, culminating in the analysis of six geographically bounded MSE case studies. These are subjected to in-depth investigation of the enterprises’ resources, their values, and practices in relation to their ability to sense and seize SSCM opportunities to create social value. This leads to an elaboration of the sustainable entrepreneurial orientation construct that provides a compelling explanation of the behaviours of a particular group of MSEs who prioritise environmental and social concerns over profit maximisation.

The resulting conceptual framework presents SEO+SSCM+DCF as a new model of sustainable business, driving the transformation of sectors and improved delivery of social value through co-creation. In seeing innovation in SSCM as an industry resource, rather than as a means of competitive advantage, SEO firms create social value in three ways: the creation of socio-economic value through good employment; sustainable supply chain knowledge creation for enhanced environmental and social outcomes; and local community development including support of marginalised communities through inclusive employment, training, and development.

Keywords: Sustainable entrepreneurial orientation, sustainable supply chain management, dynamic capabilities, co-creation of social value
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Preface

After more than 25 years working within the fashion industry, I moved into Higher Education (HE) at the London College of Fashion (LCF). It was there that I became aware of government sponsored cluster initiatives broadly focusing on research and development through the fashion and textile supply chain to drive innovation and sustainable business growth. Having participated in the development of global fashion supply chains, which exploded after the removal of quotas and tariffs on countries such as China and Bangladesh in 2005, I was interested in the reality of whether innovation could contribute to the development of local capabilities and support regeneration.

It is pertinent in this preface, therefore, to acknowledge my position as an ‘insider’ in this research project. I am both a student of and a tutor for two of the partner institutions for the Arts and Humanities Research Council (AHRC) funded ‘creative clusters’ initiatives. I had also worked as a buying and design director for a number of global retailers, which involved sourcing from some firms based in East London. I address the ethical issues surrounding this position in Chapter 3. Here, I reflect upon the dynamic of the research which initially drew on my experience of the sector.

My experience of innovation in Supply Chain (SC) capabilities is fashion market specific and, therefore, concentrated on product development and relationship management for the efficient and agile response to market trends. As such, my concern is not the optimisation of supply chain logistics within an extended and often static supply chain, but the development and management of products, processes, and relationships.

The empirical focus on business innovation and growth aligned with knowledge development and employment shaped my initial interpretation of how social value could be created. However, in a critical realist (CR) process which navigated a series of “crossroads” (Eriksson and Engström, 2021 p.15), I was led by the data to consider the nature of social value within the wider sustainability context.

Thus, my first crossroads took me from a socio-economic paradigm to consider the nature of social value in the community and the interrelationship between social and environmental aspects rather than considering them as separate perspectives. In so doing, an unexpected challenge became a linguistic one of considering sustainability related terms and terminology.
to recognise “the importance of theory as a linguistic device used to organise a complex empirical world” (Bacharach, 1989 p.496).

The diversity of definitions and interpretations of sustainability are discussed in the literature review in Chapter 2. What I wish to observe here relates to Sustainable Supply Chain Management (SSCM) and the challenge of considering sustainable values and actions from both an empirical and theoretical perspective. In so doing I refer to the work of Matthews et al. (2016) who stated that “sustainability is fundamentally different from every other problem within SCM [supply chain management]. Sustainability is first and foremost a moral question as it concerns the legacy that is left to future generations (ibid., p.90).” They also reflect on the complexity of the field where, “a theory of SSCM should be multi-level, encompassing individuals, the organization, inter-organizational networks, and macro-environmental levels” (ibid.).

Equally challenging was presenting the literature and research findings in a logical sequence, both representing the nature of the abductive process and a cohesive evaluation of extant literature and theory as a scaffold. Thus, the literature review presents the core concepts reviewed initially, including the review of theoretical frameworks, but the findings and interpretations sections explore additional concepts that emerged through the data.

As a former industry practitioner, I often struggled with the distinction between the topic (complex, multidimensional, and empirical) and problem focus (more analytic theoretical concerned with constituent features). I found myself guilty “of increasing, rather than decreasing that very complexity” (Dubois and Gibbert, 2010 p.135).

However, prioritising the empirical and embracing complexity as the reality of innovation in SSCM led to the positioning of SSCM as both organisational and individual practice. Reflecting Silva et al. (2022) practice, for this study, refers to a suite of activities in the supply chain management context that interact both intra and inter-organisationally. As such, the problem focus of what explains innovation emerged from the complexity of the topic and was then shaped by the CR process.

CR required the abductive consideration of multiple mechanisms where my practical experience of the field, the rich data from the respondents, and a multi-disciplinary review of literature led to insights that can help explain the antecedents to practice innovation and the
social value that creates. As such, the thesis prioritises an understanding of why and how firms practice sustainability in reality rather than a micro examination of aspects of innovation for social value creation. In so doing, I hope to have addressed the call for an increased paradigm diversity in SSCM (McCarthy et al., 2018).
Notes on terminology and abbreviations

Given the potential for ambiguity in the terminology used in both this thesis and the wider literature, it is important to first set out a definition of key terms and concepts as they are introduced before a broader discussion of each topic in the literature review.

Atelier is used to describe a designer’s workshop or a manufacturing studio where garments are developed and/or produced.

Business ecosystems are a “conceptual umbrella for the benefits and resources produced by a cohesive, typically regional, community of entrepreneurs and their supporters that help new high-growth ventures form, survive, and expand” (Spigel and Harrison, 2018 p. 152). It is to be noted however, that the data in this research suggests there are also values or purpose related ecosystems which may not be focused on high growth.

Capabilities:
Capabilities are seen as “capacities to deploy resources to perform a task or activity or to improve performance” (McDougall et al., 2022 P. 16).

Dynamic capabilities can be defined as management that is able to change rapidly in response to a changing strategic context. Dynamic capabilities are “a learned and stable pattern of collective activity through which the organisation systematically generates and modifies its operating routines in pursuit of improved effectiveness” (Zollo and Winter, 2002 p. 340).

Dynamic supply chain capabilities are “a learned pattern of cross-organisational activities that facilitate the creation of new static capabilities or the modification of existing capabilities across multiple supply chain members” (Defee and Fugate, 2010 p. 187).

Clusters:
Clusters and geographic clusters in this thesis refer to “the geographic concentration of interconnected companies and institutions in a particular field” (Porter, 1998 p. 78). The geographic concentration or agglomeration of firms is referred to as an informal cluster.

Creative Clusters “are represented by a high density of creative firms in the same space” (Siepel et al., 2020 p. 5).
**Micro-clusters** are smaller agglomerations in neighbourhoods, streets, or sometimes within buildings (Siepel et al., 2020). These may focus on innovation or cultural districts such as the Queen Elizabeth Olympic Park and Fish Island Hackney Wick.

**The Creative Industries Clusters Programme** is funded by the UK Government’s innovation strategy and brings together researchers, companies, and organisations based around geographic clusters across the UK. The aim is to generate regional and UK wide growth that can be marketed globally (AHRC, 2018). Whilst these initiatives have a regional focus, they also include collaboration with firms beyond the geographic cluster. The thesis refers to these as formal cluster activities as funding and support from the cluster programme are contractually agreed.

**Human capital** is an individual’s knowledge, skills, abilities, and other characteristics useful for work (Ployhart, 2006).

**Logics and orientations:**

**Ecological dominant logic** is when “environment and social interests supersede economic interests” (Montabon et al., 2016 p.11).

**Entrepreneurial orientation.** Lumpkin and Dess (1996) defined EO as the “processes, practices, and decision-making activities that lead to new entry” (p. 136). It is typically conceived as having three uni-dimensions (proactivity, innovation, and risk) or being multidimensional, also considering competitive aggressiveness and autonomy (ibid.).

**Pro-ecological.** This term is used to reflect the prioritisation of environmental and social interests over profit. In this thesis ecological or environmental and social are seen as integral to each other and so referred to interchangeably. While there are some differences in some applications, in general, the separation is seen as not relevant here.

**Sustainable orientation** refers to the pro-environmental and pro-social values and behaviours of the firm (St-Jean and Labelle, 2018). Carter and Easton (2011) observed that early papers in the field “placed environmental as well as social...activities within the rubric of social responsibility” (P.47).

**Supply chain learning orientation** refers to the tendency to want to learn from and provide learning to supply chain partners.
Sustainable entrepreneurship “is focused on the preservation of nature, life support, and community in the pursuit of perceived opportunities to bring into existence future products, processes, and services for gain, where gain is broadly construed to include economic and non-economic gains to individuals, the economy, and society” (Shepherd and Patzelt, 2011, p. 137).

Micro and small enterprises (MSEs) are firms with 0-9 employees (micro) and up to 49 employees (small).

Social capital is defined by the OECD as "networks together with shared norms, values and understandings that facilitate cooperation within or among groups" (Healy and Côté, 2001, p. 41).

Social value creation is seen as a process in which “resources are combined in new ways to meet social needs, stimulate societal change or create new organisations” (Lumpkin et al., 2013, p. 762). As such, it is not only focused on societal issues, but also encompasses the environmental needs of society.

Sustainable development refers to “development that meets the needs of the present without compromising the ability of future generations to meet their own needs” (Brundtland, 1987).

Sustainable supply chain management (SSCM):
SSCM “the management of material, information and capital flows as well as cooperation among companies along the supply chain while taking goals from all three dimensions of sustainable development (economic, environmental and social) into account which are derived from customer and stakeholder requirements”. (Seuring and Müller, 2008, p. 1700).

Sustainable supply chain practice refers to a suite of sustainability orientated activities in the supply chain management context which interact both intra and inter-organisationally (Silva et al., 2022)

Social in SCM activities relate to enhancing human safety, welfare such as diversity and human rights, and quality of life including environmental issues and community development” (Klassen and Vereecke, 2012, p. 103).
<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
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<tbody>
<tr>
<td>3Ps</td>
<td>People, Planet, Profit (sometimes referred to as Prosperity)</td>
</tr>
<tr>
<td>3Rs</td>
<td>Reduce, Re-use, Recycle</td>
</tr>
<tr>
<td>AHRC</td>
<td>Arts and Humanities Research Council</td>
</tr>
<tr>
<td>BFC</td>
<td>British Fashion Council</td>
</tr>
<tr>
<td>BFTT</td>
<td>Business of Fashion and Textiles Technology (creative cluster initiative)</td>
</tr>
<tr>
<td>BOP</td>
<td>Bottom Of the Pyramid</td>
</tr>
<tr>
<td>CMT</td>
<td>Cut, Make, and Trim</td>
</tr>
<tr>
<td>CR</td>
<td>Critical Realism</td>
</tr>
<tr>
<td>DCF</td>
<td>Dynamic Capabilities Framework</td>
</tr>
<tr>
<td>DCs</td>
<td>Dynamic Capabilities</td>
</tr>
<tr>
<td>DSCCs</td>
<td>Dynamic Supply Chain Capabilities</td>
</tr>
<tr>
<td>EO</td>
<td>Entrepreneurial Orientation</td>
</tr>
<tr>
<td>ERBV</td>
<td>Extended Resource Based View</td>
</tr>
<tr>
<td>FFF</td>
<td>Future Fashion Factory (creative cluster initiative)</td>
</tr>
<tr>
<td>GVA</td>
<td>Gross Value Added</td>
</tr>
<tr>
<td>HE</td>
<td>Higher Education</td>
</tr>
<tr>
<td>LCF</td>
<td>London College of Fashion</td>
</tr>
<tr>
<td>LFW</td>
<td>London Fashion Week</td>
</tr>
<tr>
<td>LTO</td>
<td>Long Term Orientation</td>
</tr>
<tr>
<td>MSE</td>
<td>Micro and Small Enterprises</td>
</tr>
<tr>
<td>NFP</td>
<td>Not For Profit</td>
</tr>
<tr>
<td>NRBV</td>
<td>Natural Resource Based View</td>
</tr>
<tr>
<td>PPE</td>
<td>Personal Protective Equipment</td>
</tr>
<tr>
<td>R&amp;D</td>
<td>Research and Development</td>
</tr>
<tr>
<td>RBV</td>
<td>Resource Based View</td>
</tr>
<tr>
<td>RRREI</td>
<td>Resolution, Redescription, Retroduction, Elimination, and Identification</td>
</tr>
<tr>
<td>SCM</td>
<td>Supply Chain Management</td>
</tr>
<tr>
<td>SDGs</td>
<td>Sustainable Development Goals</td>
</tr>
<tr>
<td>SE</td>
<td>Sustainable Entrepreneurship</td>
</tr>
<tr>
<td>SEO</td>
<td>Sustainable Entrepreneurial Orientation</td>
</tr>
<tr>
<td>SO</td>
<td>Sustainable Orientation</td>
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<tr>
<td>SRBV</td>
<td>Social Resource Based View</td>
</tr>
<tr>
<td>SSCM</td>
<td>Sustainable Supply Chain Management</td>
</tr>
<tr>
<td>TBL</td>
<td>Triple Bottom Line</td>
</tr>
<tr>
<td>UKFT</td>
<td>United Kingdom Fashion and Textiles</td>
</tr>
<tr>
<td>VRIN</td>
<td>Valuable, Rare, Inimitable, and Non-substitutional</td>
</tr>
</tbody>
</table>
1 Introduction

The empirical context

Social value creation considers positive outcomes that benefit individuals, society, and their environment. It is seen as a process in which “resources are combined in new ways to meet social needs, stimulate societal change, or create new organisations” (Lumpkin et al., 2013 p. 762). Innovation is, therefore, a key mechanism for sustainable development, where economic and non-economic societal benefits may emerge both from the upstream the downstream commercialisation of new products or supply chain practices (Hall et al., 2018, Johnson and Schaltegger, 2020).

This research explores how and why fashion MSEs located in creative clusters innovate their SSCM capabilities, that is “to deploy resources to perform a task or activity to improve performance” (McDougall et al., 2022 P. 16). From a practice perspective the thesis is concerned with the broad suite of connected management actions to achieve sustainability; to understand the nature of SSCM practice and to consider how, why, and by whom actions are employed (Silva et al., 2022). These represent a trajectory of SSCM capability development, where MSEs move towards more sustainable practices through a complex and dynamic process (Silvestre, 2015).

The focus is on identifying plausible explanations of why firms do things in reality, on how sustainability occurs. This leads to a paradigm shift from the trichotomy of economic, environmental, and social definitions of sustainability as individual strands of sustainable performance to an integrated view of sustainability as practice within MSEs (Gao and Bansal, 2013, Gold and Schleper, 2017, Silva et al., 2022, Silva and Figueiredo, 2020).

The research was stimulated by the launch of UK Government and Higher Education (HE) backed cluster initiatives related to supply chain capability development. In 2017, the East London Fashion District (ELFD) was set up by the London College of Fashion (LCF), now known simply as the Fashion District (www.fashion-district.co.uk). For clarity it is referred to as the ELFD throughout this thesis. Focusing on East London’s rich fashion and craft heritage, the aim was the incubation of “new companies, business models, and support for innovation in products and services” (BOPconsulting, 2017 p. 4.). This regional cluster initiative is considered informal in this research as firms and organisations within the geographic area choose to
support and/or participate with a diverse set of programmes and events, promoted through a virtual hub.

Separately, in November 2018, as part of the UK Government’s industrial innovation strategy and with an initial funding of £80 million, nine creative industrial clusters were launched. The creative industries cluster programmes, delivered by the AHRC, are led by several UK universities in formal collaboration with other HE institutions and commercial partners. The aim is to support the definition, design, and development of new creative products and services across the UK (AHRC, 2018).

Two of these clusters focus on the fashion industry. The Business of Fashion and Textiles Technology (BFTT) is also led by LCF with a strong focus on East London and the Upper Lea Valley. The aim is to deliver innovation and business growth for the fashion and textile supply chain by championing sustainability-driven micro, small, and medium enterprises who innovate “the next generation of products, services and experiences in fashion, textiles, and technology” (BFTT, n.d. Para.1.). The Future Fashion Factory led by the University of Leeds, but in collaboration with other institutions including the Royal College of Art in London, aims to collaboratively develop digital and textile technologies to increase productivity in a circular economy and reinvigorate the industries onshore capacity (AHRC, 2018).

The UK creative cluster policy deal looks to support SMEs towards scale, targeting 50% export growth, a contribution of £150 billion gross value added, and 600,000 jobs to be created by 2023 (GOV.UK, 2018 para. 8.). However, a report into the performance of the UK creative clusters found little evidence that the initiatives had driven long-term individual business growth (Siepel et al., 2020).

Specifically, the Policy and Evidence Centre (PEC), which was set up as part of the AHRC creative clusters initiative, found that companies inside creative clusters (prior to the Covid 19 pandemic) grew less in the previous year than those outside clusters and were more likely to report a decrease in turnover (Siepel et al., 2020). As such, the agglomeration of firms may increase employment and regional growth, but not necessarily through the scaling of individual enterprises.

These findings highlight the need to understand how innovation in SSCM can produce social value within the context of creative clusters, given the goals of sustainability alongside supply
chain innovation inherent in the strategy. This thesis provides an in-depth qualitative study
into the nature of MSEs in the ELFD to better understand the attitudes, values, and practices of
these firms regarding sustainability and value creation, and their experience of the clusters in
which they are active.

MSEs have been identified as having the potential to challenge industry status quo by
triggering market innovation (Gruchmann et al., 2019). Williams et al. (2021) found that
fashion MSEs contribute to sustainable regional prosperity and Silva et al. (2021) found that
MSE supply chains can both contribute to regional socio-economic development and have high
resilience to crises “due to their local roots” and “long standing economic activities within
regional ecosystems” (ibid., P. 1). Hence, they represent an ideal population through which to
explore SSCM capability development and social value creation.

Philosophy and research design

It is important here to explain how the research approach is grounded in the Critical Realist
(CR) philosophy, which has implications on the structure and presentation of the thesis. The
research aims to reflect the ‘real time’ experience of firms, it is about theory elaboration
rather than testing (Ketokivi and Choi, 2014). Theories are considered alongside the empirical
context to identify the best fit, to elaborate on the theory through new concepts and/or the
interrelationship among concepts. As such, the research is focused on ‘why,’ ‘how,’ and ‘what
explains’ questions and is situated in the relational and the subjective.

This responds to the commentary of van Weele and van Raaij (2014) who called for a move
from the quantitative and the deductive in purchasing and supply management studies in
order to explore more causal relationships through qualitative research. However, given the
focus on generating knowledge through the exploration and extension of ‘good theories’
(ibid.), this research reflects neither duality of the positivist or the interpretivist philosophical

In CR, the role of business research is to identify potential ‘causal mechanisms’ and seek out
their effects. The focus is on explaining what is seen and experienced in terms of the
“underlying structures of reality that shape observable events” (Sayer, 1992 p. 138). Bhaskar
(1989) argues that ontology and epistemology should be kept separate; that we should not
“confuse that which exists with the knowledge we have about it” (Alvesson and Sköldberg, 2019, p. 40).

Easton (2010) identified that making claims in qualitative case studies is challenging but that CR, which promotes “thoughtful in-depth research with the objective of understanding why things are the way they are” (ibid., p. 119), is well suited to the task. CR looks to generate ideas about ‘tendencies’ but is not suited to research aiming to prove or measure outcomes or conditions (Alvesson and Sköldberg, 2019). This is relevant as this research seeks to understand why and how events occur, rather than measuring their impact.

The study follows an abductive design which has implications for how the literature and the analysis sections are structured. The empirical focus of the study means that many concepts were explored during the research to identify potential mechanisms and likely theoretical perspectives. In case research, abductive reasoning reconciles “contextual idiosyncrasies” with a general theory by elaborating through new concepts and contingencies (Ketokivi and Choi, 2014, p. 236). The research follows a CR five step research design for SCM established by Rotaru et al. (2014), where abduction combines with retroduction (the postulation of underlying mechanisms).

**Research timing**

The two phases of data collection were separated by the first UK lockdown due to the Covid 19 pandemic in March 2020, which lasted for four months. Whilst this challenged the collection of the data, it provided a real-time understanding of the impact of such a catastrophic event on MSEs, their resources, their communities and networks, capabilities, and values. The AHRC (2018) cited the ‘perfect storm’ of Covid as evidencing the value of their two fashion creative cluster programmes, which were “working as catalysts, bringing together a range of engineers, anthropologists, and scientists - with design leading and facilitating the transdisciplinary work across the partnerships” (para. 1).

Responses to the pandemic drove the focus of the research onto dynamic capabilities as a theoretical lens to consider the impact of a volatile and disrupted market. This research is important as it prioritises the understanding of the position, processes, and pathway choices of MSEs operating within geographic clusters, and the mechanisms that explain the practices employed to sense and seize opportunities. Hence, it is relevant to other creative clusters
beyond the fashion industry, and for MSEs and other firms seeking to improve their own sustainability performance and/or that of their industrial sector.

This thesis seeks to understand how social value is created in clusters and the role of SSCM innovation in achieving this. As such, the research responds to four empirically based questions:

RQ. 1. Why do fashion MSEs in the East London geographic cluster innovate their sustainable supply chain capabilities?
RQ.2. How do fashion MSEs in the East London geographic cluster innovate their sustainable supply chain capabilities?
RQ. 3. Why do fashion MSEs in the East London geographic cluster seek to create social value through their supply chain management practice?
RQ.4. How do fashion MSEs in the East London geographic cluster create social value through their supply chain management practice?

These research questions frame the two issues of innovation and sustainability inherent in the objectives of the creative clusters initiatives and consider both the local and global supply chain management capabilities of the MSEs who contributed to the research.

The literature research field and topics: sustainable supply chain management, clusters, and the creation of social value

The empirical context and abductive process started with a consideration of what was known about Supply Chain Management (SCM), clusters, and social value creation. The abductive process led to the final focus on social value creation through innovation in SSCM practice (Silva and Figueiredo, 2020, Silva et al., 2022) rather than through the lens of performance, where scholars have often prioritised economic outcomes (Montabon et al., 2016). Sustainable value is positioned as the result of a sustainable orientation and supply chain relationships embracing learning and new behaviours (Pagell and Wu, 2009, Schilling and Seuring, 2021), where innovation is understood to be a key component of SSCM (Pagell and Wu, 2009).

Whilst much of the recent SSCM literature still uses the TBL as a synonym for sustainability this win-win approach has become a contested concept (Matthews et al., 2016, Elkington, 2018). Montabon et al. (2016) champion an ecological dominant logic that prioritises environmental
and social outcomes over profit. This perspective involves a paradigm change (Pagell and Shevchenko, 2014) to be promoted through multiple organisations with sustainability practices "resulting from multiple loops of actions" (Silva and Nunes, 2022 p. 1140). Despite this Roy et al. (2020) highlight that SSCM literature still lacks an in-depth understanding of the complexities involved in the “alignment- or reconciliation- of an organisation’s financial or non-financial interests in the furthering of sustainability ideals” (p. 1).

Silvestre et al. (2020) argue that the implementation of sustainability is similar to the implementation of innovation “because both require substantial mindset changes” (p.1302). They argue that understanding the context and contingencies in which the design and management of supply chain practices and capabilities are developed is key for understanding sustainability trajectories. From a context perspective, Bloom et al. (2020) identify that research focused on creative clusters has become mainstream in the past 20 years. They cite a growing awareness of the importance of “creativity to economic performance” and the role of “creative agglomerations” in contributing to local economic development (ibid., p. 50).

Despite this, the focus on clusters in economic geography, of business ecosystems in strategic management, and on sustainable supply chain innovation in industrial policy, there is a gap in the SSCM literature. There is a question of scale between the fields, with supply chain management focused primarily on the micro-economic, organisational scale and economic geography tending to be concerned with a more regional or international, macro-economic scale. However, SSCM scholars (e.g. Miemczyk et al., 2012) have highlighted the importance of multi-scale and network analysis to advance research on sustainable supply chains. In considering sustainability for SCM, a shift in focus from value creation for the firm and the supply chain to social value creation is necessary.

Ambiguity surrounds the nature of social value creation, which Lumpkin et al. (2013) states is subjective and involves multiple stakeholders. Social value creation is seen as a process that Dees (2007) argues requires innovation to resolve community and wider social issues. Social value creation is, therefore, context specific and is also under-represented in the supply chain management literature (Nakamba et al., 2017). Whilst the focus on social issues has increased more recently, the literature review by Govindan et al. (2021) found most of the papers presented the drivers, barriers, issues, and practices for social SSCM in generic ways.
This research explores the relationships between MSEs and other actors in geographic clusters where the literature suggests that it is within business ecosystems, encompassing both direct vertical supply chain and horizontal knowledge and service relationships, that social value is co-created.

In this study, co-creation follows the seminal work of Prahalad and Ramaswamy (2004) where interactions are the locus of value creation. Ramaswamy and Ozcan (2018) proposed that any person in a focal interactive environment can be a value creator, and thus, by extension so can the practices of MSEs, cluster organisations, and the wider stakeholder community. Pitelis (2012) highlights the diverse nature of relationships which exist in clusters, where entrepreneurial management and the development of entrepreneurial ecosystems leads to the superior appropriation of co-created value.

The thesis, therefore, bridges a gap between the topics of supply chain management and social value creation to provide insight into sustainable innovation in business and SSCM practices as entrepreneurial activities in clusters. It builds on the management theories of value co-creation, sustainable entrepreneurship, innovation ecosystems, and non-market criteria to explore innovation for social value, recognising that firms can be “social and political beings, not just economic agents” (Bach and Allen, 2010 para.3.).

The research was initially underpinned by the Resource-Based View (Barney, 1991), where growth, market position, and competitive performance are dependent on how resources are exploited and acquired. Considering the timing of the research and considering the ‘why’ and ‘how’ questions, Dynamic Capabilities (DCs) emerged as the most appropriate theoretical lens. The Dynamic Capabilities Framework (DCF) facilitated evaluation of the empirical phenomena as it considers the position, processes, and pathways of the firm in sensing, seizing innovation opportunities in dynamic markets (Teece, 2007, Teece et al., 1997).

Research contribution

The research proposes four new behavioural dimensions as an elaboration of the extant Sustainable Entrepreneurial Orientation (SEO) construct (Criado-Gomis et al., 2017). In combining SEO with SSCM, the research firmly positions sustainability as integral to the both the strategic direction and supply chain practices of firms who prioritise environmental and social concerns over profit maximisation.
The research applies the Dynamic Capabilities Framework (DCF) to understand how firms transform resources in dynamic markets. The resultant conceptual framework presents SEO+SSCM+DCF as a new model of sustainable business, driving the transformation of sectors, and improved delivery of social value through co-creation.

In seeing innovation in SSCM as an industry resource, rather than as a means of competitive advantage, firms with an SEO create social value in three ways. They create socio-economic value through good employment, sustainable supply chain knowledge is created to enhance environmental and social outcomes in their own and other firms and engage in local community development including support of marginalised communities through training and development and inclusivity.

**Layout of the thesis**

Chapter 2: literature review, is presented in four sections addressing what is known about SSCM related to clusters and social value creation. The chapter concludes with a review of theoretical concepts considered through the abductive process before a detailed evaluation of the DCF and its application in the SCM and SSCM literature.

Chapter 3: methodology, focuses on Critical Realism (CR) and how this “coherent, rigorous and novel philosophical position” (Easton, 2010 p.218) provides clear direction for the research design. The chapter includes a robust rationale for this novel approach within the field of supply chain management and explores some of the challenges and ‘turns’ presented in the development of the study. The chapter concludes with a justification of the research design and data analysis, a description of the bounded case context, and the organisations included.

Chapters 4 and 5 cover findings from the two phases of empirical research, presented sequentially. The first chapter is exploratory, presenting the nature of MSEs active in the cluster. The data analysis is presented using the Gioia framework (Corley and Gioia, 2004, Gioia et al., 2013) leading to the resolution of in-vivo themes, that is the use of spoken words rather than coded by theoretical concepts. The interpretation section follows the recommendation van Bockhaven et al. (2015) introducing additional relevant literature regarding the concepts of sustainable orientation (SO) and entrepreneurial orientation (EO), and of the emergent SEO construct (Criado-Gomis et al., 2017). It concludes with the ‘redescription’ of the empirical data in an initial conceptual framework.
In the second findings chapter (chapter 5) six embedded cases are analysed (Yin, 2003, Eisenhardt, 1989, Easton, 2010) to elaborate on the theoretical constructs proposed in the conceptual framework. As with the exploratory study, the in-vivo codes and second order themes are then analysed in an iterative manner and presented with additional aspects of cross case analysis (Eisenhardt and Graebner, 2007). The interpretation considers the nature of the elaboration of SEO construct and the facets of SSCM related to the Dynamic Capabilities Framework (DCF).

Chapter 6: discussion and conclusions, summarises the previous chapters before the response to the research questions is set out. The nature of theory elaboration is justified, and the theoretical contribution discussed. The implications for policy with regards to developing MSEs contribution to social co-value creation in clusters and ecosystems is presented. The chapter concludes with opportunities to extend this study and for further research.
2 Literature review

The adoption of a critical realist positivist ontology leads to an objective and academic review of the literature, of existing theory’s ability to explain what exists. However, this review presents a framework that was developed over several iterations, with the content shaped by the research phenomena and the simultaneous examination of data and theory. The challenge in this abductive approach is to present theory and empirical observations in a logical sequence for the reader whilst ‘excelling’ in openness and transparency in the research process (Dubois and Gibbert, 2010).

This chapter may in parts appear similar to a deductive approach given the necessity to identify key concepts that underpin the general understanding of the subject matter before the “gradual adjustment of developed insights” (ibid., p. 134) as the research progresses. For critical realism empirical observation is theory laden (Sayer, 2000), where theory “negotiates their conceptualisation” (p. 57).

The Venn diagram (Figure 1) shows the literature topics presented. It defines three distinct but overlapping areas of SCM, social value, and clusters and business ecosystems.

![Venn diagram](image)

Figure 1: Venn diagram presenting the initial fields underpinning the review of literature
The chapter is presented in four sections addressing what is known about the context (clusters), sustainable supply chain capabilities and social value creation (phenomena), and the associated theoretical frameworks (concepts). The three initial sections respond to the following questions, focusing on the interception of topics on the Venn diagram.

- What does published research say about clusters and supply chain management?
- What does published research say about clusters and social value creation?
- What does published research say about social value creation and supply chain management?

Whilst scholars have been advised to avoid the trap of too wide a perspective (Swanson et al., 2018), it was necessary to scan beyond supply chain to strategic management, entrepreneurial, innovation, and economic geography literature to explore industrial clusters and innovation for social value creation. The focus is on identifying gaps within the field of SSCM where SSCM scholars have advocated for the combination of theoretical perspectives across disciplines to offer original insights into empirical phenomena and applying frameworks in practice (Touboulic and Walker, 2015b, Carter et al., 2015). This approach provided a rich understanding of concepts and expanded upon the conceptual boundaries of SSCM research. The chapter concludes with a review of the theoretical frameworks considered before a focus on the DCF.

It is to be noted that the concepts important to the study are introduced in the literature review but the evaluations of how mechanisms were found to work and additional literature pertinent to that understanding is presented in the interpretation sections of the two findings chapters. This follows the guidance of van Bockhaven et al. (2015) who found this approach reinforced communication of the abductive process. Thus, whilst sustainable entrepreneurship, EO and SO are presented in this chapter, the emergent SEO construct is introduced in the interpretation of the data section in Chapter 4.
2.1 Clusters and supply chain management

The concept of clusters first appeared as a field of study in the 1920s (Marshall, 1920). Porter (1998) popularised the term in the field of strategic management where a cluster is identified as “the geographic concentration of interconnected companies and institutions in a particular field” (ibid., p. 78). Strategic management theory emphasises the commercial benefits derived by firms due to geographic proximity for cost, resource, and innovation benefits within the location (DeWitt et al., 2006, Saxenian, 1995, Ikram et al., 2018).

Clusters in themselves can been seen as a special form of economic organisation or network that can involve inter-firm and inter-organisation collaboration, competition, and knowledge spill-over both in the same industry and in complementary activities (Saxenian, 1995, Porter, 1998, Pitelis, 2012). Pitelis (2012) states that “the diagnosis and upgrading of clusters is now arguably one of the most favoured forms of supply side competitiveness policy” (p. 1359).

Critiques of Porter (such as Martin and Sunley, 2003, Cook and Pandit, 2008) say that the theory lacks a clear definition of the nature and scale of clusters and suffers from a lack of consideration of the drivers of variable performance between firms. Cook and Pandit (2008), observing the “burgeoning of literature in the field of economic geography” (p. 85), suggested that a synthesis of Porter’s approach, a focus on communication and relationships, and the resource-based view can provide insight into cluster advantages and firms relative performances. However, they conclude that none of the existing frameworks fully reflect the
‘micro-climate’ within clusters, with their precise location and strategic direction being moderators of the benefits of cluster membership (ibid.).

To a degree this gap has been addressed by two reports related to the UK government Creative Cluster programmes, where the specific nature of creative clusters and the enablers and barriers of sustainable growth of creative SMEs in the UK are explored (Siepel, 2020, Harris et al., 2021). However, whilst these studies explore the general nature of some of the clusters’ supply chain challenges or opportunities, they do not evaluate the nature of supply chain capability development for social value creation or relate to the existing SCM literature or theory.

**Cluster supply chain research**

Tolossa et al. (2013) noted a ‘natural relationship’ between the fields of SCM and Industrial clusters and that there was an early-stage body of research integrating the two concepts. The term Cluster Supply Chain (CSC) is predominately found in the field of engineering and computing where cloud-based platforms are explored to optimise complex industrial alliances through order-based production algorithms.

From a business and management perspective there is limited published research starting with the early, predominately descriptive, review of clustered supply chains in mature industries (DeWitt et al., 2006, Patti, 2006, Bozarth et al., 2007). The majority of studies focus on ‘industrial clusters’ (Marchi et al., 2017) as opposed to product or demand led service clusters (Hsieh et al., 2012). Tolossa et al. (2013) and Huang and Xue (2012) explore CSC as a “new management paradigm” (see Fig. 3) which integrates the advantages of industrial clusters and SCM to help SMEs achieve advantages from “critical links of the value chain such as strategy development, core technology and workflow optimization” (Huang and Xue, 2012 p.256).

The value of this area of research to this study is that the UK fashion industry, having outsourced production, now faces many resource problems associated with that of developing nations and that cluster strategies are increasingly being applied for the purpose of industry regeneration and the incubation of micro and SMEs. Indeed the actors considered within the industrial cluster construct reflect those observed as active in East London (Figure 3).
Scholars have reflected on the evolution of SCM, citing the challenge of increasing volatility in global supply chains, even prior to the Covid 19 pandemic. Christopher and Holweg (2017) noting increased levels of turbulence in global economies, called for more structural flexibility, where new models including virtual networks, agile and collaborative partnerships, and more localised production in clusters are seen as important. Stevens and Johnson (2016) posit that global supply chains are transitioning to more “collaborative devolved supply chain clusters” (p. 29) where the goals for collaboration within, and in a modular fashion between, clusters are aligned with the goals of a lead organisation. Clusters, they argue, allow for agile response to the needs of regional and dynamic markets.

This strand of literature is focused upon large and multinational businesses managing multiple markets as opposed to the ‘agglomeration of businesses’ as referred to in the UK Government’s creative industries sector deal (GOV.UK, 2018) and the focus on MSEs in this study. Nevertheless, the agility, resilience, and dynamism in supply chains became a concern for all with the impact of the Covid 19 pandemic in 2020/2021. The supply and demand shock that followed exposed just how vulnerable firms’ global supply and value chains were (Sarkis, 2020, Shih, 2020).

Notwithstanding the dominance of research on physical supply chains, Hsieh et al. (2012) noted that as the focus turns to the principles of a ‘knowledge economy’ for high tech production, consideration should also encompass service orientated as well as manufacturing clusters. Thus, whilst the stream of research into CSC or supply chain clusters is of value, there is limited development of theory for SC value creation, or consideration of the extended network of the service and industrial firms’ economic and social value stakeholders.
Clusters, innovation, and resources

The term innovation can be used as both an outcome and a process, where an understanding of contemporary practice in context is crucial (Dodgson et al., 2013). The study of innovation has predominately been based on economic growth driven by new market opportunities and technological advances, which can emerge from a multitude of sources (ibid.).

What is generally accepted is that innovations are not necessarily novel in themselves, rather from a Schumpeterian (1942) perspective innovation is the result of new combinations. Teece et al. (1997) considered a “Schumpeterian world of innovation-based competition” (p.509) where rapidly changing markets lead to the ‘creative destruction’ of existing competencies. Future ready organisations and firms require an adaptive or dynamic capacity to navigate uncertainty and disruption, which is dependent on their leadership, social capital, and internal culture (Dodgson et al., 2013, Teece et al., 1997).

Teece et al. (1997) identified that innovation can remain geographically concentrated and Ketels and Memedovic (2008) observed that tacit knowledge exchange in open innovation systems benefits from social networks. In some studies, interest in the knowledge spill-over effect has led to the evaluation of innovation paths including the development of Research and Development (R&D) relationships and collaboration (Uyarra and Ramlogan, 2012, Expósito-Langa et al., 2015).

The role and nature of localized relationships is a further strand of study for the co-creation of knowledge or innovation based on shared goals within clusters (Pitelis, 2012, Ji and Gunasekaran, 2014). Pitelis (2009) suggests that firm-level strategic advantage in clusters can be affected through the “pursuit of innovation at all levels, to include market and value creation and co-creation, as well as value capture capabilities and strategies” (p. 17).

Christopher and Holweg (2017) cite access to knowledge and talent for product and process innovation as essential in developing adaptive capabilities, where ‘open-innovation’ and technology-sharing agreements contribute to the development of supply chain capabilities in volatile markets.

Cluster resources, such as skilled employees, finance, and premises can lower the cost of entry and reduce the risk of failure for start-ups and SMEs by enabling better access to a more diverse range of inputs and complementary products (Delgado et al., 2010). Clusters may also provide access to a network of smaller suppliers (ibid.) leading to flexible capacity such as in
production, warehousing, and distribution. Porter (1998) identified that the presence of innovative buyers drives innovation which links to the construct of value co-creation, where Lusch (2011) cited innovation in supply chains as an instance of value co-creation.

There is a consensus in the cluster literature of the importance of collaboration between various actors and institutions. The ‘triple-helix’ of Etzkowitz and Leydesdorff (1995) is similar to the CSC model (presented in Figure 3 previously) in so far as it considers the tri-lateral collaboration of institutions. This localised set of resources, collaboration between universities or knowledge intensive business services (Expósito-Langa et al., 2015), government, and industry as an operational strategy for regional development underpins the UKs creative clusters R&D strategy.

Organisations and firms, therefore, can manage innovation by creating supportive structures that facilitate the recombination and integration of knowledge and practices in new ways. Clusters are one supportive context from within which innovative firms can combine a number of processes that can be research and development led, responding to market demand, the result of external collaboration, and the integration of open innovation (Dodgson et al., 2013).

2.2 Clusters and social value creation

![Figure 4: The intersection of social value, clusters, and ecosystems.](image)

**Clusters and co-creation of value**

Notwithstanding the many cited benefits, Pitelis (2012) argued that the conceptual foundation of cluster theory remains weak in part due to a focus on their absolute, rather than
comparative, advantages. Thus, whilst Porter’s 1985 definition of clusters simply talks about the interconnectedness of firms, Pitelis (2012) highlights the diverse nature of relationships which exist in clusters. His framework identifies that entrepreneurial management and the development of entrepreneurial ecosystems leads to the superior appropriation of co-created value in clusters. He argues that firms make a strategic choice to cooperate within a cluster and in so doing increase the value created by triggering a “market development”, ecosystem, and “cluster co-creation process” (ibid., p. 1377-1378).

Given the involvement of multiple actors across multiple socioeconomic networks, Letaifa (2014) sees an uneasy transition from the management of supply chains to supply ecosystem management for value creation and capture. The important consideration is not simply that supply chains are transitioning to ecosystems. Rather, scholars consider that these complex ecosystems require that firms consider relationships beyond the vertical supply chain, within and between ecosystems for value creation (Letaifa, 2014, Marshall et al., 2015, Krishnan and Prahalad, 2008, Shams and Kaufmann, 2016). For De Silva et al. (2018) value creation and capture by innovation intermediaries can be both financial and non-financial in terms of network development for knowledge spill-over.

This potentially reflects the position in the East London fashion cluster, which in general terms refers to the agglomeration or co-location of firms connected through fashion or complementary industries. However, whilst some firms could benefit simply from the geographic proximity of resources and shared values, others proactively choose to contribute to local initiatives and ecosystems. This strengthens the resources and capabilities of both the firm and the local cluster. The relationships may be informal, i.e., through meetings such as those held by industry trade bodies or facilitated by the ELFD, or formal such as in contractual supply chain or R&D collaborations with the BFTT or FFF creative clusters initiatives.

Similarly, Hsieh et al. (2012) identified that whilst clusters provide agglomeration economies, it is the dynamic engagement of firms in relationship management and in value networking within and beyond the cluster that co-creates competitive advantage. In their model there is an iterative relationship between cluster based and wider network economies, which leads to increased efficiencies and innovation within the firm. The utilisation of cluster and network resources and dynamic capabilities leads to the implementation of innovative service and business models to deliver higher-perceived customer value (ibid.). Again, this may be
reflected within the East London fashion cluster, where the supply chains of products and services are both global and local.

Contrary to this iterative relationship view, Kähkönen and Lintukangas (2018) argue that the agglomeration of firms creating value today is based on networked collaboration and knowledge and, contrary to much of the cluster literature, posit that the location factor is less significant than the network. This leads to questions about the validity of the cluster concept with today’s digitally connected networks and business ecosystems, and to consideration of the role of the cluster in facilitating networks beyond the regional cluster. This perspective may explain the relative paucity of recent studies in the field of clusters and management.

The literature suggests that to create and capture value requires an entrepreneur’s network capacity to identify opportunities and the managerial capacity to re-configure tangible and intangible resources (Teece, 2007, Sirmon et al., 2011, Zacca et al., 2015, Miao et al., 2017, Pitelis, 2012). This then leads to questions not only about the specific nature of the MSE’s entrepreneurial skills and orientations in driving their behaviours within clusters, but also about how they collaborate and (re-)configure resources to develop their supply chain capabilities. It also poses questions as to whether, why, and how MSEs help to co-create clusters-based resources and capabilities that in turn can contribute to a social value creation.

Both the strategic entrepreneurship and network fields of research acknowledge the dualism of competitive aggression and the opportunities for collaboration between firms within supply chains, networks, and ecosystems. Shams and Kaufmann (2016) emphasise the importance of stakeholder interactions and network relationships which can “help society understand the trade-offs and consequences of actions, and to make good decisions that consider the broadest possible variety of stakeholders” (p. 1252).

This moves consideration of stakeholders from being enablers or inhibitors of the firm’s wealth creation in the instrumental view of sustainability (Gao and Bansal, 2013), to members of the ecosystem, co-creating value through innovation (Letaifa, 2014). In this study, co-creation follows the seminal work of Prahalad and Ramaswamy (2004) where interactions are the locus of value co-creation. In later work Ramaswamy and Ozcan (2018) proposed that any person in a focal interactive environment can be a value creator. By extension, so can the activities of people within firms, cluster organisations, and the wider stakeholder community.
This research reflects the perspective that future-facing businesses may need to adopt this broad stakeholder view for value creation, which encompasses value as something generated through and appropriated between owned, integrated, and interdependent alliances and communities, not simply as economic value.

**Innovation and social value creation**

Lumpkin et al. (2013) define social value creation as a process in which “*resources are combined in new ways to meet social needs, stimulate societal change or create new organisations*” (p. 762). Social innovations can be defined as novel solutions that are more efficient, just, and sustainable than existing solutions; where value is distributed to individuals and society more generally (Phills et al., 2008). The focus is on effecting system change to meet human needs (Lawrence et al., 2014) either at scale or on more locally on social relationships, such as with marginalised individuals or communities.

Given the focus on process rather than outcomes, it is not surprising that ambiguity surrounds the nature of social value creation, which is considered subjective, involves multiple stakeholders (Lumpkin et al., 2013), and is under researched (Van der Have and Rubalcaba, 2016). Resolving sustainability related problems, where stakeholders can be both recipients and co-creators of social value, requires multiple collaborations for access to resources and expertise (Freudenreich et al., 2020). This shifts the perspective from business models as “*devices of sheer value creation*” to the management of stakeholder relationships “*and corresponding value exchanges*” (ibid. p.3).

In considering the role of businesses, Lawrence et al. (2014) posit that market-based approaches are particularly problematic when market failures cause social problems, where the focus should not simply be on the ability of firms to address issues such as unemployment and job creation. The processes of social innovation, they argue, are not ethically neutral and it is naïve to limit consideration of social innovation to those who claim their benefits are for the social good (ibid.). For scholars such as Schaltegger et al. (2012), sustainability must be central rather than a supplement to the core business. Voluntary social and environmental activities need to be actively managed where “*sustainability orientated innovations are obviously predisposed to not fit with the dominant logic of the established [profit first] business model*” (ibid. p. 11).
Whilst entrepreneurship is considered a major driver in the development of sustainable products and processes, Hall et al. (2018) consider the extent to which societal transformation through entrepreneurship is a “panacea hypothesis” and often “overly optimistic” (p.9). They identify an opportunity to consider the nature of sustainable versus traditional entrepreneurship and the degree to which sustainable entrepreneurs are motivated by social norms and private values. This then leads to a consideration of literature relating to social and entrepreneurial orientations.

**Sustainable and entrepreneurial orientations**

Lumpkin and Dess (1996) defined EO as the “processes, practices, and decision-making activities that lead to new entry” (p. 136). The concept emerged from a strategic-choice perspective (Child, 1972) and focuses on behavioural processes of how new market entry is made. It has been conceptualised in two ways. In the uni-dimensional construct innovativeness, risk taking, and proactiveness manifest concurrently (Miller, 2011, Covin and Lumpkin, 2011, Covin and Slevin, 1989). Whereas in the multi-dimensional construct (Lumpkin and Dess, 1996) the combination of the independent dimensions of EO may vary dependent on context (ibid.), and can also include competitive aggression and autonomy.

Innovativeness relates to the “predisposition to engage in creativity and experimentation” (Rauch et al., 2009p. 763) through R&D for new products, processes and/or services. Risk-taking reflects firms’ behaviours in relation to venturing into uncertain environments and committing resources with uncertain returns. Proactiveness relates to future positioning, to first mover status and “acting in anticipation of future demand” (ibid., p. 763). All of these characteristics reflect the ambition of the UK Government’s Creative Clusters initiatives which aim to support creative firms to be “agents for research and development, innovation, and business growth” (AHRC, 2018).

In the multi-dimensional view, autonomy addresses the entrepreneurial need to take independent action, to “drive new ventures to fruition” (Rauch et al., 2009 p.764), whilst competitive aggressiveness is the intensity of the firm’s efforts to outperform competitors through aggressive responses to competitive threats. This very much reflects the product dominant logic of Porter and Barney but is perhaps challenged by the more contemporary focus on collaboration and co-creation seen in the strategic management and marketing literature.
The uni-dimensional view is the most frequently studied, where the EO dimensions are considered equally important in explaining business performance whilst acknowledging business size, cultural context, and performance measures as moderating factors (Rauch et al., 2009). Considering the influence of collaboration, stakeholders, and networks on value creation identified so far, it is significant that Shams and Kaufmann (2016) assert that the potential of entrepreneurs ‘stakeholder networks’ to identify entrepreneurial opportunities is overlooked in the entrepreneurial literature.

A key question in considering EO in the context of clusters and ecosystems is whether the uni-dimensional perspective can explain the mobilisation of resources for value creation or whether there are other variables or moderators such as collaboration that need to be considered? Equally, for social value creation does sustainable orientation need to be considered alongside EO?

In order to prioritise the understanding of social value creation this review also looked to the sustainable orientation (SO) literature that refers to an individual’s or firm’s pro-environmental or pro-social attitude and behaviours (St-Jean and Labelle, 2018). In one of the earliest studies on sustainability orientation in SMEs Bos-Brouwers (2009) identified three specific motives or ‘orientations’: eco-efficiency; corporate social responsibility compliance; and value creation. It is the value creation motive that is most interesting for this study where firms have the objective to:

“Integrate sustainability aspects and to introduce new products, services, and processes. Motivation behind this orientation can be found in a drive to be an innovative frontrunner in their sector, their desire to lead by example and their long-term perspective” (ibid., p. 428).

For DiVito and Bohnsack (2017), entrepreneurial and social orientations represent a “persistent and conflicting duality” in sustainability decision making (p. 568). However, De Silva et al. (2021) argue that the integration of social and business missions enables the simultaneous generation of both social and firm value reflecting what Van der Have and Rubalcaba (2016) termed ‘bi-focal’ value; that is social innovation with an exchange value for the firm and pure social value creation. Related to this is the consideration a firm’s purpose, which Muñoz and Cohen (2018) propose could be a fruitful topic for research to integrate diverse perspectives and provide a greater understanding of entrepreneurs who aspire to also achieve positive social, environmental, and local economic outcomes.
Gast et al. (2017) considered the development of ecological entrepreneurship outcomes and their impact on society. Similar to the ‘value creation’ orientation (Bos-Brouwers, 2009) they found that ecological entrepreneurs are not opportunists and strive to change the mindsets of individuals and society, creating value for the environment. In practice Gast et al. (2017) stated that this requires collaboration between ecologically sustainable firms and external stakeholders. However, they identified that the specific values that drive ecological entrepreneurship and the impact of different contexts remain unexplored.

**Entrepreneurial ecosystems for sustainable development.**

Given the impact of the entrepreneurial capacity identified so far, and following consideration of SO, this section turns to consider entrepreneurial ecosystems and their role in sustainable development.

Scholars have considered ecosystems in multiple ways: as a substitute for industries when analysing performance (Teece, 2016); as a holistic lens to view entrepreneurship (Wei, 2022); and as the locus for value creation extending beyond the firm and industry boundaries (Yi et al., 2022). The use of the term entrepreneurial ecosystems throughout this thesis represents a “conceptual umbrella for the benefits and resources produced by a cohesive, typically regional, community of entrepreneurs and their supporters that help new high-growth ventures form, survive, and expand” (Spigel and Harrison, 2018, p. 152).

Ecosystems can be described as an evolving set of interacting actors for co-creation (De Silva et al., 2021), where policy and location based incentives contribute to the co-creation of value. Increasingly, the study of ecosystems acknowledges the complex nature of multiple relationships, where engagement with a wide set of stakeholders with no direct value or supply chain are also considered (Sanzo-Pérez and Álvarez-González, 2022). Significantly, given the nature of the ELFD, Brown and Mason (2017) identified four sets of key actors and inter-relationships in ecosystems: entrepreneurial actors; entrepreneurial resource providers; entrepreneurial connectors; and the entrepreneurial orientation of the area.

Entrepreneurial ecosystems build on elements of cluster theory but, importantly for this thesis, differ by focusing not on the presence, but on the ability of entrepreneurs to access innovative resources (Spigel and Harrison, 2018). Whilst Pitelis (2012) focused on the relative advantage of value co-creation and capture in clusters, for Spigel and Harrison (2018) this question extends to the consideration of how start-ups benefit from engagement in ecosystems.
Proactive social engagement and an entrepreneurial reputation in business ecosystems are seen as building “trust-based social networks” (Spigel and Harrison, 2018, p. 159), which are identified as enabling constructs for entrepreneurs and MSEs.

Johnson and Schaltegger (2020) consider entrepreneurship for sustainable development as a ‘multi-level phenomena’ consisting of the micro (firm), meso (market/industry), and macro (societal) levels. Importantly, the focus on the meso level highlights the potential for geographic clusters in supporting sustainability orientated start-ups. For sustainable entrepreneurial enterprises more horizontal rather than vertical relationships might be key to survival “given the dependence on supporting good will, voluntarism, fungible programmes, and sector identification that occurs” (Markman et al., 2016, p. 689).

The impact of lifecycle on the nature of resource needs and relationships between actors is significant as innovation requirements and capabilities change over time (Marcon and Ribeiro, 2021, Schaltegger, 2016). Thus, sustainability innovation requires a convergence of both small and large firms, where innovation leading to positive social and private benefit is the most desirable form (Schaltegger and Wagner, 2011).

Scholars have also proposed innovation ecosystems as a subset of business ecosystems to understand joint value creation (Pushpananthan and Elmquist, 2022); considering not only the actors but the activities, artifacts, institutions, and relationships that contribute to the innovative performance (Granstrand and Holgersson, 2020). Whilst innovation creates value by definition (Schumpeter, 1942), collaborative and competitive behaviour can also destroy value by challenging existing practices (Pushpananthan and Elmquist, 2022). This has then led to scholars considering the nature of dynamic capabilities for resource orchestration in innovation ecosystems (Linde et al., 2021, Brown, 2017, Feldman et al., 2022).

Business models are seen as co-evolving through entrepreneurs, the firm, and the social environment, where the value proposition may extend beyond organisational boundaries (Neumeyer and Santos, 2018), and focus on ecological, social, and economic value (Boons and Lüdeke-Freund, 2013). Indeed, Neumeyer and Santos (2018) found that a sustainability orientation is advantageous in creating environmental and societal value, but only if resource holders understand and support the business proposition.
What emerges from the strategic management, innovation, and entrepreneurship field is that it is through the practices entrepreneurs employ when engaging in innovative ecosystems, rather than the simple agglomeration of firms, that value can best be created. The sustainable and entrepreneurial orientation of the firm appears a key driver in the capacity to access resources and to co-create value. Value is socially interpreted and context dependent. Hence, the role of cluster-based actors and the relationships between actors, institutions, and artefacts in ecosystems are seen as important in understanding value creation through innovation, both economic and social.

Despite the focus on relationships and capability development, little attention has been given to the antecedents to entrepreneurial agency and practices for social value creation (Brown and Mason, 2017), or how social, environmental, and economic value is created in a community or region (Neumeyer and Santos, 2018). Tsujimoto et al. (2018) argue that we should consider the behaviour of business actors and non-business actors at the same time and not focus on causal relationships that are too narrow, such as in supply chain management, as the effectiveness of this is limited. Aligned with this, Johnson and Schaltegger (2020) cite a gap in knowledge concerning the nature of the dynamic interactions and ecosystem embeddedness leading to an opportunity for empirical research to exploring interactions and relationship between actors and the ‘dynamics’ of markets and industries over time.

2.3 Social value creation and supply chain management

Lambert (2014) argues that contrary to the focus of many scholars, it is through ‘managed relationships’ that supply chains provide the basis for value creation. This study adopts his definition of Supply Chain Management (SCM), which importantly focuses on the management capabilities and practices of the focal firm, recognising value creation for stakeholders along the entirety of the supply chain (SC) rather than the economic performance of the firm. SCM, therefore is defined as:

“The management of relationships in the network of organizations, from end customers through original suppliers, using key cross-functional business processes to create value for customers and other stakeholders” (Lambert and Michael, 2007 p. 2).
From an operational perspective, van Weele and van Raaij (2014) conclude that creating value in supply chains is related to supply chain effectiveness. Thus, whilst many major consumer sectors are still dominated by ‘low cost’ global value chains, focus has shifted to the benefits of leaner (Aitken et al., 2002) and more agile operating models (Ben Naylor et al., 1999). This responds to consumers demands for newness and speed of delivery, which is a particular driving force within the fashion industry. The focus on more local and agile production reflects the aims and ambitions of the UK’s industrial cluster initiatives, where local firms and communities can benefit from both employment and a knowledge economy generated through research and development into innovative practice.

Given the involvement of multiple actors across multiple socioeconomic networks, Letaifa (2014) sees an uneasy transition from the management of supply chains to ecosystem management for value creation and capture. As in the strategic and sustainable literature, these complex ecosystems require that firms re-imagine the relationship with other actors within and between ecosystems as opportunities for value creation (Letaifa, 2014, Beske, 2012, Marshall et al., 2015, Krishnan and Prahalad, 2008), and the creation of human and intellectual capital (Shams and Kaufmann, 2016). Sustainable value is positioned as the result of a firm’s sustainable management orientation and the management of supply chain relationships embracing learning and innovative practices (Pagell and Wu, 2009, Schilling and Seuring, 2021).

Whilst the dominant focus in SCM research is on the efficiency and cost effectiveness of the focal firm’s supply chain operations, the concept of the co-creation of value has also been
explored. This has led some scholars to consider that supply chains act as strategic ‘enablers and drivers’ of value creation in business (Stevens and Johnson, 2016 p. 24, Hunt and Davis, 2008, Kähkönen and Lintukangas, 2012) or service ecosystems (Lusch, 2011).

Kähkönen and Lintukangas (2018) build on Prahalad and Ramaswamy (2004) seeing collaboration within supply networks as co-creating value for the firms involved. Thus, in the co-creation view, supply chains have evolved from linear upstream to downstream product flows to loops enabled by today’s complex horizontal and vertical digital and physical networks (Cai et al., 2010, Stevens and Johnson, 2016).

**Sustainable supply chain management**

Sustainability as a term is generally acknowledged to be concerned with “development that meets the needs of the present without compromising the ability of future generations to meet their own needs” (Brundtland, 1987). Sustainable practices emerge from the literature as a dominant factor in supply chain research (Pagell and Wu, 2009, Stevens and Johnson, 2016) with Swanson et al. (2018) finding an 800% increase in papers from 2006 to 2015. It is generally recognised that it is strategically important for businesses to achieve long-term performance and address social and environmental sustainability issues with necessary business capabilities and resources (Hart, 1995, Touboul and Walker, 2015a, Tate and Bals, 2018).

Early SSCM conceptualisations, following the seminal paper by Carter and Rogers (2008), aligned a sustainability orientation with the Triple Bottom Line (TBL) concept (Elkington, 1998), at the intersection of environmental, social, and economic performance. For Carter and Rogers (2008) SSCM is positioned at the heart of integrated businesses strategy, where the focus is on social and environmental goals to improve the long-term economic performance of the company and its supply chains. The debate concerning the prioritisation of economic outcomes in SSCM is discussed further in the next section, but here the focus is first on the practices (synonymous here with facets) relating to SSCM.

In Carter and Rogers (2008) conceptual framework a sustainability (TBL) orientation is combined with risk management, transparency, and culture. They define risk management as, “the ability of a firm to understand and manage its economic, environmental, and social risks in the supply chain” (ibid., p. 366). Contrary to risk in EO, in SSCM it is something to be managed rather than embraced for innovation. Transparency considers reporting to and engaging with
stakeholders to improve processes and secure ‘buy-in’. They identified that transparency can be improved through coordination both vertically through supply chains and horizontally coordination across networks.

Beske (2012) builds on two further SSCM frameworks, from Pagell and Wu (2009) and Seuring and Müller (2008), to identify risk management, proactivity, supply chain continuity, and the orientation of the firm as key categories of SSCM practice. Beske (2012) proposes two additional orientations as key to the development of SSCM capabilities, combining the ‘sustainable (TBL) orientation of the firm’ with the ‘learning orientation’, and the ‘supply chain orientation of the firm’. The focus on supply chain continuity advances Carter and Roger’s (2008) identification of cooperation for transparency, identifying that firms with long-term cooperation and contracts support investment in learning across the supply chain. The combination of these categories Beske (2012) argues, means that companies engaging in SSCM can become “truly pro-active and innovative” (p. 381).

More recently Croom et al. (2018) develop the idea of continuity, citing the importance of the long-term orientation of the firm combined with a social sustainability orientation for the development of advanced social supply chain capabilities. In considering these studies, five core categories of SSCM practice can be identified which develop upon those conceptualised initially by Carter and Rogers (2008). Transparency has been absorbed into the cultural facet, where a continuous commitment to sustainability would include transparency of communication within and beyond the supply chain. These can form the basis of an analytical frame to assess MSEs engagement with SSCM values and actions (see Table 1).

<table>
<thead>
<tr>
<th>Practices relating to SSCM – identified from the SSCM literature</th>
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<tbody>
<tr>
<td>- <strong>Strategic sustainability orientation</strong> (Carter and Rogers, 2008, Beske, 2012); including aspects of a holistic TBL value recognition, and operational and ethical transparency.</td>
</tr>
<tr>
<td>- <strong>Sustainable business culture</strong> (Marshall et al., 2015, Carter and Rogers, 2008); continuous commitment in the workplace, along the supply chain and stakeholder network for sustainable development. Includes transparency regarding organisational and supply chain sustainability.</td>
</tr>
<tr>
<td>- <strong>Proactive sustainable innovation</strong> (Beske, 2012, Marshall et al., 2015); commitment to R&amp;D and innovation across the supply chain and broad stakeholder network.</td>
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</table>
Collaborative supply chain risk management (Carter and Rogers, 2008, Beske, 2012); ethical management and monitoring, and collaborative project development.

Long term supply chain learning orientation (Beske, 2012, Croom et al., 2018); long term partnership development, continuity, and co-creation of knowledge, skills and value.

Table 1: Core facets of SSCM developed from the SSCM literature.

In addition to the direct SC stakeholders Touboulic and Walker (2015b) note that the idea of sustainable supply chains should go beyond the traditional concept of business to acknowledge the other needs of stakeholders alongside economic viability. This then reflects the definition of SSCM provided by Seuring and Müller (2008), in so far as it recognises the multifaceted aspect of sustainability for a wide set of stakeholders through cooperative relationships.

“SSCM is the management of material, information and capital flows as well as cooperation among companies along the supply chain while taking goals from all three dimensions of sustainable development, i.e., economic, environmental and social, into account which are derived from customer and stakeholder requirements” (ibid., p. 1700).

Sustainable practice versus economic performance

Having identified the core practices that are understood to underpin SSCM it is important to acknowledge that the primacy of profit remains a dominant perspective within the field (Beske et al., 2014, Montabon et al., 2016, Sauer et al., 2022). Rather than the holistic TBL being integral to the strategic orientation of SSCM, social and environmental concerns continue to be positioned as instrumental (Gao and Bansal, 2013) in the firm’s long-term economic performance.

Challenging the dominance of the TBL scholars such as Montabon et al. (2016) and Matthews et al. (2016) have called for a revision in how SSCM is viewed and researched. They position the TBL as a ‘contested concept’, where the challenging trade-offs that exist within the TBL ‘win-win’ perspective and the potential for greenwashing have not been addressed by mainstream SSCM theory. This criticism of the TBL is also evident beyond the SSCM literature with Elkington (2018) recalling his concept stating that it “wasn’t designed to be just an accounting tool” (p. 40).
For Montabon et al. (2016), a ‘truly sustainable approach’ can only be developed where the ‘dominant logic’ (considered interchangeable with orientation in this research) changes from one of wealth creation to better reflect the Brundtland definition of sustainable development. Here then, the concept of an ecological dominant logic emerges, “where environment and social interests supersede economic interests” (ibid., p. 11). The goal is the protection of environmental and social systems and increasing the quality of life.

The ecological perspective is also evident in other fields with Kate Raworth (2012, 2017) proposing the construct of doughnut economics to meet the needs of all people whilst protecting a thriving planet. In the visual doughnut nine planetary boundaries (Rockström et al., 2009) define the outer layer or tipping points for the earth’s ecosystems and the inner circle represents the social foundation represented by the UN Sustainable Development Goals (SDGs). Raworth argues that the space between these is where humanity can thrive. Despite criticisms, including a weak perspective on the need for GDP growth to address poverty (Milanović, 2018) or the nature of social-ecological trade-offs (Schokkaert, 2019), the approach does begin to provide slightly more defined and measurable objectives for sustainable practice.

There is some development of the doughnut theory within SSCM such as in Lotfi et al. (2021), but there is more emphasis on the need for an ecological logic and the potential for the application of the SDGs as an alternative measure of supply chain performance (Alexander et al., 2022, Delabre et al., 2020). Silva and Figueiredo (2020) argue that an ecological dominant logic leads to sustainability “once the sustainability-performance approach shifts in favour of a sustainability-practice approach” (P. 2). That is where sustainability is used as an adjective to a range of actions focusing on the SDGs.

Supply chain sustainability as a field has been associated with a number of definitions and frameworks and there is a need for more clarity in the use of terminology, where Silva et al. (2022) propose that the practice-based approach can provide a focus. In seeking to move from the instrumental to an organic approach they encourage “reflection on the roots and consequences of such [supply chain sustainability] practices in managing SC relationships” (ibid., p. 21).

Further to this, SSCM scholars (Silvestre, 2015, Gong et al., 2018, Sauer et al., 2022, Silva et al., 2021, Silvestre et al., 2020) suggest that sustainability should be positioned as a dynamic
learning trajectory. Reflecting the focus of enquiry for this thesis, Pereira et al. (2021) suggest that “sustainability-related knowledge, behaviours, and values [result] from the experiences of supply chain actors in implementing sustainability initiatives” (P. 716). However, the SSCM literature provides limited insights on how sustainability initiatives or practices are implemented, the context within which this happens (Silvestre et al., 2020), or the complexities involved in the “alignment- or reconciliation- of an organisations financial or non-financial interests in the furthering of sustainability ideals” (Roy et al., 2020 p. 1).

Focusing on resilience in the context of the global pandemic, attention has turned to explore how firms’ sustainability practices affect their SCs’ resilience and the nature of sustainability trajectories in turbulent environments. Further, Sauer et al. (2022) and Silvestre et al. (2020) identified a socio-ecological approach to supply chain resilience where supply chain innovation and the development of new capabilities enable firms to bounce forward rather than bouncing back to the previous equilibrium.

This study therefore adopts this practice view of SC sustainability, as a trajectory of learning and implementation where innovation in the development of the firm’s practices may encompass a broad spectrum of stakeholders for the development of social value. Sustainability in supply chain management practice can relate to “products or process which have been identified as operations that affect human safety, welfare such as diversity and human rights, and quality of life including environmental issues and community development”(Klassen and Vereecke, 2012p.103). Indeed, Carter and Easton (2011) observed that early papers in the field “placed environmental as well as social activities within the rubric of social responsibility”(P.47).

2.4 A systematic review of SSCM literature.

Carter et al. (2019) found that whilst sustainability was identified as a foundational concept for almost half of the SCM papers published between 2010-2018, this reflected a rise in the environmental pillar but a decrease in the social aspect. This is an ongoing theme where the social aspects of SSCM are consistently under-represented in published papers (Touboulic and Walker, 2015b, Croom et al., 2018) and particularly in the literature considering sustainability practices and their antecedents. Carbone et al. (2019) suggest that this is the result of the focus on one aspect or on the triple bottom line “making it difficult to disentangle the two dimensions and the impact of one on the other” (p. 840).
Nakamba et al. (2017) also found a lack of SSCM research focusing on social aspects of value creation, with a specific gap in understanding value creation in practice and on social sustainability in SMEs. This supports the focus of this research and presents an opportunity for a systematic review of literature in the field. The use of the term ‘systematic style’ is to be noted, in so far as the review followed the main recommendation of Tranfield et al. (2003), but with some significant differences.

Firstly, there was no panel set up to direct the process. Secondly, no attempt was made to evaluate the fit between the methodology and the research questions. Rather, the review was dependent on the “implicit quality rating” (ibid., p. 216) of the journals selected and which were deemed appropriate in three previous SSCM literature reviews, set out below.

This review was done at the start of the research process to establish knowledge regarding social value creation within the SSCM field. Given the abductive design of the research it was not within the resources of this research to conduct a systematic review of all the themes as they emerged. As such what is presented is firmly situated within the field of SSCM related to social value, social sustainability, and social orientation.

The ProQuest Business Premium database was used as it includes all the main journals that were included in the Carter and Easton (2011), Touboulic and Walker (2015b), and Carter et al. (2019) SSCM literature reviews, which were used to identify the selection for this study. The Touboulic and Walker (2015b) journal list is particularly useful as it reflects the multidisciplinary approach in recognising the potential contribution from papers submitted to journals in the field of business ethics and sustainability including emergent conceptual and empirical approaches.

The search terms used were “sustainable supply chain management” AND “social sustainability” OR “social value” OR “social orientation”, which it was felt would prioritise the social angle but also include those papers focusing on environmental sustainability but with an impact on social value creation. This presented a more manageable and focused set of data than just using social*. Given the seminal SSCM review of Carter and Easton (2011), the timeframe selected was from 2010. After a further top up review of literature in February 2022, the final dates were from 2010 to 1st February 2022. The other inclusion criteria were full text, peer reviewed scholarly journals in English, from the journals listed in Table 2 below.
The results identified 133 papers. Duplicate papers, papers whose focus was not social, or where aspects of social value not at least an equal element of TBL were excluded. Following a review of abstracts and full content where necessary, those with no direct relevance to supply chain management capability development were also excluded. 65 papers were identified as relevant to this study, 43 of which were published since the last published literature review of social SCM by Nakamba et al. (2017).

The papers were reviewed for their topic focus to understand existing frameworks and mechanisms. Eight categories were identified with key citations, which are set out in Table 3. A further set of papers on SSCM generally, and other topics less relevant to this study, were categorized under miscellaneous.

<table>
<thead>
<tr>
<th>Topic</th>
<th>No</th>
<th>Key citations.</th>
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<tbody>
<tr>
<td>TBL</td>
<td>9</td>
<td>Achieving TBL (Miemczyk and Luzzini, 2019); dyadic interactions (Yun et al., 2019); multi-tier (Sauer and Seuring, 2018); proximity manufacturing &amp; TBL literature review (Sirilertsuwan et al., 2018); multi theory research framework, relational capabilities (Chen and Kitsis, 2017); carrier decisions (Thomas et al., 2016); shared value concept and value chain analysis (Fearne et al., 2012); ethical grounding of shared value for sustainable entrepreneurship (Osorio-Vega, 2019). TBL decision making, the impact of stakeholder expectations (Fischer et al., 2020).</td>
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<tr>
<td>Stakeholder/ network impact</td>
<td>9</td>
<td>Internal and external stakeholders (Malik et al., 2019); network exchange brokers (Saunders et al., 2019); social network view (Lu et al., 2018); focal firm (Svensson et al., 2018); institutional pressure for accreditation (Kauppi and Hannibal, 2017); suppliers sustainability influence on firms performance (Busse, 2016); resource dependency view (Wolf, 2014); network and relationship lit review (Miemczyk et al., 2012); suppliers social performance and the role of social capital (Alghababsheh and Gallear, 2021).</td>
</tr>
<tr>
<td>Social sustainability</td>
<td>8</td>
<td>Lit review (Nakamba et al., 2017); lit review social matters in supply chains (Yayar and Seuring, 2017); social supply chain &amp; the high street (Fletcher et al., 2016); socially responsible sourcing lit review (Zorzini et al., 2015); maximising community benefits in public procurement (Wontner et al., 2020); procurement from social enterprises for social impact (Megdadi et al., 2020); social enterprise complexity and social impact supply chain management (Pullman et al., 2018); companies implementing environmental chain initiatives have a positive impact on social performance (Salwa Hanim et al., 2017).</td>
</tr>
<tr>
<td>Firm’s orientation/ logic for SSCM</td>
<td>7</td>
<td>Social sustainability orientation (Croom et al., 2018); organisational time perspective and innovativeness (Longoni and Cagliano, 2018); managerial perspective and sustainable supply chain orientation (Signori et al., 2015); sustainability culture &amp; EO (Marshall et al., 2015); environmental management (De Giovanni, 2012); ecology dominant logic (Montabon et al., 2016); alternative theories of SSCM; (Matthews et al., 2016).</td>
</tr>
<tr>
<td>Socially responsible supplier development</td>
<td>6</td>
<td>Multi-national corporate reputation (Subramaniam et al., 2019); developing in country cases (Huq and Stevenson, 2020); direct customer power (Marshall et al., 2019); social supplier development, social and economic impact (Sanche et al., 2015); developing country focus (Anisul Huq et al., 2014); sustainability and supplier development initiatives (Pimenta et al., 2021).</td>
</tr>
<tr>
<td>Base of the pyramid (BOP)</td>
<td>5</td>
<td>Upstream supply chain strategies (Khalid et al., 2015); NGOs (Rodriguez et al., 2016); special issue introduction (Tate et al., 2019); impact through BOP models: the role of intermediaries (Varga and Rosca, 2019); adaptations for BOP: towards a theoretical model (Zomorrodhi et al., 2019).</td>
</tr>
<tr>
<td>Morals and values enhancing sustainability performance</td>
<td>4</td>
<td>Individuals and SME actions for CSR (Sendhofer, 2020); buyers driving suppliers (Alghababsheh et al., 2020); values based organisation (Pullman and Dillard, 2010); sustainability leadership (Wiengarten et al., 2017).</td>
</tr>
<tr>
<td>Role of dynamic capabilities on SSCM business practices and performance</td>
<td>4</td>
<td>Local food distribution (Gruchmann et al., 2019); human and stakeholder capital (Carbone et al., 2019); SSCM capabilities and dynamic capabilities for natural resource based view resources (McDougall et al., 2022); sustainable value chain and dynamic capabilities (de Moura and Saroli, 2020).</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>6</td>
<td><strong>SSCM generally:</strong> World class SSCM (Dubey et al., 2017); multi-tier SSCM (M. Tachizawa and Yew Wong, 2014); SME’s CSR integration (Ayuso et al., 2013); SCM and sustainability lit review (Ashby et al., 2012); human resource and customer benefits through sustainable operations (Longoni and Cagliano, 2016);</td>
</tr>
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sustainability trajectories, learning through initiatives (Silvestre et al., 2020).

**Modern day slavery**: action research against MDS (Benstead et al., 2018); challenges to SSCM (Gold et al., 2015); modern day slavery detection in SC and the role of the whistle blower (Stevenson, 2022).

**Decision trade offs**: unanticipated outcomes (Matos et al., 2020); managing tensions (Joseph et al., 2020);

**Covid 19** (Sarkis, 2020); social sustainability and supply chain resilience a literature review (Sajjad, 2021).

<table>
<thead>
<tr>
<th>Table 3: Themes emerging from the review of literature</th>
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<tbody>
<tr>
<td>The next sections present a brief review of the dominant themes relevant for this research.</td>
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<tr>
<td>The review of papers on dynamic capabilities is presented in section 2.5.</td>
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</table>

**The triple bottom line**

The review evidences a continued focus on the TBL in aspects of SSCM research. Many of the more recent papers consider the combination of multiple (TBL) and multi-level perspectives to draw upon the “empirical richness in the field and applying frameworks” in practice (Touboulic and Walker, 2015b P. 35). Miemczyk and Luzzini (2019) evaluate the SC orientation of the firm but, contrary to this study, their paper explores the means to achieve TBL as opposed to a development or testing of an orientation for social value creation. Also focused on the orientation of firms, de Moura and Saroli (2020) and Fearne et al. (2012) explore a TBL or shared value orientation in value chains. There is a strong focus in this category on the complexity of relationships, the challenges of multi-tier supply chains and opportunities for local action in achieving TBL (Sauer and Seuring, 2018, Sirilertsuwan et al., 2018, Yun et al., 2019).

**Firm’s orientation or logic for SSCM**

Scholars consider several orientations of the firm as driving sustainable supply chain practices. As identified in proposed facets of SSCM, Croom et al. (2018) and Longoni and Cagliano (2018) focus on the long-term orientation of the firm, which combined with tolerance of uncertainty and a learning orientation drive increasing degrees of innovativeness. Signori et al. (2015) emphasise the potential of learning between supply chain and sustainability orientated executives, resulting in a sustainable supply chain orientation which is proposed as an antecedent to SSCM. A social culture or a sustainable orientation are seen drivers of enhanced capabilities or advanced and innovative social sustainable supply chain (SSSC) practices.
(Marshall et al., 2015, Signori et al., 2015, Croom et al., 2018). However, beyond the conceptual work of Mathews et al. (2016) and Montabon et al. (2016), there are no empirical studies focused on an ecological logic or orientation identified by the review.

The study by Marshall et al., 2015 is particularly significant for this research in finding that a sustainability culture is positively related to basic (such as CSR compliance) SSCM practices. When moderated by EO, as identified in the sustainable entrepreneurship literature, these two orientations drive more advanced and innovative social sustainable supply chain practices. Also significant is their identification of an opportunity to investigate “the motivations, actions and interactions of managers developing sustainability policies” (ibid., p.447), to which this research responds.

As in the cluster and social value related literature, consideration of the orientation of firms would appear an important concept to explore. This perspective is supported by the recent study of supply chain sustainability in MSEs by Silva et al. (2021) who placed emphasis on values beyond the TBL and proactivity in the strategic orientation of the SC which lead to supply chain sustainability and innovative decision making within developing economies.

Social sustainability

Three of the articles looking at issues of social sustainability are literature reviews (Nakamba et al., 2017; Yawar and Seuring, 2017; Zorzini et al., 2015). It is possible that the relatively young field of SSCM, the challenges of defining social sustainability, and the variety of constructs and perspectives (Touboulic and Walker, 2015b) drives the desire for literature reviews to help with the complexity of a challenging field (Chen and Kitsis, 2017). Relevant for this study Nakamba et al. (2017) identified three types of capabilities from the social SCM literature relating to social management of purchasing, collaboration with an extended view of stakeholders within and beyond the SC, and management of social resources.

Tate and Bals (2018) identified a social mission combined with stakeholder management as core capabilities for social performance in social enterprises. In proposing the Social Resource-Based View (SRBV), their focus is on not-for-profit social enterprises creating value propositions for the Bottom Of the Pyramid (BOP). Fletcher et al. (2016) is the only study to explicitly talk about social community co-creation of value. A study also based in the UK, they explored how local clusters and ecosystems supported the co-creation of value with retail
consumers, reflective of the service dominant logic perspective (Vargo and Lusch, 2008). However, their consideration did not extend beyond downstream retail and customer relationships.

Whilst most of the SSCM literature differentiates between social enterprises and for-profit firms, Pullman et al. (2018) consider both. They argue that SCM targeting social impact differentiates from traditional SCM. Similar to the decision-making model of DiVito and Bohnsack (2017) they identify three hybrid social business logics and call for more research into the “rich and complex” area to understand “socially effective organisations and supply chains” (ibid., p.17).

**Stakeholder/network impact; socially responsible supplier development; morals and values enhancing social sustainability**

Given the central role of relationship management in SCM and SSCM it is unsurprising that the complexity of relationships and opportunities for local action in achieving TBL feature strongly in the systematic review (Sauer and Seuring, 2018, Sirilertsuwan et al., 2018, Yun et al., 2019). Many of the papers assess the impact of stakeholders: on decision making (Fischer et al., 2020); sustainable practice adoption (Svensson et al., 2018); social networks and the flow of supply chain capital (Lu et al., 2018); and the social network structural embeddedness (Saunders et al., 2019).

Both Pimenta et al. (2021) and Alghababsheh and Gallear (2021) identified that collaboration, sharing knowledge, joint initiatives, technical support, incentives, and investment enhanced suppliers social performance. Further, Alghababsheh and Gallear (2021) found the suppliers relational (or social capital) such as trust, friendship, and respect with buyers developed suppliers’ social practices and performance. These factors also emerge as key in mitigating tensions between social and for-profit enterprises when looking for social impact through the supply networks of for-profit firms (Meqdadi et al., 2020).

Malik et al. (2019) explore the relationship and dynamics of a firm’s internal and external agents on sustainable practice and Kauppi and Hannibal (2017) explore the institutional pressure for sustainability accreditation. These papers reflect a push from external partners and pull effect from the internal culture on developing social practice and provide a link to the concept of cluster resource munificence and knowledge creation through relationships. There
is also a growing interest evident in the impact and implications of individual moral and organisational value judgements. Pullman and Dillard (2010) and Sendlhofer (2020) focus on the impact of both firms’ and individuals’ values in driving organisations, with Sendlhofer (ibid.), highlighting the power of the individual and their values in SMEs, which further supports the focus in this study on the orientation of and culture within the firm.

The BOP studies are significant as it is here that the topic of social value creation is prioritised over the TBL or sustainability for competitive advantage. For example, Varga and Rosca (2019) explore the role of intermediaries of co-creating social value for the disadvantaged, stating that “the main claim of the base of the pyramid (BOP) literature is that businesses in these markets are capable of mutual value creation” (p. 492).

SSCM summary and research gap

Five facets have been identified as underpinning SSCM: a strategic sustainability orientation; sustainable business culture; collaborative supply chain risk management; proactive sustainable innovation; and long-term supply chain learning orientation. These inform the analysis of SSCM practices in study one (Chapter 4). Whilst Carter and Rogers (2008) identified these as integral to the strategic orientation of the firm, many scholars still consider the impact of sustainability on the competitive advantage of firms.

Thus, the dominant paradigm in both SSCM literature follows an instrumental logic (Montabon et al., 2016), where the supply chain focus is on operational effectiveness and sustainable harm reduction. However, scholars have called for a more ecological approach in SSCM research, where pro-environmental and pro-social (ecological) values are prioritised over economic.

The nature of the sustainable orientation is therefore a contested construct and is worthy of further exploration, particularly with regards to practices relating to an ecological logic or orientation, which lacks empirical investigation. Reflecting the focus on a sustainable and entrepreneurial orientation in the strategic entrepreneurship field, the work of Marshall et al. (2015) is important in identifying the moderating impact of EO on a sustainability culture and advanced practices for value creation beyond the direct supply chain.
Social value reaches beyond the socio-economic aspect of growth and employment to encompass “human safety, welfare such as diversity and human rights, and quality of life including environmental issues and community development” (Klassen and Vereecke, 2012p.103). In following the position of the social entrepreneurship literature, where social value is something co-created, there is an opportunity for this research to understand the nature of the relationships between MSEs and their cluster ecosystems.

Most of the social SSCM studies consider harm reduction but there is limited empirical understanding of the practices leading to social value co-creation beyond the BOP focus, this then represents a clear gap in the field of SSCM knowledge. Equally, there is limited research focusing on MSEs, rather than multi-national corporations. Significantly, whilst much research has focused on either economic, social, or environmental supply chain value creation and capabilities, (Hart, 1995, Tate and Bals, 2018), few SSCM studies take a ‘situated perspective’ of social value creation in mature economies and clusters.

2.5  The RBV and DCF as theoretical lenses

Grant (1996) argues that each theory of the firm is ‘an abstraction of real-world business enterprise’ (p.109) designed to interpret phenomena and characteristics. In this study both the firm and the cluster ecosystems could be perceived simultaneously as actors in the global fashion supply chain. The literature suggests the inquiry lies in the interface between the development of the sustainable supply chain practices of the firm acting in markets and the management of collaborative resources within ecosystems for the co-creation of social value (Pitelis, 2012, Hsieh et al., 2012, Spigel and Harrison, 2018).

Van Weel and van Raaij (2014) asserted that future purchasing and supply chain management research should be embedded into a core set of strategic management theories, which they identified as stakeholder, network, RBV, and dynamic capabilities. However, given the growth in the field of SSCM, scholars now apply a wide set of theoretical lenses (Carter et al., 2019). This was evident from the systematic review of SSCM literature where the most common lenses were institutional theory and dynamic capabilities, with the DCF evident in the more recent papers (see Table 26 appendix 7.1).

The abductive process leads to the consideration of multiple theoretical frameworks alongside the empirical data, as shown in Table 4.
<table>
<thead>
<tr>
<th>Author/Paper</th>
<th>RBV development- paper abstract summary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Teece et al. (1997), (Teece, 2007)</td>
<td>Dynamic capability framework (DCF): <em>Advantage is seen as resting on distinctive processes shaped by the firm's resources and its evolution path</em>, unlike RBV the DCF attempts to identify enabling mechanisms for sustained <em>value creation in firms operating in environments of rapid technological change.</em></td>
</tr>
<tr>
<td>Hart (1995)</td>
<td>The natural-resource-based view of the firm (NRBV): <em>Theory of competitive advantage based upon the firm’s relationship to the natural environment.</em> (P. 986). The Social RBV (SRBV) extends the range of variables to include social capabilities, and extending the domain to include social, environmental, and economic stakeholders (P. 803).</td>
</tr>
<tr>
<td>Grant (1996)</td>
<td>The knowledge-based view: <em>The firm is conceptualized as an institution for integrating knowledge. The primary contribution of the paper is in exploring the coordination mechanisms through which firms integrate the specialist knowledge of their members</em> (P. 109).</td>
</tr>
<tr>
<td>Lavie (2006)</td>
<td>Extended resource-based framework (ERBV): Where networked resources may matter more than the nature of resources in creating and sustaining competitive advantage, distinguishing between share and non-shared resources and the nature of economic rents (p. 638).</td>
</tr>
<tr>
<td>Sirmon et al. (2007)</td>
<td>Resource orchestration: <em>Links value creation in dynamic environmental contexts to the management of firm resources; structuring the resource portfolio; bundling resources to build capabilities; and leveraging capabilities to provide value to customers, gain a competitive advantage</em> (p. 273).</td>
</tr>
<tr>
<td>Author</td>
<td>Network/ relational theories</td>
</tr>
<tr>
<td>Pfeffer (1978)</td>
<td>Resource dependency theory (RDT): RDT suggests that organisations must transact with other organisations that control access to critical resources, and transactions may include the exchange of money, physical resources, information, expertise, or social legitimacy.</td>
</tr>
<tr>
<td>Dyer and Singh (1998)</td>
<td>Relational view: Considers the dyad/network as the unit of analysis. Although complementary to the RBV, this focuses on the network sources of rent and identifies <em>four potential sources of inter-organizational competitive advantage:</em> (1) relation-specific assets, (2) knowledge-sharing routines, (3) complementary resources/capabilities, and (4) effective governance. (p. 660).</td>
</tr>
<tr>
<td>Hunt (1997)</td>
<td>Resource advantage theory: <em>R-A theory combines heterogeneous demand theory with a resource-based view of the organization stressing the stresses the importance of (1) market segments, (2) heterogeneous organizational resources, (3) comparative advantages/disadvantages in resources and (4) marketplace positions of competitive advantage/disadvantage.</em> (p. 12).</td>
</tr>
<tr>
<td>Choi et al. (2001)</td>
<td>Network theory and complex adaptive systems: The need to recognize supply networks as a complex adaptive system (CAS). We propose that many supply networks emerge rather than result from purposeful design by a singular entity. Imposing too much control detracts from innovation and flexibility; conversely, allowing too much emergence can undermine managerial predictability and work routines (p. 351).</td>
</tr>
<tr>
<td>Freeman (2010)</td>
<td>Stakeholder view: focuses on satisfying diverse stakeholder perspectives to maintain firm competitive advantage.</td>
</tr>
<tr>
<td>Zaheer and Bell (2005)</td>
<td>RBV &amp; Structural holes (&amp; network theory): Combine the RBV and network theory to propose that <em>firms with superior network structures may be better to exploit their internal capabilities and thus enhance performance.</em> Focus on innovation of both the focal and network firms (p. 809).</td>
</tr>
</tbody>
</table>
Table 4: The RBV, network, and associated theories scoped for the abductive review

With its origins in the field of economics the RBV conceptualises firms as bundles of tangible and intangible resources where growth, market position, and competitive advantage are dependent on how these resources are exploited and acquired (Wernerfelt, 1984, Barney, 1991). It is a theoretical perspective where the focus is on resources endogenous to the firm and predicts that competitive advantage is achieved when a value creating strategy is not simultaneously being implemented by current or potential competitors (Barney, 1991). The premise of the RBV is that value is created by the use of unique physical, human, and organizational capital; where the resources, or ‘firm specific assets’ (Teece et al., 1997), are Valuable, Rare, Inimitable and Non-substitutable, VRIN, (Barney, 1991).

Scholars have extended the RBV to consider value creation beyond profit in the Natural Resource Based View (NRBV) (Hart, 1995) and for social value creation in the Social Resource Based View (SRBV) (Tate and Bals, 2018). The limitation of the SRBV for this study is its focus on not-for-profit organisations and social enterprises, particularly with reference to the social impact on workers at the BOP.

With its relative maturity the RBV has received much evaluation and criticism, significantly the observation that the concept of value is the least clearly defined (Barney et al., 2001, Priem and Butler, 2001) and that competitive advantage is only derived from the internal capabilities of the firm, upstream from the consumer. For the purposes of this study and concurring with Hunt and Davis (2008) the RBV, with its focus on ‘perfect competition’, innovation being external to the firm, and sustained advantage only being derived from owned resources, does not reflect the reality of fast moving and disrupted markets.

The literature on clusters and networks highlights the impact of value and knowledge spill-over and cluster co-creation as important mechanisms for value creation. The exploration of social value creation highlighted the issues of managing multiple stakeholders and the importance of context and community. This then leads to a consideration of network theory (Dyer and Singh, 1998, Burt, 2004, Choi et al., 2001, Zaheer and Bell, 2005). However, most network theories focus on the capabilities or value created though the network, whilst this supports the co-creation of value construct it does not provide the focus on the firm required by this research.
Stakeholder theory, whilst also relevant in understanding the social capital of the firm, does not deliver the same interrogation of the firm’s human capital and capabilities (Freeman, 2010). The ERBV (Lavie, 2006) provides a lens for the identification and classification of sources of value creation and capture similar to that which is seen in clusters. However, the ERBV’s primacy on economic rent, the static perspective on resources and capabilities, and that it does not consider a firm’s endogenous innovative capacity limits its application.

Resource Orchestration (RO) (Sirmon et al., 2007, Sirmon et al., 2011) addresses management actions in relation to the RBV and considers the selection, bundling, and leveraging of resources for the creation of value in dynamic markets. However, in seeking to understand the underlying mechanisms that explain the choices firms and managers make to structure and mobilise resources, Miao et al. (2017) suggested Entrepreneurial Orientation (EO) as a proxy for resource orchestration. They (ibid.) found that EO partially mediates the human and social capital performance relationship, where social capital is positively associated with human capital. This supports the identification of EO and the associated SO from the literature as plausible mechanisms explaining the development of sustainable supply chain management capabilities.

**Dynamic capabilities**

The review of theoretical frameworks and the exploratory findings from study one led to the consideration of Dynamic Capabilities (DCs), which Covin and Lumpkin (2011) assert are a key means for linking EO to a firm’s opportunity, exploitation and value creation. Dynamic capabilities are defined as “a learned and stable pattern of collective activity through which the organisation systematically generates and modifies its operating routines in pursuit of improved effectiveness” (Zollo and Winter, 2002 p. 340). DCs address the criticism of the static nature of the RBV where, in dynamic markets, the advantages of a resource may disappear or reduce over time (Teece, 2007, Beske, 2012).

In the dynamic capabilities framework (DCF) Teece (2007) considers wealth creation and capture, proposing that competitive advantage is created by distinctive ‘processes’ shaped by the firm’s resources (positions) and its evolution (path). Dynamic, therefore, refers to the ability to renew competencies and capabilities and, unlike the RBV, it attempts to identify the enabling mechanisms for sustained value creation. The DCF therefore, specifically addresses the R&D and innovation focus of this study.
Given the supply and demand shock of the 2019/21 Covid 19 pandemic (Sarkis, 2020), the ability to dynamically respond to changing customer needs and create market opportunities (Helfat et al., 2009, Teece et al., 1997, Aslam et al., 2020) comes centre stage. The framework specifically considers the processes and choices that underpin the ‘bouncing forward’ perspective of SC resilience (Sauer et al., 2022) and the learning trajectory involved in the implementation of innovative practices in turbulent markets.

The DCF focus on strategic choices could be extended to the orientation of the firm and value co-creation between the firm and stakeholders. Indeed, in their consideration of the Natural resource-based view and DCs McDougall et al. (2022) propose an extension of the DCF as enabling sustainability for competitiveness, rather than competitiveness from sustainability, albeit still with an economic value focus.

The consideration of enabling mechanisms in the DCF aligns with the critical realist perspective where causal processes and mechanisms are identified through narrative accounts of understanding (Rotaru et al., 2014). Combined with the understanding of the position, processes, and strategic choices of MSEs in the cluster, the DCF therefore supports three cornerstones of this research, the empirical phenomena, theory, and methodology (Dubois and Gibbert, 2010).

Scholars have criticized the concept of DCs as vague (Priem and Butler, 2001) and others observed that the capabilities themselves are hard to define (Beske, 2012). There are two dominant conceptualisations of DCs themselves, which are of distinct capabilities or their micro foundations (Eisenhardt and Martin, 2000, Teece, 2007). Eisenhardt and Martin (2000) argue that DCs are specific “identifiable processes” and that they are “neither vague not tautological” (ibid., p.1106). They identify product development processes through the reconfiguration of resources, co-evolving through collaboration, and extensive communication and knowledge creation through new thinking as specific types of dynamic capabilities.

In the second dominant conceptualisation of DCs Teece (2007) acknowledges the identification of specific DCs from the emergent literature. However, he proposes that for analytical purposes DCs can best be identified within three disaggregated capacities: to sense opportunities and threats; to seize opportunities; and to maintain competitiveness through a continuous process of reconfiguration of the firm’s intangible and tangible assets. Rather than attempting to define capabilities, the micro foundations of these three capacities distinguish
between technical fitness capabilities (operational effectiveness) and evolutionary fitness capabilities (shaping the ecosystem the firm operates within). This focus on the context and the firm’s role in shaping ecosystems is particularly pertinent for this study.

For Teece (2007) entrepreneurial fitness is aligned with evolutionary fitness. He argues that existing management literature on innovation and DCs enables the identification of micro foundations but, contrary to the clear processes view, states that:

“Identification of the micro foundations of dynamic capabilities must be necessarily incomplete, inchoate, and somewhat opaque and/or their implementation must be rather difficult. Otherwise, sustainable competitive advantage would erode with the effective communication and application of dynamic capability concepts” (ibid., p.1321).

Teece (ibid.) sets out the processes and decision parameters in a framework for sensing, seizing, and transforming opportunities as the micro foundations of dynamic capabilities, which are represented in Figure 6. Given the dynamic nature of global markets envisioned in the DCF, this process needs to be continuous, requiring a structure that supports quick decision making and management of strategic fit with partners within a learning and knowledge transfer orientated culture (Teece, 2007).

Thus, the DC focus requires an understanding of the relationships and nature of the firm’s stakeholders and complementors. Whilst typically these skills have been reviewed in global medium and large businesses, more recent studies have considered DCs in sustainable supply chains for SMEs, such as in the food industry (Beske, 2012, Gruchmann et al., 2019). These are also the skills identified for flexible and quick decision making in micro and SMEs (Renata Braga Berenguer de et al., 2020).

The DCF therefore provides a lens through which to understand how the orientation of the firm and the relationships in ecosystems impact on SSCM innovative practice and social value creation.
Figure 6: Foundations of dynamic capabilities and business performance

(Teece, 2007 p. 1342)
What most scholars appear to agree on is that DCs are ‘idiosyncratic’ to the firm and in rapidly changing markets are experiential and may have unpredictable outcomes (Eisenhardt and Martin, 2000, Teece, 2007). The execution of the DCs in practice is unique to each firm which in turn creates their VRIN competitive advantage. In high velocity markets firms often need multiple solutions that may not all be fully implemented, where managers to need cope with high degrees of uncertainty to succeed (Eisenhardt and Martin, 2000).

The path dependence of the firm is defined by the learning mechanisms which guide the evolution or learning trajectory of the DC. Again, supporting the orientation perspective of the firm, they are seen as situated in entrepreneurs and entrepreneurial senior management and constitute more than ad hoc problem solving (ibid.).

**Dynamic capabilities and SCM/SSCM**

Defee and Fugate (2010) were the first to develop a model of DCs for SCM, proposing that knowledge assessing and co-evolving (Eisenhardt and Martin, 2000) influence the efficient use of static capabilities and thus are SSCM DCs. They defined Dynamic Supply Chain Capabilities as:

“a learned pattern of cross-organisational activities that facilitate the creation of new static capabilities or the modification of existing capabilities across multiple supply chain members (Defee and Fugate, 2010 p. 187).

These capabilities were built on by Beske (2012) and Beske et al. (2014) for SSCM who correlated the core activities of SSCM with the micro foundations of DCs and proposed supply chain re-conceptualization, supply chain partner development, reflexive supply chain control and knowledge assessing as specific dynamic SSCM capabilities (Figure 7).

In this model, SSCM key categories lead to a temporary competitive advantage, whilst dynamic SSCM capabilities lead to long term competitive advantages. As such, their work reflects the dominant competitive paradigm in SSCM where sustainability, as in the TBL, is justified because environmental or social actions will contribute to competitive advantage, meaning long-term, positive economic performance.
Gruchmann et al. (2019) elaborated on this framework finding that the micro foundations of DCs form part of an iterative cycle with three interdependent pathways, a firm’s downstream and upstream supply chain coordination, and their internal sustainability optimisation. Significantly for both Gruchmann et al. (2019) and de Moura and Saroli (2020) SSCM dynamic capabilities were identified as being highly relevant for local and small firms to upscale in regional and global markets, enhancing both the sustainable performance of the firm and local sustainability. Studies by Hong et al. (2018) and Carbone et al. (2019) reinforce a positive relationship between SSCM and DC, with Hong et al. (2018) stating that the combination of SSCM and DCs “enriches and deepens the theoretical connotation of the other” (ibid., p.3516).

Rather than assessing specific micro foundations of DCs in supply chains, Aslam et al. (2020) propose the entrepreneurial orientation (EO) mediated by a supply chain learning orientation as two antecedents of Dynamic Supply Chain Capabilities (DSCCs). In proving their hypothesis, they both extend and challenge the work of Defee and Fugate (2010) and Beske (2012). They argue that a supply chain orientation and a learning orientation should not be treated separately. For Aslam et al. (2020), accessing supply chain knowledge as well as co-evolving are considered part of the learning process; a process that is antecedent to the emergence of dynamic supply chain capabilities rather than being DCs in their own right. This leads to questions as to whether SC partner development and reflexive control, as proposed by Beske (2012), are dynamic capabilities or should these too be considered as part of a sustainable supply chain learning orientation or SSCM practices, as antecedents?
It would appear the answer lies in which definition of dynamic capabilities is privileged. In adopting the micro foundational view, the other dynamic capabilities identified by Beske (2012), can be positioned as forming the processes that create the micro foundations of the ability to sense, seize, and transform. This study adopts the perspective of Aslam et al. (2020), where the orientations of the firms form antecedents to micro foundations, rather than being micro foundations or DCs in their own right. It is the orientation leading to the development of SSCM dynamic capabilities that could unlock an understanding of the four research questions.

There are no studies focused specifically on DCs for social value creation but there has recently been an increasing focus on dynamic capabilities for sustainable performance. Carbone et al. (2019) consider the halo relationship between DCs developed in the environmental field to develop the social elements of the supply chain for improved labour conditions and worker wellbeing. Similarly, Silvestre et al. (2020) focus on learning and the implementation of sustainability initiatives, finding that these are influenced by both path dependence and contingencies of the contexts in which these systems operate.

For McDougall et al. (2022), dynamic capabilities are positioned as an enabling framework for the realisation of NRBV management capabilities. Supporting the synergistic view of SSCM and DCs, their study prioritises environmental and BOP SSCM capabilities to explore “sustainability resources for competitive exploitation” (ibid., p.13). They set out a clear visualisation of the potential relationships between SSCM, DCs, and the use of resources to realise environmental and BOP capabilities within SSCM (Figure 8).

![Figure 8: Representation of capabilities and dynamic capabilities in resource execution](image)

From McDougall et al. (2022 p.16)

2.6 Research opportunity

Pitelis (2012) identified that clusters were one of the “most favoured forms of supply side competitiveness policy” (p. 1359). In 2018, the £80m Creative Clusters programme was launched in response to the UK Government’s industrial strategy to create jobs and drive UK
regional and national growth. Despite this focus on the cluster, Siepel et al. (2020) found that individual firms within UK regional creative clusters were no more likely to grow than firms outside of clusters.

Within the strategic management and economic geography literature, collaboration within and the co-creation of entrepreneurial ecosystems has been identified as the means by which entrepreneurially orientated micro and SMEs can create value from cluster-based resources. Within these ecosystems both horizontal and vertical relationships between stakeholders co-create value. The sustainable and entrepreneurial orientation of firms can explain the motivation and strategic decision making of firms seeking to create social value. That is, to “meet social needs, stimulate societal change or create new organisations” (Lumpkin et al., 2013 p. 762).

Despite the relative richness of literature in other fields, and the industrial policy focus on supply chain innovation in clusters, this is not reflected in the SCM or SSCM literature. The empirical study of SSCM within a regional cluster therefore provides the first research gap. Secondly, most of the SSCM literature, following Carter and Rogers (2008), positions sustainability as instrumental to the competitive advantage of firms. Some prioritisation of social value in SSCM is evident in the BOP studies, but this is more focused on reducing harm or on social enterprises wholly focused on the welfare of specific communities. There was only one example of social value co-creation within the systematic review of literature, which was focused on the opportunities for value in retail distribution, rather than on the opportunities through broader supply ecosystems. The second gap, therefore, is to explore social value creation as an objective of SSCM, where sustainability is integral to strategic decision making of the firm.

The SSCM literature supports the potential to focus on the orientation of firms to understand the motivations and sustainable practices of those involved in supply chain decision making (Silva and Figueiredo, 2020) with Marshall et al., 2015 identifying the opportunity to understand the specific dimensions of EO driving advanced sustainable supply chain capabilities. Given the criticism of the TBL as a contested construct (Matthews et al., 2016, Norman and MacDonald, 2004), there is also an opportunity to explore the dimensions of a sustainable orientation, where environmental and social value prioritisation, as in the ecological dominant logic, has to date only been studied conceptually.
As such, the research opportunity for this research can be presented in a similar manner to the visualisation of McDougall et al. (2022). The DCF is presented as an enabling framework to explore the nature and impact of the firm’s orientation on the management and transformation of SSCM resources for the co-creation of social value as set out in Figure 9.

![Diagram of the first conceptual framework](image)

**Figure 9:** The first conceptual framework.

It is important to remember that this conceptual framework was developed over several iterations. The exploratory study which is set out in the next chapter first identified the importance of the sustainable mission and entrepreneurial actions of MSEs and their founders as driving their engagement in cluster initiatives. This was then supported by abductive evaluation of the literature.

Equally, whilst the DCF is presented in the review of literature, it was identified as the most appropriate theoretical lens to explore the impact of orientations after the analysis of study one. Thus, whilst some of this literature review may appear deductive, it reflects the “gradual adjustment of developed insights” (Dubois and Gibbert, 2010 p. 134). It represents what Ketokivi and Choi (2014) describe as a gradual “reconciliation of the general with the particular” (p. 236), where a theoretical scaffold creates a point of departure for “sense-making efforts during theory-building” (Andersen and Kragh, 2010 p. 50).

Given the complex strands of literature that have underpinned this review, Chapter 3 sets out how the CR abductive process requires the simultaneous consideration of theory and phenomena, acknowledging that when a single theory does not fit, the simultaneous use of theories can “encourage imaginative thinking” (Andersen and Kragh, 2010 p. 50).
3 Methodology

3.1 Phenomena, theory, and context.

This thesis responds to the opportunity to understand how social value is created in creative clusters and the role of SSCM innovation in achieving this. It is grounded in the empirical context of the East London Fashion geographic cluster which led to the development of four ‘topic’ related research questions.

RQ. 1. Why do fashion MSEs in the East London geographic cluster innovate their sustainable supply chain capabilities?

RQ.2. How do fashion MSEs in the East London geographic cluster innovate their sustainable supply chain capabilities?

RQ. 3. Why do fashion MSEs in the East London geographic cluster seek to create social value through their supply chain management practice?

RQ.4. How do fashion MSEs in the East London geographic cluster create social value through their supply chain management practice?

Dubois and Gibbert (2010) argue that the disciplinary context for research is fundamental in developing research methods. Here, the three cornerstones of research, empirical phenomena, theory, and methodology (ibid.) reside within the context of business strategy and SSCM. The challenge lies in the abductive identification of a theoretical perspective that is suitable to unlock complexity and create practical knowledge. As such, theory elaboration is dependent upon the researchers’ ability to simultaneously consider empirical phenomena and theoretical frameworks (Ketokivi and Choi, 2014, Eriksson and Engström, 2021).

Despite SCM and SSCM being identified as interdisciplinary in nature (Eriksson and Engström, 2021), scholars have criticised the SSCM field as being insular (McCarthy et al., 2018). SCM does have its own theories but these, and much of the body of work in the field, are predominately concerned with rationalist approaches to logistical and operational choices (Boer et al., 2015, McCarthy et al., 2018). In order to focus on aspects of ecological resilience and a more equitable society McCarthy et al. (2018) call for an increased “paradigm diversity” (p.609) in SSCM.

This leads to the consideration of critical realism where, following the approach of Rotaru et al. (2014), scholars (McCarthy et al., 2018, Eriksson and Engström, 2021) argue that philosophies
that focus on multiple levels of analysis are appropriate for the interdisciplinary nature of SSCM. This is important for this study where the potential dualisms of social responsibility and economic value creation alongside SSCM DCs are considered.

The Critical Realist philosophy
Research philosophy is an overarching term which relates to the nature and development of knowledge (Saunders et al., 2015). Research paradigms, the researcher’s basic beliefs about the world and how to create knowledge (Guba and Lincoln, 1994), are the constituent elements of research philosophy. Positivism, which assumes there are true answers and that the world exists without our knowledge of it, leads to a deductive approach to theory testing. This requires a clear understanding of the research phenomena, where Ketokivi and Choi (2014) state, “theory testing is deduction, explicit derivation of hypotheses from an a priori selected underlying theory” (p. 235). In this empirical and ‘topic led’ study the issues were not clear in advance of the primary research.

Constructivism would allow for the subjective meaning making of firms’ experiences. However, given the breadth of potential theoretical perspectives, the ‘unfolding’ adaptive perspective promoted in the problem based approach of CR (Layder, 2013) most closely aligns with the challenges of this research. Andersen and Kragh (2010 p.50) suggest that qualitative researchers should explore how theory and prior experience interact in their “sense-making effort” and, through abduction consider how “theoretical frameworks evolve simultaneously and interactively with empirical observation” (Dubois and Gibbert, 2010 p. 131). In CR, when a single theory does not fit, abductive reasoning leads to theory elaboration in reconciliation with “contextual idiosyncrasies” (Ketokivi and Choi, 2014 p,236).

Bhaskar (1989) argued that ontology and epistemology should be kept separate, that researchers should not “confuse that which exists with the knowledge we have about it” (Alvesson and Sköldberg, 2019 p. 40). Thus, critical realism’s positivist ontology embraces the assessment of existing theory’s ability to explain what exists, combined with an interpretivist two-step approach. That is, observing the sensations and events within a phenomena and then mental reasoning to understand the reality that may have caused them. From an epistemological position, being concerned about knowledge, what is valid and legitimate, critical realists accept that the understanding of the world is socially constructed but that ‘the social construes’ rather than constructs the world and that “reality kicks in at some point” (Easton, 2010 p. 122).
Here then, prior experience of developing production capabilities through the management of relationships provides a rich understanding of opportunities and challenges for SSCM. This creates a scaffold from which to prioritise sense-making of the values and behaviours that explain management decisions regarding SC practices and investment (financial, resource, and time) for innovation. Thus, given the CR methodology, the focus is not on the structure of linear supply chains in themselves. The analysis reflects the empirical perspective of the entities within the cluster who have powers and liabilities supporting the development of innovation in SSCM practices.

When Bhaskar (1989) first introduced CR he rejected “laws as regularity” and accepted “laws as powers or tendencies of causal mechanisms” (Fleetwood, 2017 P. 42). Rotaru et al. (2014) argue that CR is important for supply chain studies as it regards available empirical knowledge as a necessary precursor for generating knowledge about generative mechanisms; where CR distinguishes between what is observable and the mechanisms that cause events. For Fleetwood (2017) CR can deal with irregularities in the flux of events.

In the context of CR, Bhaskar (1989) suggests a ‘stratified ontology’ where abduction provides the link between three key levels of reality: empirical, that which we can observe or experience; the actual, where events happen without the filter of human experience; and the real, where causal mechanisms exist (Fletcher, 2017). It is important to acknowledge that events may occur that are unobserved, or incorrectly interpreted in the actual domain, which requires a level of interpretation between the two (Bhaskar, 1989, Sayer, 1992, Easton, 2010).

In this research the fields of SSCM and strategic management provide different prisms or lenses through which we can develop an “understanding of the real world” (Carter and Easton, 2011 p. 123). Thus, in line with the ontological and epistemological position of CR the aim is to extract and identify plausible mechanisms that explain the phenomenon of how and why sustainable supply chain capabilities and social value are created.

Theory elaboration within CR allows frameworks to emerge through the process of redescription and retrodution of the phenomena through theoretical lenses. The multi-disciplinary review of literature and exploration of extant theoretical frameworks that emerged alongside the empirical research provided the breadth of concepts and theoretical perspectives to enable that process of reconciliation.
The challenge for any CR study is that it involves several key steps that are not necessarily linear (Easton, 2010) and where there is little guidance on the precise methods for data collection, coding, and analysis (Fletcher, 2017). Notwithstanding this criticism, there is a fundamental structure and approach conceptualised for CR by Rotaru et al. (2014 P. 120). That is RRREI:

-Resolution, (the theory free identification of tendencies)
-Redescription (through the lens of theory)
-Retroduction (the postulation of underlying mechanisms)
-Elimination (the isolation of hypothetical mechanisms and their exploration)
-Identification (of the most plausible generative mechanisms).

This study was grounded in the Resource Based View (RBV) and subsequently in the Dynamic Capabilities Framework (DCF) as “points of departure” but continued “to scan, select, and discard perspectives of the conceptual framework when confronted with empirical data” (Andersen and Kragh, 2010 P. 51). Retroduction is, therefore, a metaprocess looking to identify mechanisms that explain what caused particular events to occur (Rotaru et al., 2014).

Sayer (1992) explained that when mechanisms are activated, they may produce unique events or indeed the same events may have different causes. Theory can be developed when ‘invariants’ are identified, when these are not contradicted by other observations, and are aligned with concepts within extant theory. Causal processes and mechanisms are identified through narrative accounts which can depict various sequences and combinations which may lead to a single outcome or events (Miles and Saldana, 2014).

The ‘theorising process’ (Easton, 2010) consists of creating plausible explanations (mechanisms or sets of mechanisms) that combine with the structure of the firm to create events, in this case SSCM dynamic capabilities for innovation and social value creation. Generalisations may emerge but, unlike the positivistic philosophy, these are contingent and limited given that they are formed by the effect of causal mechanisms within a specific set of contextual conditions (ibid.).
3.2 Case research, SCM, and Critical Realism

Presenting qualitative case studies in SCM, given the field is dominated by quantitative deductive methods, is challenging (Easton, 2010). CR provides a way forward for SCM case studies because it is performative, with a focus on causal powers it promotes an understanding of “why things are the way they are” (ibid., p. 119). Quantitative studies may prove a relationship between two concepts via large scale statistical analysis but can be weak at explaining why and how events happen in a given phenomenon. It is with this context-rich focus that case studies enable the exploration of the empirical domain (Eriksson and Engström, 2021). Figure 10 shows the three domains of CR: the studied events in the empirical domain; the ‘real’ mechanisms that can explain these events; and the actual domain, the extent to which the mechanisms can explain events given specific contingencies.

Whilst case study research is understood as a research design type with distinctive characteristics, it is not a method with defined rules (Easton, 2010), where, as Yin (2013 p. 26) states, “case study designs have yet to be codified”. Nonetheless, Easton (2010) provides clear guidance on how to approach the design of a CR case study and the structure, powers, and conditions within it. It is necessary to understand the firm as an object in relation to its construction or structures and “as parts of the wider structure and in terms of their causal powers” (Sayer, 1992 p. 116).

![Diagram of the three domains central in CR case study research](adapted from Eriksson and Engström, 2021 P. 226).

Objects or entities are the theoretical building blocks of CR and are defined by Easton (2010) as “a set of internally related objects or practices” (P. 120). In CR, the relationships between entities can be described as necessary and contingent. So, in this case the existence of the MSE
and the supply chain are necessary as neither could exist without the other, however, these are not rigid as changes in one may lead to changes in the other (ibid.).

Equally important, and perhaps more interesting, are ‘contingent’ relations. Contingent relations are “neither necessary nor impossible” (Sayer, 1992 p. 89). In this study, the orientation of the firm is not a necessary relation for the creation of supply chain capabilities, but it may have an impact on its processes and structures. It is the nature of these contingencies and the context of the firm which create conditions which explain events (Figure 11).

![Figure 11: The structure of causal explanations](Adapted from Easton (2010), p. 122.)

Powers and liabilities relate to the ability and limitations of the entities in making events happen. Events are defined as “the external and visible behaviour of people, systems, and things as they occur or as they have happened” (Easton, 2010 P. 120). They are explained by a combination of the necessary and contingent relationships and governed by the theoretical framework chosen. Here, the RBV initially defined the focus on the human and social capital of the firm, as intangible assets, and the micro foundational view of dynamic capabilities looks at the way the assets are transformed.

### 3.3 Research design: The two-stage bounded case study

Having established the link between a case study approach for SSCM and the critical realist philosophy, this section sets out the justification and the validity of the research design.

Bhaskar (1978 p. 14) stated that mechanisms are “nothing other than the ways of acting of things” within objects or between conditions and events. Thus, in CR objects make things happen and how this happens is socially interpreted through the systems or ways of thinking that we find acceptable (Easton, 2010). As such, Easton (ibid., p. 120) identified three fundamental questions for CR case studies.
Q 1. What are the entities that define our research field?
Q 2. What are their relationships?
Q 3. What are their powers and liabilities?

The four empirical research questions and Easton’s fundamental CR questions for case study research jointly informed the various stages of this research. The evolution of the concepts and approach are presented in Figure 12, which sets out the basis of the five step RRREI research design (Rotaru et al., 2014).

The exploratory first phase, considering the cluster as the case context, enabled the identification of the entities and scoped the nature of the relationships, powers, and liabilities. It followed the RRREI approach, which is the theory-free description of phenomena and the redescription through the prism of the RBV. Initially, MSEs were considered as the entities and the interviews explored the nature of their resources, their values and orientations, their human and social capital, and the network of relationships within and beyond the informal geographic cluster and the supply chain.

This enabled the evaluation and identification of entities beyond the MSEs. In CR, initial concepts around structures may evolve as the research progresses, but as Easton (2010) states “if theory is to progress then the basic entities and their powers and liabilities need to powerful enough in order to have some continuity of existence in terms of extant theory” (p. 124). These were then evaluated through the lens of constructs identified within the literature, what Rotaru et al. (2014) called the process of redescription.

Subsequently, study two considered six cluster embedded case studies that provided rich insights into the empirical phenomena. The process of retroduction enabled the in-depth evaluation of mechanisms explaining SSCM innovation and social value creation, which led to the identification of plausible mechanisms in the process of theorising.

In order to overcome the pitfall of “rich yet exploratory description” Pauwels and Matthyssens (2004 P. 3) present a ‘four pillars’ approach to the development of case studies to establish the validity of qualitative data collection and analysis. These are: theoretical sampling; triangulation; pattern matching logic; and analytic generalisation with a single roof, represented by juxtaposition and iteration. This, they argue, can overcome many of the methodological critiques levelled at qualitative research.
Figure 12: The five Steps of RRREI as applied to this study

(After Rotaru et. al., 2014, with topics from this research inserted.)
However, their perspective is towards analytic generalisation and references the perspectives of Yin and Eisenhardt to present a ‘scientifically sound’ qualitative study. Thus, for this study the fourth pillar represents the CR view of generalisations, that these are contingent within a specific set of contextual conditions. These pillars contribute to the validity of the research process which Lincoln and Guba (1985) identify as strategies to ensure the rigour of the approach, that is:

- Credibility: findings should be coherent, clear, and systematically evaluated
- Dependability: integrity in the process with an audit trail
- Confirmability: awareness of potential for bias and limitation of bias through diversity of respondents and objectivity in the analysis
- Transferability: of research findings and analysis. Given the principles and focus on critical realism, the transferability or generalisability of the findings is considered contingent within a specific set of contextual conditions.

The actions taken to ensure validity of the study are summarised in Table 5 and are set out in detail for each study later in the chapter.

3.4 Ethical considerations

There are several ethical considerations which underpinned the design of the research and the interaction with participants. Ethical approval was obtained from the University of Sussex in July 2019, and written consent was obtained from all interview participants prior to data collection. The interview process, time commitment, and the research purpose were set out prior to confirming participation to enable informed decision making. Participants were advised of their right to stop the interview or withdraw from the study at any point and the procedure to safeguard their data was also explained.

The confidentiality of their information and the anonymity of each respondent was set out at each stage of the research to secure honest and open responses. However, there were specific considerations, namely power, trust, and commercial confidentiality that are worthy of further discussion before concluding this section.
<table>
<thead>
<tr>
<th>Criteria</th>
<th>Steps taken to achieve validity – study one</th>
<th>Steps taken to achieve validity – study two</th>
</tr>
</thead>
</table>
| Credibility | - Purposive selection of respondents representing experience, responsibility, scale, activity, and orientation. All active within the cluster and in innovation within the supply chain.  
- Context rich in-vivo data analysis. Within bounded case pattern matching and triangulation between types of respondents. Abductive evaluation of theory and concepts  
- Transparent development of the conceptual framework. | - Theoretical case selection. Cases and respondents represent identified entities in the field with potential for SSCM DC evaluation.  
- Context rich in-vivo data analysis. Within, and between, case pattern matching and triangulation within and between cases.  
- Abductive evaluation of theory and concepts, then linked to established DCF theory and concepts of EO, SEO and EEO. |
| Dependability | - Recorded and transcribed interviews; documented the data analysis process in detail.  
- Maintaining a record of coding iterations links to interview records and selection of evidence through quotations. Visual representation of the data structures.  
- Coding verified with the supervisor through a shared review of transcripts and iteration of first and second order codes and themes | - As for study 1 plus...  
- 2 stage interview process with key case respondent allowing for clarification of concepts and recoding dynamic concepts of change |
| Confirmability | - Research design, methods and approach described explicitly, an audit trail.  
- Diverse respondents representing experience, responsibility, scale, activity, and orientation. | - As study 1 plus...  
- Following a clear topic guide but allowing progressive focusing (Stake, 1981) on issues as they emerge. |
- A ‘thick’ description of the context, the cluster. Domain conditions identified.

- Transcripts and analysis iterations kept on record. Coding verified by supervisor.

- Adherence to CR, RRREI framework, specifically resolution and redescription stages for the identification of entities, causal powers and liabilities, conditions, and events.

- Adherence to CR, RRREI framework, specifically the retroduction, elimination and identification of plausible mechanisms for SSCM and social value creation.

| Transferability | - Data collected according to interview guide based on explicit research design and following CR framework
|                | - Diverse sampling across experience and activity. Contextual drivers constrained by the cluster context.
|                | - Findings explicitly linked to extant literature within SSCM field and across multidisciplinary review of concepts. |
|                | - As study one. |

Table 5: Processes ensuring the validity of the research design
Firstly, it is important to set out the potential issues surrounding insider status for this research process, which was introduced in the preface. The potential for power dynamics emerges in what could have been a complex set of research relationships. Researcher power could be perceived through the elite status of the researcher’s academic and industry contacts, and of several respondents’ powers in terms of funding and supply chain relationships.

Additionally, there were concerns relating to commercial confidentiality with regards to MSE and stakeholders R&D, as well as new market entry and collaborative partnerships. It was important, therefore, to build trust with participants and evidence the confidentiality of the data by foregrounding the objective of the study in understanding the drivers of SSCM and social value creation generally, rather than a study of the effectiveness of business and supply chain decisions of MSEs in clusters.

Elliott (2005) argued that developing narrative histories through qualitative research enables the interviewer and interviewee to develop an understanding of how social (and commercial) activities are developed. In this study an empathetic approach, with the researcher positioned as a fellow traveller in the development of knowledge through cluster and supply chain activities, developed understanding and trust with the respondents.

This positioning was enhanced through the practical knowledge of the industry and of industry terminology which built trust in the researcher’s understanding of issues and the complexity of supply chain relationships and decisions. Indeed, many of the respondents commented on the reflexive benefit of the interview process, where active conversations can “lead others to new understanding and insights” (Kvale, 1994 p. 4). Trust, therefore, was established by the mutual language and some shared experiences at the same time as valuing the insights from their unique experience and expertise.

3.5 Methodological contribution

Before justifying the detailed development of the research design, it is important here to set out both the implications and contribution of the CR research philosophy for this study. Using the search terms “critical realism” and “sustainable supply chain management” in the ProQuest data base, with no date or language restrictions, only 16 papers were identified from 2012. Of these 10 were in scholarly journals and five were theses, plus one magazine article. Only four featured in the journals selected for the literature review and only two of these were based on a CR methodology, the others being explorations of literature or the general
exploration of methodologies. In an additional search, a further paper using critical realism in discourse analysis for SSCM was identified (McCarthy et al., 2018). These evidence the limited application of CR within the field and thus presents a relatively novel approach in SSCM research.

CR enables the researcher to combine a positivist ontology, the dominant approach within SCM with an inductive epistemology. As such it can “bridge gaps” (Eriksson and Engström, 2021) in SCM and SSCM research allowing the empirical narrative, the voice of agents, and the context to co-evolve with the theoretical framework. In acknowledging that the researcher may not know the most suitable theoretical framework to explain events from the start, CR embraces the multi-disciplinary eclecticism of SCM and SSCM. For the PhD researcher, it allows the consideration of a diverse set of theories as applied within the field (ibid.). It is important, however, not to underplay the challenges of the philosophical approach, where the reconsideration of concepts and frameworks requires constant critical evaluation and a distinctly circular rather than linear, research process.

Abductivism, which results in many cycles of analysis, theoretical reflection, and empirical observation, requires an extended reflexive process which can be exhausting. Eriksson and Engström (2021) describe the process as navigating a series of “crossroads,” points at “which several different directions for further travel or continued research, are available” (p. 226). For this research these were both theoretical and conceptual, defining the nature of sustainability (and the resultant diverse terminologies) and of social value creation relating to SCM and SSCM.

Notwithstanding the circularity and eclecticism of the approach, the principles of CR and its position regarding domains, entities, powers, and events also provide the researcher with a clear framework within which to explore the nature of practice, relationships, and phenomena. It guides the specific questions to be applied to contexts, shaping the precise design of the research by identifying the nature of data required and analysis to be undertaken.

The challenge and potential contribution in following CR is to create a logical discussion of key themes whilst addressing the nature of the challenges and “crossroads”. Eriksson and Engström (2021) cite the importance of the story of the research process that provides another avenue for contribution in this study. The CR journey is the story of this research, as such, it may provide guidance for other researchers on how CR can be applied and the richness
of the theoretical and empirical insights it provides. As Dubois and Gibbert (2010) identified, the quality of research is suggested by the strength of the links between the empirical and theoretical domains and the way in which these links are explored and communicated. CR provides a framework for this exploration and in its theoretical and methodological rigour can effectively convince the reader of the multiple layers of analysis (Eriksson and Engström, 2021).

Rotaru et al. (2014) argued that CR has the potential to enhance operations and SCM research that was in “need of rigorous, empirically based theories that enhance understanding of the causal relationships between the structural elements and properties of the business processes” (p. 117). Despite this, and given the paucity of adoption of the CR approach, Eriksson and Engström (2021) once again set out the benefits of the approach for SCM and particularly for early stage researchers. This study seeks to respond to this need and address the methodological gap in the field.

Finally, it is important to set out the specific contribution of the CR methodology to the design and findings of this thesis. Firstly, the CR methodology enables the prior experience of the researcher to inform the starting point of the abductive process. Thus, this study started from a socio-economic perspective of supply chain practice, where social outcomes relate to local wealth generation through employment and knowledge generation. This included consideration of the feasibility of developing or onshoring garment production and the regeneration of the East London garment sector.

The initial study of stakeholders in the ELFD explored opportunities for production growth with both fashion brands and manufacturers. However, prioritising the voice of the broad suite of cluster stakeholders and the nature of their values and relationships for the creation of social value changed the direction of the research. Initial questions concerning the potential for onshoring though innovation became one facet of social-economic value creation. In addition, community-based activities, the development of experience and knowledge exchange, the development of community spaces and activities, the localisation of R&D projects, and influence of stakeholders to change industry practices for more social and environmental outcomes also became value creation events.

Moving from the narrow focus of either the focal firm or the supply chain as dominant paradigms in SCM or SSCM research, CR embraced a far broader set of entities, which included
the MSEs, the cluster (resource providing) organisations, and relationships within the entrepreneurial ecosystem. Thus, the powers, liabilities, and practices of MSEs within the fashion supply chain, the cluster organisations, and the ecosystem of relationships explain SC innovation for social value creation. CR, therefore, facilitated a move from the reductionist consideration of specific pre-defined events and dyadic, or multiple linear supply chain relationships to SSCM as practice. As such, the CR methodology materially expanded the understanding of the empirical phenomena.

The focus on three sets of entities defined the nature of the sample population for study 2. Understanding the practice of SSCM moved from the potential lens of the RBV and resource orchestration to understanding the development of dynamic capabilities through the entrepreneurial orientation of the MSE and the ecosystem of relationships as explanatory mechanisms.

In summary, CR led to three distinct actions. The nature of the research problem and the four specific research questions were informed by empirical observation, rather than the exploration of a pre-defined phenomena through a particular population. The systematic combining and rejecting of both theoretical frameworks and potential mechanisms, from within and beyond the SSCM field, led to richer exploration and understanding of innovation as a multi-level construct. Finally, embracing the complex interplay between the empirical entities, the context, and multiple frameworks reflects a real world view of practice in turbulent times. The inclusion of variables such as context and diverse relationships expand beyond the insular perspectives of SCM and the rational and technical understanding of operational choices.

3.6 Study one

Study one was not designed to give ‘epistemological closure’ (Easton, 2010 p.124). Rather, the study aimed to provide insight into the identities in the field, their powers, and relationships in partial responses to the research questions. The findings of study one are provided in Chapter 4.

This study follows the recommendations of Ryan et al. (2012) who proposed a 4-task critical realist research spiral consisting of designing, investigating, analysing, and explaining. Given the CR rejection of a positivist view of causation, CR data collection is concerned with “an open
system investigation of the changing nature of relationships and networks” (ibid., p. 305), with data from a wide variety of sources.

Presented first, as an introduction to the exploratory phase is a flat description of the East London geographic fashion cluster. This description is based on both secondary data and on observations at several cluster related events from May 2018 – July 2019 (see Appendix section 7.2). This provides broad contextual information on the nature of the cluster and the relationships within it, leading to a justification of the population and sample of study one.

In so doing, the cluster description and initial identification of the sample populations draws extensively on information presented in a report from BOP consulting commissioned by the London College of Fashion, published in 2017. The report formed the basis of a draft strategy and action plan for the development of the East London Fashion District (ELFD). The strategy was based upon a mapping exercise of the fashion support sector in East London and primary research into the capabilities and opportunities for innovation and growth in the cluster. The publication of this report and the subsequent funding of the East London Fashion District by LCF was the initial stimulus for this research.

**Cluster description**

London is acknowledged as one of the world’s leading fashion capitals and is an export-driven sector of regional and national importance (BOPconsulting, 2017). Specifically, London has a reputation for ‘cutting edge’ design and benefits from three of the world’s top five fashion colleges attracting international design talent to study in the capital. The wider fashion economy is presented in Figure 13.

<table>
<thead>
<tr>
<th>Definition of the fashion industry</th>
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</thead>
<tbody>
<tr>
<td>Design and manufacturing</td>
</tr>
<tr>
<td>Designer, couture, bespoke</td>
</tr>
<tr>
<td>Womenswear, menswear, childrenswear, lingerie</td>
</tr>
<tr>
<td>Knitwear, footwear, bags, and other worn accessories</td>
</tr>
<tr>
<td>Sportwear, kit, and streetwear</td>
</tr>
<tr>
<td>Uniforms, workwear, denim</td>
</tr>
<tr>
<td>Cosmetics, perfume, and hair products</td>
</tr>
<tr>
<td>Wider supply chain</td>
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<tr>
<td>Fashion retail</td>
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<tr>
<td>Wholesale</td>
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<tr>
<td>Digital manufacturing</td>
</tr>
<tr>
<td>Textiles</td>
</tr>
<tr>
<td>Fashion education</td>
</tr>
<tr>
<td>Creative services e.g., styling</td>
</tr>
<tr>
<td>Marketing</td>
</tr>
<tr>
<td>Media</td>
</tr>
<tr>
<td>Research and innovation</td>
</tr>
</tbody>
</table>

Figure 13: Definition of the fashion industry

Adapted from BOPconsulting (2017 p. 14)
The sector contributed over 1.4 £bn in Gross Value Added (GVA) from 2010-2015 to the East London and Upper Lea Valley economy, albeit that fashion retail is the largest employer (BOPconsulting, 2017). The social and economic impact of the industry in London and for the UK is therefore considerable. Whilst there is no detailed data for the fashion industry specifically, the UK creative industries spend some £40bn per annum within the supply chain, 50% of which is outside of the creative industries (GLA, 2019).

East London was traditionally the home to the UK ‘rag trade’ and now supports a concentration of specialist design, manufacturing, retail, and space related services. In the Upper Lea Valley, “manufacturing is the fastest growing fashion sub-sector, with a 94% increase in employment and 128% increase in GVA between 2010 and 2015” (BOPconsulting, 2017 P. 23). This is almost double the rate of London as a whole, representing approximately a quarter of total of London fashion GVA and employment at £1.4 bn and 36,000 in 2015, which is latest data available (ibid.).

Whilst there is some fast fashion production, given the small volume capacity and technical expertise, the major opportunity for the area is seen in luxury and short order production; with further opportunity for high tech and innovative production systems where digital technologies can reshape markets and values chains to create added value (BOPconsulting, 2017). In line with the focus of this study, and the identification of the need for dynamic capabilities, the BOP report asserted “that the current digital skills and use of technology are inadequate to the challenge required for the quick response to market changes and opportunities for more profitable operations (ibid., P. 16).

Other creative industries have also moved ‘East’, driven by higher property prices in the ‘West End’ of London. As such, there is an agglomeration of media and technology companies, which the BOPconsulting (2017) report recognised provided designers, brands, and producers with local access to a creative and technically enabled ecosystem. However, combined with the need for housing, this has meant a considerable challenge on the availability and cost of space.

Skill shortages are one of the defining challenges for the London and UK-wide luxury and fast fashion sector. There was a decline in the availability of manufacturing, stitching, and pattern cutting skills with firms dependent on an aging and immigrant workforce, which was exacerbated by the impact of Brexit and then the pandemic. Given the opportunity identified
for London fashion to focus on luxury and fast short production, there is also a need for digital production and communication skills (BOPconsulting, 2017).

In recognising this opportunity one of the key regional cluster initiatives is the East London Fashion District virtual hub. Amongst other initiatives, the ELFD has promoted the Future Fashion Factory (FFF), the Business of Fashion Textiles and Technology (BFTT), and the DeFINE (EU funded technology in fashion and design mentor programme) initiatives to East London MSEs.

The activities of the ELFD, plus the activities of the Creative Cluster initiatives provide a rich context for the research into developing SSCM capabilities through MSE engagement in cluster activities and ecosystems. The ELFD network and their institutional partners show a wide set of stakeholders in the East London geographic cluster. These are both commercial and not-for-profit businesses, local government, education and training, investment and business support, property developers and space providers, trade bodies, fashion and retail, and manufacturing start-ups and SMEs (Figure 14). The relationships reflect the triple helix and cluster supply chain relationships discussed in Chapter 2 (Tolossa et al., 2013, Etzkowitz and Leydesdorff, 1995).

Figure 14: The ELFD initiative strands and partnered institutions (FashionDistrict, n.d.)
The objective of this study is not to assess the effectiveness of the ELFD, or any other cluster related initiative, but rather to understand the context in relation to MSEs’ sustainable supply chain capability development and social value creation.

**Sample population and data collection.**

Whilst the ELDF cluster initiative provided the geographic boundary for the case study, for the purposive sample selection it was important to ensure a spread of business types and organisations representing the breadth of cluster stakeholders. In study one MSE diversity was sought in relation to the size, age, and business activity. The initial list came from BOPconsulting (2017), who identified a population of 69 fashion manufacturers and other supportive infrastructure organisations.

Given the dynamic nature of the sector, by 2019 several of the firms were no longer trading and new organisations and support services had developed in the area. Additionally, the BOP list did not specifically map the designer MSE brands, local government, business consulting, or retail sponsors subsequently identified by the ELDF as stakeholders. The initial list was therefore supplemented by firms identified from the ELFD stakeholder map (Figure 14), from observation at cluster events, and using the snowball technique once interviewing had commenced. Specifically, this process also identified new start-ups and service businesses not included in the initial BOP report.

The sample included MSEs involved in the ELFD, DeFINE and the AHRA Creative Clusters programmes, as well as both for-profit and not-for-profit organisations. Thus, the initial population included MSEs active along the supply chain from cloth, garment manufacturing, technology and service providers, and designer brands. However, given the focus on both upstream and downstream supply chain management capabilities, retail or wholesale businesses with no production control were excluded.

Triangulation was achieved by including stakeholders and partners in the ELFD and other service providers active in East London fashion. These included senior representatives from space and business incubator providers, HE, technology and R&D agencies, local government, trade bodies, and medium and large companies supporting cluster activities and initiatives. In
addition, supply chain consultants active with East London firms were included to provide an objective view of the structure and operation of supply chain capabilities.

The final sample of 22 respondents equates to 30% of the identified population, with each of the business and organisation types represented. The three stage identification of the population and final sample selection is set out in appendix 7.3. From the total population of 75 firms, 15 were contacted initially via LinkedIn or their business website, and a further 60 sent a more detailed research interview request by email. From these, 22 individuals from 20 institutions and businesses agreed to be interviewed (Table 6).

All met the following criteria:

1. They were actively involved in fashion related work or with fashion MSEs within East London.
2. They engaged with cluster related activities or in partnership/ collaboration with cluster stakeholders.
3. Their work had a relationship to or was impacted by supply chain related activities.

19 interviews were conducted face-to-face and 3 via Skype. The interviews were all recorded and manually transcribed in full within 5 days of collection to ensure the narrative and experience of the exchange was captured. Each interview was inductively analysed without prior coding allowing for in-vivo classification of the data.

Interviews took place between August 2019 and December 2019. All interviews were one-to-one with CEOs or senior personnel with supply chain or strategic decision-making powers and lasted between 40 minutes and 1 hour. A discussion template was developed (Appendix 7.4) to ensure that all respondents were asked the same suite of questions, which were phrased to be most appropriate to the respondent and their experience. The questions covered six key elements to both meet the specific aims of the study and to be able to explore the entities as set out in CR. Respondents did not receive prior notice of the discussion template.
<table>
<thead>
<tr>
<th>Sector</th>
<th>Company/ institution type</th>
<th>Interviewee</th>
<th>Organisation size / age, as appropriate</th>
<th>Key network relationships</th>
<th>Justification of inclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Micro and SMEs x fashion sector</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fashion and technology (fash-tech)</td>
<td>Start – up*</td>
<td>1. Co-founder*</td>
<td>Micro</td>
<td>Technology agency, fashion retail brands &amp; service providers</td>
<td>Representing the fash/tech community and supported by the DeFINE initiative</td>
</tr>
<tr>
<td>Garment manufacturing</td>
<td>Social enterprise NFP (&amp; training)</td>
<td>2. Director</td>
<td>Small 20 years</td>
<td>Local government, trade bodies, HE, MSE and large fashion enterprises</td>
<td>Garment manufacturing social enterprise</td>
</tr>
<tr>
<td>Garment atelier (luxury manufacturing unit)</td>
<td>For profit</td>
<td>3. founder</td>
<td>Micro 2 years</td>
<td>Trade bodies, micro &amp; small designers</td>
<td>Cited by trade body as one of the most innovative young garment start up during scoping of potential sample population</td>
</tr>
<tr>
<td>Manufacturing factory and retail brand</td>
<td>For profit*</td>
<td>4. Production manager*</td>
<td>Small 10 years</td>
<td>Local government, trade bodies, HE, MSE and medium fashion enterprises</td>
<td>Successful and growing MSE fashion brand identified as having strong SCM capability during sample population scoping</td>
</tr>
<tr>
<td>SME designer label/ brand</td>
<td>Premium womenswear*</td>
<td>5. Founder*</td>
<td>Micro 5 yrs.</td>
<td>FD, HE R&amp;D &amp; incubators, factories, direct to customer factories, direct to customer wholesale outlets, retailers</td>
<td>All representative of the large number of London based fashion brands- one proactive in innovation projects, the other benefiting from services of a space provider.</td>
</tr>
<tr>
<td></td>
<td>LFW menswear*</td>
<td>6. Founder</td>
<td>Micro Syrs</td>
<td>FD, HE R&amp;D &amp; incubators, factories, direct to customer</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>7. Production director*</td>
<td>Micro Syrs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stakeholders x sector</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td></td>
</tr>
<tr>
<td><strong>Cloth merchant</strong></td>
<td>High street / fast fashion</td>
<td>8. CEO</td>
<td>Medium CEO, 30 yrs. + (small staff c. 10, large value turnover)</td>
<td>Retailers, Local government, FD, HE R&amp;D institutions.</td>
<td></td>
</tr>
<tr>
<td><strong>Manufacturing/training</strong></td>
<td>Social enterprise/ HE</td>
<td>9. Director of social responsibility</td>
<td>Small 10 yrs. +</td>
<td>Local SMEs, Global brands, HE R&amp;D, local government.</td>
<td></td>
</tr>
<tr>
<td><strong>Stakeholders x sector</strong></td>
<td><strong>HE</strong></td>
<td>Cluster initiative, HE funded</td>
<td>10. Director</td>
<td>Micro unit 2 years</td>
<td>Local government, HE and EU R&amp;D, Industry bodies, medium and large enterprises (MLEs), SMEs, training providers</td>
</tr>
<tr>
<td></td>
<td><strong>HE</strong></td>
<td>NFP business development agency</td>
<td>11. Liaison manager 12. Researcher/ activist</td>
<td>Micro unit 2 years</td>
<td>Local government, HE and EU R&amp;D, Industry bodies, medium and large enterprises (MLEs), SMEs, training providers</td>
</tr>
<tr>
<td></td>
<td><strong>HE</strong></td>
<td>NFP, fash/tech development agency</td>
<td>15. Manager</td>
<td>Micro</td>
<td>Global tech, SME development agencies, HE / UKRI etc.</td>
</tr>
<tr>
<td></td>
<td><strong>HE</strong></td>
<td>NFP, fash/tech development agency</td>
<td>16. Liaison manager 17. Researcher/ activist</td>
<td>Micro</td>
<td>Renowned innovation agency with objective view of the relationships between MSEs and larger tech/ investment companies.</td>
</tr>
<tr>
<td>Workspace &amp; accelerator provider</td>
<td>NFP</td>
<td>Founded 2009 6 UK sites plus 1 EU. 9 incubator programmes</td>
<td>HE, Local government, incubators, cultural and R&amp;D institutions, housing trusts &amp; development agencies</td>
<td>Founding supporter of the FD cluster initiative, largest NFP space provider in London. 25-year contract to manage/provide space in the Queen Elizabeth Olympic Park, with a focus on social and environmental benefits.</td>
<td></td>
</tr>
<tr>
<td>----------------------------------</td>
<td>-----</td>
<td>--------------------------------------------------------</td>
<td>-----------------------------------------------------------------</td>
<td>-----------------------------------------------------------------</td>
<td></td>
</tr>
<tr>
<td>Local government</td>
<td>Council</td>
<td>17. Regeneration project manager</td>
<td>N/A</td>
<td>Local HE/ R&amp;D institutions, SMEs, space, and enterprise initiatives.</td>
<td>Proactive council, supporting cluster initiatives and providing space and mentorship to fashion MSEs in East London. Actively working with HE cluster projects.</td>
</tr>
<tr>
<td>Supply chain consultants</td>
<td>Individual consultancy</td>
<td>18. Founder 19. Founder</td>
<td>5-10 years</td>
<td>SMEs trade/industry bodies</td>
<td>Both provided an objective perspective on SCM capability in London. Not aligned with cluster initiatives or funding.</td>
</tr>
<tr>
<td>Global retailer</td>
<td>Pureplay fast fashion</td>
<td>20. Menswear director 21. Supply chain sustainability manager</td>
<td>Large business 20 years</td>
<td>Manufacturers, FD, SME brands, HE &amp; R&amp;D institutions.</td>
<td>One of the fastest growing fashion brands in the UK, who have also invested in the development of manufacturing units in London and the UK. Provide a perspective on the issues of MSEs and fashion manufacturing and clothing brand capabilities in London.</td>
</tr>
<tr>
<td>Trade body</td>
<td>UK fashion &amp; textiles</td>
<td>22. Business consultant</td>
<td>Small 11 year</td>
<td>UK manufacturers, HE institutions, training, government trade departments, wholesale and retail fashion brands.</td>
<td>The major representative trade body of garment manufacturers within the UK. Active in supporting cluster initiatives and MSEs.</td>
</tr>
</tbody>
</table>

Table 6: Study one: overview of MSEs and stakeholders interviewed.

*Also contributing to study 2.
The semi-structured interview guide started from broad questions to allow freedom for each respondent to develop their own narrative around the topics, allowing the subtle differences in perceptions and experiences to emerge. The topics covered interviews are set out in Table 7, below.

<table>
<thead>
<tr>
<th>Study one focus and constructs considered.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>The cluster:</strong></td>
</tr>
<tr>
<td>- What are the cluster resources?</td>
</tr>
<tr>
<td>- What are the relationships/ ecosystems within the cluster?</td>
</tr>
<tr>
<td>- Why and how are these important for MSEs?</td>
</tr>
<tr>
<td><strong>The MSEs:</strong></td>
</tr>
<tr>
<td>- What are their values/ orientations?</td>
</tr>
<tr>
<td>- What is the nature of their supply chain and SC relationships, how do their orientations shape this?</td>
</tr>
<tr>
<td>- What are their challenges/ future ambitions, how do their orientations shape this?</td>
</tr>
<tr>
<td><strong>Social value:</strong></td>
</tr>
<tr>
<td>- What is the nature of (social) value created in in the cluster?</td>
</tr>
<tr>
<td>- How and why do MSEs contribute to social value creation?</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>The CR case study fundamental questions:</th>
</tr>
</thead>
<tbody>
<tr>
<td>- What are the entities that define the research field?</td>
</tr>
<tr>
<td>- What are their relationships?</td>
</tr>
<tr>
<td>- What are their powers and liabilities?</td>
</tr>
<tr>
<td>- How can these begin to identify mechanisms for SSCM and social value (the events)?</td>
</tr>
</tbody>
</table>

Table 7: Study one focus and concepts considered.

**Data analysis**

Whilst their work specifically focuses on the inductive process related to grounded theory, Gioia et al. (2013) present a systematic approach for analytical rigour that has been applied to both phases of this study. Similar to Easton (2010), they start by seeking (theory free) similarities and differences in the data. These are then constructed into a smaller number of 1st order codes that ideally contain ‘phrasal’ descriptors. This means that the initial coding conscientiously uses respondents terms, words, and phrases to understand the ‘lived experience’ (Gioia et al., 2013). The 1st order codes presented in chapters 4 and 5 consist of
both paraphrases, to synthesize similar perspectives, and direct quotations that are indicated using quotation marks.

The major risk of adopting the respondents view is that of “losing the higher-level perspective necessary for informed theorising” (ibid p. 19). As such, the first order codes are consolidated into 2nd order themes, or ‘demi regularities’ (Fleetwood, 2017). This contributes to the validity of the approach by meeting the criteria of ‘pattern matching logic (Pauwels and MatthysSENS, 2004). Finally, in the ‘redescription’ phase, these 2nd order themes are aligned with concepts within the literature to assess the potential of plausible mechanisms contingent within the empirical context. A summary of the 1st order codes and 2nd order themes is presented in Appendix section 7.6, along with the associated selected evidence (quotation tables).

Gioia et al. (2013) argue that when a full set of 1st and 2nd order codes, themes and aggregate dimensions are identified these can be presented as a data structure. This ‘pivotal set’ they argue, enables the visual representation of a complex set of data, which is a “graphic representation of how the analysis progressed from data to terms and themes- a key component of demonstrating rigor in qualitative research” (ibid., p. 20).

In the data structures direct quotations are identified by the respondent number, set out in Table 6. In Table 18, the cluster activity of the respondent is also indicated as this provides clarity on the stakeholder perspective. The resultant data structures present a synthesis of perspectives from different positions along the supply chain and within the cluster. Alongside the data structures, the text in the findings section is deliberately populated with illustrative quotations, presenting in greater depth the voice of MSEs and their stakeholders for analysis and interpretation.

What emerges, and is discussed further in section 4.4, is that many of the powers and liabilities that may explain supply chain management innovation in MSEs are common, whether this lies at the textile, garment manufacturing, or designer brand strata of the supply chain. Here, insights do not emerge through the analysis of the specific supply chain of any given focal firm or sector, rather, it is entrepreneurial values and practices within the broader ecosystem of relationships that provide more plausible explanations.

There was no attempt at analytical generalisation in study one, however certain potential mechanisms were rejected as not the most plausible explanations or providing the best
opportunity for theory development. Specifically, these included the size, age, and supply chain position of the firm, as the implications of these contingencies, whilst significant, are well documented in the literature and less aligned with events such as social value creation as it emerged from the data.

In the final interpretation section, several causal explanations were developed for further exploration in study two with the introduction of relevant theoretical literature as a result of the abductive process. As Easton identified, “that a number of different causal explanations are put forward and researched is also not only possible but pragmatically desirable” (2010 p. 124).

3.7 Study two

Objectives

Study two aimed to further examine the empirical domain through the process of retroduction. The focus was on the in-depth exploration of the concepts of entrepreneurial and social orientations, co-creation, and the facets of SSCM as plausible mechanisms leading to the creation of dynamic SSCM capabilities for social value creation. Thus, in the language of CR, SSCM dynamic capabilities are outcomes or events that can explain innovation and social value creation. This second study, therefore, took both the analysis of study one, and the extant literature as a point of departure aiming to elaborate theory. The findings of study two are presented in Chapter 5.

Case selection

This study follows the approach of van Bockhaven et al. (2015) where the East London Fashion cluster provides the context of the research from which six embedded cases are explored. The activity of the cases and their cluster engagement is represented in Figure 1. The five cases were selected from the 36-cluster based MSEs identified within the potential population for study 1 (appendix 7.3).

Multiple cases enable comparisons and clarification of whether emergent findings from exploratory study one are idiosyncratic or replicated in a number of cases (Eisenhardt and Graebner, 2007). Each case was selected for their potential contribution to theory
development within the set of cases (ibid.). The essential requirements that fixed the sample were that the MSEs were engaged in some form with cluster activities and that they were doing something innovative within a supply and distribution system, what Eisenhardt calls case selection by controlling antecedents.

Figure 15: Relative engagement and activities of the numbered (1-6) cases

The key variables that determined the cluster population were identified in study one and included the need for MSEs that were both for-profit and not-for-profit (NFP), occupied different positions within the supply chain (such as designer, manufacturer, and service provider), and firms with different (stated) missions such as those overtly supporting specific causes and those not.

In addition, stage one found variances between the attitudes of BFC /Fashion East alumni (hereafter termed London fashion week, LFW) and those not out of the same system. Whilst all firms were MSEs, the sample is also representative of micro start-ups and more established micro and small enterprises. Eight potential cases were identified through study one, six of which finally contributed to the study (Table 8).
<table>
<thead>
<tr>
<th>Case</th>
<th>Type of cluster/supply chain engagement</th>
<th>Not for profit</th>
<th>For profit</th>
<th>Age</th>
<th>Employees</th>
<th>Designer</th>
<th>Manufacturing</th>
<th>Service</th>
<th>BFC system</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Social enterprise-training &amp; manufacture.</td>
<td>X</td>
<td></td>
<td>6</td>
<td>&lt;10 + trainees</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>1</td>
</tr>
<tr>
<td>2</td>
<td>LFW sustainable brand</td>
<td></td>
<td>X</td>
<td>11</td>
<td>&lt;50</td>
<td>X</td>
<td>X</td>
<td></td>
<td></td>
<td>5</td>
</tr>
<tr>
<td>3</td>
<td>LFW menswear brand</td>
<td></td>
<td></td>
<td>4</td>
<td>&lt;10</td>
<td>X</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Manufacturer &amp; retail brand</td>
<td></td>
<td></td>
<td>6</td>
<td>&lt;50</td>
<td></td>
<td></td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Womenswear conscious brand</td>
<td></td>
<td></td>
<td>5</td>
<td>&lt;10</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Fashion/technology service</td>
<td></td>
<td></td>
<td>1</td>
<td>&lt;5</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 8: The case sample population
The number of cases was not fixed and was dependent on data saturation (Eisenhardt, 1989), of invariances which became evident within a central core of four MSEs, from the final sample of six.

The impact of Covid 19, which saw lockdown imposed from the 23rd of March 2020 just as research was due to commence, added complexity and a delay in the second phase of data collection. Two of the cases identified initially were unable to contribute to the research due to the pressure of the pandemic and the effect of furlough on their teams and operations. An additional fashion brand agreed to be a case study. This changed the balance slightly towards designer businesses and away from manufacturing but reflected the general balance of firm activities within the cluster.

Each of the MSEs was contacted via email, either directly with the respondent from the first study, or with the founder or a director of the business, where the MSE was a new contact. An initial call was made to detail the commitment and access needed for the study before confirming the cases, and (with the MSEs permission) contact made with additional stakeholders. Dependent on the data obtained, additional respondents were identified to clarify aspects and relationships as the case was compiled. Respondents were not given advance notice of the discussion guide.

Following the guidance of Eisenhardt and Graebner (2007), each case had at least two informants from different roles within the MSE (including the either the founder or a director) as well as knowledgeable informants from the MSE’s set of stakeholders, as detailed in each case description. The stakeholders represented elements of the MSE’s supply chain and/or ecosystem, thus providing respondents representing the ‘object/entities’ identified in study one.

The inclusion of two internal respondents plus stakeholders within and beyond the supply chain specifically mitigated the risk of social desirability bias, where individuals have the tendency to declare socially desirable actions and behaviours whilst denying undesirable actions (Zerbe and Paulhus, 1987). Within case analysis cross checked the claims and behaviours of the firms related to their SSCM activities and social value creation. Once the credibility of practices was established these were then taken forward for cross case analysis, which is presented in the data structures.
The number of interviews per case reflected the nature and complexity of the MSE’s supply chain and ecosystem. The minimum number of interviewees was three and the maximum was six. This was also determined by the opportunity to gain new insights through further interviews and the saturation of information per case. The respondents were selected to provide insight and triangulation on SCM innovation and social value creation, not to specifically map the nature and relationships within the vertical supply chain.

In total 24 respondents contributed to 31 interviews (Table 9). All cases had a two-stage interview process with one key MSE contact, in five cases this was longitudinal from the summer of 2019 – to summer 2020. For the additional (Covid replacement) case study this was separated by three months, however, for this case there was the most archival data and commentary within the media to supplement the relatively small respondent base and more limited timespan. The (+1) in Table 9 indicates a second interview with the same respondent.

Each of the interviews was conducted via zoom or telephone, due to Covid restrictions, and was recorded. The interviews were then transcribed manually within 5 days of the recording to ensure full recall of the interaction. In addition, a search on the digital presence of the firm, mission and supply chain statements, and any media concerning the MSE was also compiled over the period of the study.

<table>
<thead>
<tr>
<th>Role</th>
<th>Case 1</th>
<th>Case 2</th>
<th>Case 3</th>
<th>Case 4</th>
<th>Case 5</th>
<th>Case 6</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>MSE representatives</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Founder</td>
<td>1(+1)</td>
<td>1</td>
<td>1</td>
<td>1(+1)</td>
<td>2(+1)</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>Director/ co-owner</td>
<td></td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Director</td>
<td></td>
<td>1(+1)</td>
<td></td>
<td></td>
<td></td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Sales /communication</td>
<td></td>
<td>1</td>
<td>1</td>
<td>2</td>
<td></td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Production/ supply chain manager</td>
<td>1(+1)</td>
<td>1(+1)</td>
<td></td>
<td></td>
<td></td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Stakeholders</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Supply chain (incubator) consultant</td>
<td></td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>HE researcher</td>
<td></td>
<td>1</td>
<td></td>
<td></td>
<td>1</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Space provider*</td>
<td></td>
<td>1</td>
<td></td>
<td></td>
<td>1</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Customer</td>
<td>2</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Innovation agency*</td>
<td></td>
<td>1</td>
<td>1</td>
<td>2</td>
<td></td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>SME collaborator</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1</td>
<td></td>
</tr>
</tbody>
</table>
Table 9: Informants and interviews for each case.

*Respondents provided interview data for two cases, (+1) indicates second interview.

**Study two flat case descriptions**

As with study one the flat case descriptions are set out first.

**Case 1: Social enterprise- training and garment manufacture**

One of two garment manufacturing and training social enterprises (SE) in London, with less than 10 employees, plus trainees. Case one was founded by a collaboration between the justice system and a London university. They received a major donation from a charitable trust guaranteeing funding for the first 10 years, with the aim to develop prisoner mental well-being through garment making skills for future employment. The SE had good collaborative relationships with customers in the charitable and commercial sector based on a model of mutual growth and learning.

The MSE had a training and garment manufacturing unit based within a London prison and a community-focused manufacturing unit in East London, with a combined commercial production of up to 1000 units per week. The second unit was opened to support the ambition to ultimately be self-funding and increase social training and community outreach. It was a collaborative venture with a housing association and a development company, who were also key stakeholders in ELFD activities, and offered low-cost studios for MSEs who had some form of social outreach as part of their ethos.

The social enterprise was growth-focused and had identified upcycling, the remanufacture of previously made garments, as a principal opportunity for a self-supporting sustainable business proposition. The customers typically supplied the new or upcycling raw materials and came from the London designer and charity sector as well as large global brands and their UK intermediaries. Because of this, it had limited engagement in upstream cloth sourcing. Many of the clients that used and supported the unit had social values underpinning their organisations, including both social and for-profit enterprises.
Table 10: Case 1 interview structure

<table>
<thead>
<tr>
<th>Case</th>
<th>interviews</th>
<th>Size/ employees</th>
<th>Life stage / age</th>
<th>Business model/ enterprise.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>5</td>
<td>&lt;10 plus trainees</td>
<td>6 years</td>
<td>Social manufacturing &amp; training enterprise.</td>
</tr>
</tbody>
</table>

**Interviewee**

<table>
<thead>
<tr>
<th>Phase 1 August 2019</th>
<th>Covid 19</th>
<th>Phase 2 July-August/ September 2020</th>
</tr>
</thead>
</table>

**Founder & director**

<table>
<thead>
<tr>
<th>MSE/collaborator</th>
<th>Customer</th>
</tr>
</thead>
<tbody>
<tr>
<td>√-60 mins</td>
<td>√- 60 mins</td>
</tr>
<tr>
<td>√- 60 mins</td>
<td>√- 40 mins</td>
</tr>
<tr>
<td>√- 40 mins</td>
<td>√- 40 mins</td>
</tr>
</tbody>
</table>

It was engaged in R&D outreach to develop skills and capabilities in the upcycling field, including exploratory discussion with a global brand and several (global) universities. A diversified business model providing training, manufacturing, design, and consultancy related to the enterprises expertise in sustainable ‘making’ and social projects was also envisaged. During the pandemic they opened their second manufacturing unit in East London and worked collaboratively to research and develop sustainable PPE.

**Case 2: London Fashion Week sustainable brand**

Case 2 was a small global and well-established designer label with less than 50 employees. Supported by the LFW system, this brand had won awards for its sustainable and circular design philosophy. The brand had a design workshop and small manufacturing atelier in East London as well as a showroom open to the public at weekends. At the end of 2021, it opened a second retail outlet in central London.

The brand was wholly owned by the founder and his family with a focus on circular and sustainable principles. The MSE had additional revenue streams based on consulting and implementing circular and responsible design principles. They opened the studio to the public for workshops and co-ordinated the promotion of the area with other local fashion brands. The designer founder was also the design director a global brand, supporting their sustainable design and development processes.

Whilst historically selling through the wholesale model, the brand also sold direct to customers via their website, they had engaged in pop-up store, and were selling on a global e-tail
platform. The business had a three-tier supply chain with a London atelier and manufacturing for medium volume and speed in Europe. Many of its garments used recycled materials and much of this came from China and was re-manufactured there.

<table>
<thead>
<tr>
<th>Case</th>
<th>interviews</th>
<th>Size/employees</th>
<th>Life stage / age</th>
<th>Business model/</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>4</td>
<td>&lt;50</td>
<td>11 years</td>
<td>Designer brand</td>
</tr>
<tr>
<td></td>
<td>interviewee</td>
<td>Phase 1 August 2019</td>
<td>Covid 19</td>
<td>Phase 2 July-August 2020</td>
</tr>
<tr>
<td></td>
<td>Operations director Technical design director Cluster manager</td>
<td>√ 40 minutes</td>
<td>√- 60 mins</td>
<td></td>
</tr>
</tbody>
</table>

Table 11: Case 2 interview structure

The brand was involved with the launch of the ELFD, was collaborating with one of the creative cluster initiatives, and has its own internal ‘proof of concept’ research looking at digital design systems for their multi-tier supply chain. It was, therefore, involved in upstream manufacturing R&D and downstream innovation in its customer proposition. It had embarked on the process of B Corp accreditation, envisioning that this would help them understand the impact of supply chain decisions, and communicate these more clearly. During the pandemic they collaborated on PPE production, and in 2022, opened a new retail unit and co-created a community collaborative space focused on responsible design.

**Case 3 Designer menswear brand:**

Case 3 was a LFW micro business with less than 10 employees. Established in 2014, the label had received help from the support of a London fashion accelerator and space provider, Fashion East, and the British Fashion Council. Active within the British Fashion Council ecosystem, the MSE had received fashion prize funding and financial awards during the Covid 19 pandemic.

The business valued its multiple creative collaborations and engaged in campaigns for inclusivity, citing philanthropy as an important aspect of its values. It was wholly owned by the designer founder and was global growth focused. For this they prioritised downstream supply chain innovation and product category diversification, had collaborated in new consumer channels in China, were working with an online platform, and were developing their own e-commerce proposition.
During this study, the brand moved from East London to a central London cultural space provider to access a more flexible working environment.

Their manufacturing was all in Europe and Asia, and, given the complexity of the product the relationships were long-term and based on mutual trust. Other than sourcing new suppliers for product innovation and line extensions, they were not engaged in upstream R&D. During the pandemic, they continued to deliver to their wholesale customer but refined and simplified their range structure.

**Case 4: manufacturer and premium retail brand**

Case 4 was a small garment manufacturer and retailer of casual clothing founded by the owner in 2015. The business sold direct to consumers via its website and a retail store in London, which opened in 2019. The store also operated as an online distribution hub, and a space for garment making courses, open to the public.

<table>
<thead>
<tr>
<th>Case</th>
<th>interviews</th>
<th>Size/employees</th>
<th>Life stage / age</th>
<th>Business model/</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>4</td>
<td>&lt;50</td>
<td>6 years</td>
<td>Retail brand and manufacturer</td>
</tr>
<tr>
<td></td>
<td>interviewee</td>
<td>Phase 1 August 2019</td>
<td>Covid 19</td>
<td>Phase 2 July-August 2020</td>
</tr>
<tr>
<td></td>
<td>Production manager</td>
<td>√- 40 mins</td>
<td>√- 40 mins</td>
<td>√- 40 mins</td>
</tr>
<tr>
<td></td>
<td>Sustainability researcher</td>
<td>√- 40 mins</td>
<td>√- 40 mins</td>
<td>√- 40 mins</td>
</tr>
<tr>
<td></td>
<td>Business development manager- local government</td>
<td>√- 40 mins</td>
<td>√- 40 mins</td>
<td>√- 40 mins</td>
</tr>
<tr>
<td></td>
<td>Founder</td>
<td>√- 40 mins</td>
<td>√- 40 mins</td>
<td>√- 50 mins</td>
</tr>
</tbody>
</table>

Table 13: Case 4 interview structure
They sub-let space to several organisations which further encouraged the local community into their manufacturing unit. They manufactured for other micro and SMEs, being only one of two specialist producers of their kind in the UK. They also collaborated on co-branded product with other premium labels. They sourced their cloth globally, and some trims and accessories in East London.

The business had a social and personal sustainability ethos that drove their engagement with the community and innovation projects. The business actively sought out community-based collaborative opportunities and other sustainability projects with craft makers in East London. These included supporting the launch of local artisan studios, setting up an innovation lab, and a joint venture with a local furniture manufacturer to upcycle material waste.

One of the most active supporters of multiple cluster-based initiatives in the sample, the business had also contributed to a major fashion industry PPE initiative during the Covid pandemic, collaborated with several sustainability R&D projects, including an ongoing formal project with a creative cluster initiative to develop an innovation lab. They had engaged a project manager and had space provided through the local council to develop a sustainable building to house it.

**Case 5: Womenswear conscious brand**

Case 5 was a micro designer business with less than 10 employees and freelancers. There was a satellite knit studio in Austria that supported their secondary market in Germany (entered in 2020) and Austria. Whilst not a LFW brand, the designer came through the London design school system and produced collections for sale direct to consumer, as ‘special’ commissions, and via collaborative pop-up stores.

More recently, the MSE had developed a consumer/community experience mixed business model, providing sustainable business mentoring and craft workshops alongside their fashion and accessories income stream. The brand has a strong ‘conscious ethos’ driving their social and environmental position, had moved away from seasonal collections, and was looking to develop a pre-order production model as well as product diversification.
Production was in London and the UK but due to their concern over poor workplace practices in Leicester, and enabled by volume growth within the firm, they moved production of knitwear to Portugal during the pandemic. They had identified a supplier with aligned values and high transparency, and they were developing their ‘remote sourcing’ systems. They had developed a fully non-plastic and recyclable product line as part of their commitment to environmental performance.

The founder was actively engaged in collaborative projects, particularly those with a ‘fashion and technology’ focus and had a good reputation for delivering collaborative outcomes, which were predominately developing the downstream consumer experience. During the study, the brand moved to Fish Island (part of the Queen Elizabeth Olympic Park development in East London) and was supported by a sustainability mentoring scheme delivered by the space provider. During the pandemic they engaged with their local community, making and selling facemasks and delivered a virtual immersive fashion show project in collaboration with graphic designers and an innovation agency.

**Case 6: Fashion and technology (fash-tech) service start-up.**

Case 6 was a start-up which was working on its system development and beta business model, launching with trial customers after the first interview. The business idea grew out of one of the co-founder’s experiences of the industry to develop a tech solution to enhance the design and product development process. The other three co-founders had experience in the tech-media sector, and they had a ‘bootstrap’ approach to funding and developing the business themselves.
Their service proposition was targeted at design led fashion businesses to support the product development process, which had evolved to provide communication tools between the designer and their manufacturers. This had become more important due to remote working triggered by the Covid 19 pandemic. During the pandemic, they scaled back their launch and customer engagement, respecting the challenges that many of their customers/collaborators were facing. However, for one customer with production in Asia and a workshop in East London, their digital trial was highly beneficial during the pandemic.

<table>
<thead>
<tr>
<th>Case</th>
<th>interviews</th>
<th>Size/employees</th>
<th>Life stage / age</th>
<th>Business model/</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>4</td>
<td>&lt;5</td>
<td>1 year</td>
<td>Design technology service.</td>
</tr>
</tbody>
</table>

Table 15: Case 6 interview structure

The firm was accepted onto the DeFINE programme, which provided business support and mentorship specifically for fashion and technology businesses. It heard about the programme through engaging with the ELFD hub and events. Initially, the liaison was with medium and large established designer businesses, but through the mentorship programme they identified smaller entrepreneurial fashion businesses as the key target to beta test and collaboratively develop their product/service proposition.

**Research design and data analysis**

The analytical approach was not solely designed to identify “data within predetermined theoretical categories to deductively test their relation, but to identify and refine an analytical frame that offers the most fitting explanation of the phenomenon observed” (van Bockhaven et al., 2015 p. 420). Thus, as with the sampling and the analytical frame, the interview guide followed the empirical context and evolved to explore mechanisms which emerged in study one.
The interview discussion guide is set out in Appendix 7.5, but the summary focus of the interviews is set out in Table 16, below.

<table>
<thead>
<tr>
<th>Focus of study two and constructs considered.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>From a dynamic capabilities perspective:</strong></td>
</tr>
<tr>
<td>- The position of the MSE; business structure, funding / business model, human capital and social capital, and reputation.</td>
</tr>
<tr>
<td>- The processes; the supply chain, and processes for integrating learning to sense and seize opportunities.</td>
</tr>
<tr>
<td>- The MSEs; pathway opportunity and choices related to SSCM and social value.</td>
</tr>
<tr>
<td>- What is the impact of the Covid pandemic, how has this impacted their innovation and pathway choices?</td>
</tr>
<tr>
<td><strong>From an orientation perspective:</strong></td>
</tr>
<tr>
<td>- Is there a type or orientation of MSE more likely to develop or co-create sustainable supply chain capabilities?</td>
</tr>
<tr>
<td>- What is their sustainability orientation and how does this manifest?</td>
</tr>
<tr>
<td>- How/ does the MSE’s entrepreneurial orientation manifest?</td>
</tr>
<tr>
<td>- Why and how does their orientation affect their SSCM opportunities/choices?</td>
</tr>
<tr>
<td>- Why and how does their orientation / SSCM affect their social value opportunities/choices?</td>
</tr>
<tr>
<td><strong>From a theorizing perspective:</strong></td>
</tr>
<tr>
<td>- What are dimensions of an EO/ SO construct which provide a plausible explanation of MSE tendencies towards SSCM capability development?</td>
</tr>
<tr>
<td>- Does the orientation construct provide a plausible explanation of why and how MSEs sense and seize SSCM opportunities for social value creation?</td>
</tr>
</tbody>
</table>

Table 16: Study 2 focus and constructs.

The interviews were semi-structured with the wording of the questions flexed to reflect the experience and position of the respondent. The aim was to fully understand the relationship between the entities, their powers, liabilities, the structures related to their social and entrepreneurial orientation, and their supply chain management capabilities. However, the actual discussions varied dependent on data previously collected for cases contributing to study one and allowed the respondent to develop topics they felt important in the context of
the interview. This reflects the view of Stake (1981) on progressive focussing, where researchers guard against presumption and focus on issues gradually as they emerge.

Special attention was made to cross check the focal firm’s behaviours and practices relative to the claims of the founders or senior managers. It is here that the internal and external stakeholder insights were invaluable in avoiding claims of socially desirable behaviours through their experience of working with the firm, reflecting on their practices and values.

The analysis was in two phases. The first stage followed the Corley and Gioia (2004) method as in phase one. First each respondent’s interview was coded and then cross-coded for the individual case. As in study 1 the 1st order concepts reflect the ‘lived experience’ of the respondents through a combination of key phrases and direct quotations, indicated by the use of quotation marks. In the data structures, direct quotations have the respondent and role indicated.

Multiple rounds of open coding were conducted to identify the orientation and actions that best reflected the data. After many iterations, these were ultimately structured in thematic groups under the headings of orientation, resources and capabilities, supply chain management, and social value allowing for the identification as aspects of the position of the firm (Teece, 2007).

In a process of ‘retroduction’ these were then aligned with EO and SO concepts as well as SSCM. This provided a case-by-case identification of the firm’s assets, positions, and processes in line with the DCF (Teece ibid.). To present some of the richness of the data for each individual case key quotations from this initial coding are used to inform the case analysis. Tables of additional selected quotations for each case specific are also included in Appendix section 7.7.

In the second phase commonalities and differences in the 1st and 2nd order codes and themes, or ‘measures’ and ‘constructs’ (Gehman et al., 2018), between cases were identified. It is important to note here that an element of what Pratt et al. (2020) term methodological bricolage was used, that is of combining methods through an iterative process of trial and error.

Whilst the Corley and Gioia (2004) method is very useful in providing insights into single case (and similarities within embedded cases), it is not so effective when looking to identify variants
between cases. This research therefore also references the route-map laid out by Eisenhardt and Graebner (2007). Arguably, the two approaches are compatible, where the route-map itself argues for an initial in-depth write-up of each case, allowing for the “unique patterns of each case to emerge before looking for generalisable patterns across cases” (Eisenhardt, 1989 p. 540).

In looking for cross case patterns, the 1st order codes were considered and developed or combined to create a cross case set of 1st order codes. These were then used to develop cross case 2nd order themes (or constructs) and identification of the evidence (that is quotation tables) that support these. In so doing, within-group similarities and inter-group differences aligned to these 2nd order themes were then identified and are presented in the cross-case analysis.

Despite the diversity in the sample of embedded cases there was a high degree of similarity and a notable, if limited, set of differences that enabled the identification of specific behaviours aligned to the MSEs orientations. The similarities were then developed into data structures according to their aggregate dimensions. The cases that disconfirm a relationship enabled the identification of behavioural constructs of differing orientations. The interpretation introduces additional literature on ‘activism’ and ‘purpose’ to fill explanatory gaps in the literature review chapters, echoing the abductive process of systematically combining theory and data.

In conclusion, this chapter has justified the methodological choices and discussed the novel approach of critical realism and the field of SSCM. It has presented the geographic East London fashion cluster and a justification for and description of the six individual bounded cases. The research design and analytical bricolage approach has been justified. This means that the next chapter presents an analysis and discussion of the initial exploratory cluster study using the data structures and key evidence in the form of quotations. In Chapter 5, the study two case analysis is presented via data structures, quotations and cross-case coding tables.
4 Study one: findings and interpretation

Study one was exploratory and followed the first two stages of the RRREI approach, the theory free description of phenomena and the redescription through the prism of plausible theoretical frameworks (Figure 16).

![Figure 16: Contribution of study 1 to the RRREI abductive research design](image)

At this stage, the MSEs were considered as the entities and the interviews explored the nature of their orientations and values, resources, relationships, and supply chains within and beyond the geographic cluster. As set out in Chapter 3, the primary research consisted of 22 interviews with individuals from 20 organisations who were active within the East London cluster, engaged in cluster innovation-based activities, and had a contribution to supply chain decision making. Of the sample nine respondents were from MSEs and 13 were from MSE and cluster stakeholders.

This chapter first sets out the key findings in the form of data structures and their critical evaluation as a preliminary response to the four research questions and Easton’s three CR questions, below.

CR Q 1. What are the entities that define our research field?
CR Q 2. What are their relationships?
CR Q 3. What are their powers and liabilities?

RQ. 1. Why do fashion MSEs in the East London geographic cluster innovate their sustainable supply chain capabilities?
RQ. 2. How do fashion MSEs in the East London geographic cluster innovate their sustainable supply chain capabilities?
RQ. 3. Why do fashion MSEs in the East London geographic cluster seek to create social value through their supply chain management practice?

RQ. 4. How do fashion MSEs in the East London geographic cluster create social value through their supply chain management practice?

The data structures follow the Corley and Gioia (2004) method, that is looking for thematic similarities drawn from respondents presented according to their aggregate dimensions. The interpretation section considers the research questions through the synthesis of themes in relation to the key strands of literature. These are supported by additional literature on emergent concepts following the abductive approach for redescription of the data.

The chapter concludes with the evaluation and identification of entities beyond the MSEs, their structures, powers, liabilities, and a conceptual framework for development in study two, presented in Chapter 5.

The quotation evidence tables for the data structures are presented in Appendix section 7.6 with a hyperlink to the relevant table in each data structure.

4.1 Cluster resources

A creative and entrepreneurial learning ecosystem

The term ecosystem is used to reflect the empirical nature of the relationships within the cluster beyond the direct supply chain, reflecting what Spigel and Harrison (2018) termed proactive and trust-based social relationships. In the East London geographic fashion cluster these manifested in new forms of relationships beyond the traditional supply chain, presenting opportunities for innovation and knowledge creation. The ecosystem was identified as reflecting two core aspects, that of creativity and collaboration combined with an entrepreneurial learning environment (Figure 17).

East London was almost universally seen as a welcoming and encouraging environment for creative entrepreneurs. Significantly, many of the MSEs spoken to were from mainland Europe. East London was their positive choice because of the creative fashion reputation and entrepreneurial ecosystem. The draw was for low cost working and living spaces where the mix of cultures and communities provided an “edginess that fosters creativity” (R.14).
**Figure 17:** The data structure considering cluster intangible resources.

<table>
<thead>
<tr>
<th>1st order concepts</th>
<th>2nd order themes</th>
<th>Aggregate dimensions</th>
</tr>
</thead>
<tbody>
<tr>
<td>- A “melting pot of credible designers” (r.15), where the “edginess fosters creativity” (r.14)</td>
<td>Creative and collaborative ecosystem</td>
<td></td>
</tr>
<tr>
<td>- East London offers the places to come together, to collaborate</td>
<td>Entrepreneurial learning environment</td>
<td></td>
</tr>
<tr>
<td>- “You get lots of inspiration and hang out together, its social” (R.1)</td>
<td>Heritage and place curation</td>
<td></td>
</tr>
<tr>
<td>- You can learn from experience, “catapult forward” (R.3) to see your own future business</td>
<td>Relationship management</td>
<td></td>
</tr>
<tr>
<td>- “The people really inspired me” “with the right mindset, with vision” you can innovate (r.5)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- A “welcoming, encouraging culture” (r.5), with a positive attitude to risk</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- “It’s historical that they, their clients, and contacts are there” (r.14)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Curation, recreating heritage spaces for a “new version of the creative economy” (r.16)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- “Creating the ecosystem to have a successful fashion and technology sector in East London” (r.11)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- “A big part of my job is to connect different members of the supply chain” (r.11)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- When we get the projects right the “micro &amp; SMEs co-create” and we get more “proactive partners” (r.11)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- “It’s about ‘opening up’ real life interactions” when anyone comes to us it’s about “the longer-term vision” (r.16)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
The proximity of like-minded businesses, including ‘credible designers’ (R. 15) and an exciting technology ecosystem, was a source of creative inspiration and knowledge spill-over. The appeal of locating in East London was not only the welcoming culture but also the density of the area as a creative and social space with links to the London fashion buyers’ market. The opportunity to collaborate and co-create was acknowledged by all respondents, which was not bounded by London, rather it was facilitated within and beyond the area.

The creative reputation was seen as a springboard from which they developed both social and business networks as well as their supply chains, both in East London and abroad. This is evidenced in the quotation below, where the LFW menswear brand benefitted from mentoring, the presence of fashion incubators also offering space, and the ability to grow globally through the promotion of one of their first, London-based customers.

“We’ve mainly been in East London due to the support being here. We started in Dalston, with the support of Fashion East, and then the CFE [both fashion incubator/accelerators], which provided business space and entrepreneurial support. We’ve grown quite quickly, first in the UK and Japan and then China through [our customer, London based luxury multi-brand store], now we’re developing in the US” (R.7).

Access to world-class creatives, fashion ateliers, and innovative customers also facilitated ‘knowledge spill-over’. The more experienced designers became mentors to those developing through the same incubator or LFW process, providing support and inspiration. The work experience from both paid and unpaid positions (with more on the intern system later) enabled entrepreneurs to “visually catapult” (R.3) themselves into their future businesses. Learning through the experience of the fashion system, both positive and negative aspects, allowed entrepreneurs to see the potential for their own businesses.

Service and product providers, such as cloth merchants, pattern cutting agencies, and factories with in-depth knowledge of their industry cited the mutual benefit of building supply chain and production skills within the young creatives. Many of the service providers talked about the knowledge gap in small brands or designers. However, in supporting the ‘young brands’, they acknowledged that they are co-creating their customer pipeline.

The proximity to upstream and downstream value chains was particularly appreciated by the start-up and micro businesses who lacked experience, skills, and resources. The impact of this is discussed further in the section on supply chain resources (section 4.2) but here it is
important to note that the agglomeration of fashion firms along the supply chain enabled knowledge spill-over, but the presence of cluster resources such as the ELFD and space providers amplified this effect.

It is to be noted that this round of interviews was undertaken pre-Covid 19, when the ability to connect personally with more experienced suppliers or customers was seen as a major benefit of the location, both commercially and from a personal perspective. The impact of this is assessed in the analysis of study two.

The presence of incubator hubs, accelerators, and mentors meant that East London was seen as a supportive location for entrepreneurs. The proximity of the informal technology cluster in Shoreditch and Old Street and the numerous designer micro clusters such as Dalston and Hackney, combined with the talent emerging from world-class design schools, created a reputation for creativity. The creative reputation and proactive support of collaborations was seen as creating an atmosphere that encourages innovation. Indeed, many of the larger technology companies and global businesses targeted London for the creative talent and content for new technology and innovation opportunities.

Given the evidence of industry diversity and creativity, access to knowledge resources, and innovative customers in East London exemplified the cluster opportunities highlighted by Porter (1998, 2004) and described by Etzkowitz and Leydesdorff (1995) in the Triple Helix. More importantly, however, was evidence of proactive and engaged ecosystems (Spigel and Harrison, 2018). Rather than the simple benefits of agglomeration, the MSEs sought out and co-created ecosystems of like-minded creatives and organisations.

The data suggested that the first element enabling access to innovative resources was the presence of shared entrepreneurial and values: of creativity (beyond just fashion); the desire to learn; and to co-create the social and learning space. As such, the first aggregate dimension in the data structure defines the fashion cluster as a creative and entrepreneurial learning ecosystem.

“I think East London to me feels like a heartbeat where there’s a melting pot of very credible fashion designers... who are more experimental...and I think we’ve also got a very good ecosystem of start-ups in the tech-sphere...And the feedback we have from the start-ups is that there’s a meeting point when they come here and that’s why they come” (R. 15).
Proactive place curation and relationship management

Most stakeholders and MSEs acknowledged the rich ‘making’ heritage in East London that provided a concentration of knowledge and skills. Many respondents spoke with a sense of pride about building a future for the sector, which had been in decline, and of being grounded in an area where the location supported the rationale of the business. The proximity of new and traditional businesses further facilitated a knowledge spill-over, which was supported by the cluster initiatives and trade bodies.

There was also a high degree of cultural place-making by space providers, which was highly valued by the MSEs. The space providers cited the importance of sympathetic curation to foster relationships, combining the future with the crafts of the past, for a new creative economy. This curation typically drew on a mission to create social value by identifying businesses that were likely to contribute to the sense of place and the local community.

“So yes, it’s about us creating spaces within existing London neighbourhoods…You know we wouldn’t take on a space if it didn’t have a previous history. How creative it would be for the economy and how that new creative economy version that we’re going to create can support what’s already existing in terms of the neighbourhood. Businesses sharing our social values informs our [place] curation” (R. 16).

In addition to place curation a high level of relationship facilitation was evident within the cluster. The ELFD positioned itself as an ecosystem facilitator, helping “create the ecosystem required to have a successful fashion and technology sector based in London” (R. 11). A large part of that was concentrated on the supply chain and for wider R&D and innovation relationships, which is explored further in section 4.2.

Most of the MSE respondents cited the benefit of institutional place and relationship management in helping to-co-create their entrepreneurial and creative communities either as customers, sponsors, investors, or mentors. The development of relationships and of knowledge resulted in ecosystems which stemmed from the heritage of the location. These were facilitated by both the actions of stakeholder institutions and the proactive engagement of the MSEs. This endorses the cluster perspective of Pitelis (2012) and Delgado et al. (2010), where both Micro and SMEs made a strategic choice to co-create value in a location.
Despite the co-creation, however, Micro and SMEs were not always considered partners within the cluster. Some of the stakeholders saw MSEs as ‘beneficiaries’, for whom they were creating services. They prioritised their outreach to develop relationships with medium and larger organisations, citing developing the funding and sponsorship benefits of these relationships as key.

**Infrastructure provision**

Whilst space, access to funding, and business management support can be considered as separate resources, they were increasingly offered as part of a package by incubator organisations and space providers. Their interconnectedness had implications for some MSEs who, in seeking resource support, had to evidence how their values and actions aligned with those of the resource providers.

A technology and sustainability focus appeared to be the two dominant strands of R&D and business support, which had considerable opportunity for overlap. Both HE related schemes and the AHRA creative cluster programme funded researcher residencies to guide and support MSEs through the development of innovative new technologies, sustainable processes, and skill building. Indeed, some of the schemes were explicit about their desire to encourage proactive change through collective activism.

“We’re at the beginning of our activism and social impact, and the aim is to create a long-lasting legacy within the community. So, there are three strands within the project... education, community, and manufacturing. So, it’s kind of ideation and networking. The [local government] council provided me with a list of over 40 manufacturers and we selected three who had more ambitious visions. And then we activated three residencies in three months tackling specifically sustainability challenges” (R.12).

MSEs cited the benefits of business support such as low-cost space combined with business mentorship and prize funding. This was largely linked to the support of graduates from the design schools and the LFW system. For fashion and technology start-ups the European Union ‘DeFine’ initiative was seen as meeting a gap in provisions for technology firms working with the specific practices of the fashion industry. Local councils and the Greater London Authority supported several small enterprise zones with affordable spaces and business support including access to networks and ‘self-help groups.’ They were also seen as encouraging the agglomeration of creatives to help create more economically viable enterprise zones.
- We were in East London because of the business support here (r.7 MSE)
- Local government enterprise zones provide space combined with enterprise programmes for growth
- “So, we work with them to understand the questions to ask of their factories... that information feeds into a network of information [which] is the principle of this whole thing” (r.16 Space provider)

- “Our challenge is resources and time” which are required to apply for funding (r. 4 MSE)
- “We activated 3 residencies in MSEs” with “ambitious visions” for sustainability” (r.12 HE researcher)
- There is money available but accessing it can be political (r.11 cluster org.)

- People will move out of East London due to rising costs
- Studio and business space is being converted to housing
- Those applying for space are “assessed on connection to the community, entrepreneurial skills, sustainability, and creative talent” (r.16 space provider)

**Figure 18: Cluster tangible infrastructure resource**
Some respondents felt more emphasis was required on support for local community businesses rather than on well connected ‘incomers’. Some of the established businesses also felt they were not offered support when they did not have a ‘recognisable’ sustainable angle, despite their position as local employers. Many MSEs also cited that finding the expertise and the time to apply for funding was very challenging. Equally, there was much competition for funding initiatives between and within institutions where, “there is money available, but if you talk about the politics of accessing that money it’s very difficult. because even internally there are lot of different departments, going for the same funding” (R.11 cluster organisation).

Historically rents were low in the area, but costs were rising resulting in established commercial property and studio spaces competing with more lucrative housing developments. There was a limited mix of low-cost provision, with most of the space providers interested in the medium to premium studios. There was a consensus amongst respondents that those MSEs most likely to benefit from cluster-based initiatives, such as space and business support, were those with both a creative and sustainable ethos and entrepreneurial ambition.

Despite those engaging with cluster-based activities benefitting from access to cluster resources, there was some criticism that there was a lack of joined up thinking. Some of the stakeholders identified that the initiatives lacked scale and ambition and excluded more traditional manufacturing businesses based in East London.

4.2 Supply chain resources

Agile learning orientated supply chain

East London was typified as a small volume, generalist production area supporting the needs of start-ups and designers alike. There were a few established small and medium manufacturing units who were well respected. Additionally, new manufacturing units producing samples and offering small-scale luxury and fast fashion had developed.

“London is unique, in comparison to Portugal where the verticals are adjacent. Here everything is brought in… so London is a CMT [cut, make, and trim] place. The best thing about London is that it copes with everything. It can turn out fast fashion, it can do couture, pretty much everything” (R.18).
Figure 19: Data structure for tangible supply chain resources

<table>
<thead>
<tr>
<th>1st order concepts</th>
<th>2nd order themes</th>
<th>Aggregate dimensions</th>
</tr>
</thead>
</table>
| - London is a small volume manufacturing generalist  
- Supports the needs of start-ups, fast fashion, and designers alike  
- Proximity to upstream and downstream value chain is agile and efficient  
- “Shrinking the supply chain [] informs and influences a more sustainable supply chain” (r.16) | Supply chain proximity  
Supply chain learning & innovation  
Skill training & development  
Lack of scale and verticality | Agile, learning orientated supply chain  
Barriers and opportunities for growth |
| - Meeting and learning from “old school makers who have been down the road for 120 years” (r.3)  
- Larger retailers invest in the development of sustainable production units and integrative technology (r.2)  
- Lack of investment in machinery and joined up planning from some initiatives (r.19) |  |
| - Skill depletion due to aging workforce and impact of Brexit  
- A mixed business model was adopted by some offering multiple services, production, training, and mentoring  
- Developing training and apprenticeship schemes for paid work |  |
| - “London is a CMT place, everything is brought in” (r.8). Unlike Portugal there is no cloth for vertical supply chain adjacencies  
- An opportunity for digital printing in London  
- “If we start growing, we may have to move more abroad where production is simpler and cheaper” (r.5) |  |
London was seen as predominately a CMT manufacturing market where brands supplied the pattern and cloth. In addition, there were production services and cloth and trim agents, all of which could be accessed locally and provided production expertise to less experienced micro businesses.

A mixed business model was adopted by some of the micro and small enterprises. These offered design services, production, and training and mentoring. Proximity to an experienced and knowledgeable upstream and downstream supply chain was cited as beneficial by all respondents. The ability to discuss an issue and resolve problems quickly in person made the production process more agile and efficient. This then, given the challenges of operating abroad and Brexit, had led to some production returning to East London.

“The feedback we are getting is (and we’ve converted some who were in Portugal, even in China or Italy) that they find it easier to nip out of their office to talk about a problem before 1000 hours/steps were put into it and we have to undo it all. So, the feedback has been [about] proximity, low carbon footprint from their point of view, ease from their perspective in terms of we understand the product, we understand the process (I’ve worked for designers, so I know what they mean) and they want flexibility” (R.3 manufacturer).

Some of the larger retailer brands had developed strong links and even invested in ‘ethical’ manufacturing units to enable small and fast production runs. In some cases, this involved providing them with technology packages such as integrating shared digital design and PLM systems (Product Lifecycle Management) for speed, lowering costs, and efficiency. One such manufacturing and training social enterprise had been developed with support from government grants, large retail businesses investment, and soft loans. They offered multiple levels of production and training in various aspects of garment production.

Space providers also saw the benefit of curating micro ‘garment districts’ with support for start-up and small business all along the supply chain. From a social perspective they were trying to create a vibrant fashion space that could eventually also supply access and training for educational purposes. The aim was to shrink the supply chain and influence more sustainable practice, whilst developing the vibrancy of the local community.
“In the wider picture we need manufacturers, photographers, etc. to create a garment district in the true sense. If we can really shrink the supply chain down and inform/influence a more sustainable supply chain... but in the short term, it’s about how much we can get within touching distance. We are planning a central space for making completely manned and managed [by us], and there are going to be other ateliers and manufacturers.” (R.16 space provider).

However, some supply chain experts felt that London would remain a sampling and very small production space. They identified that many of the cluster and innovation initiatives lacked credibility and more focus on mainstream business investment and proven machinery would have been more effective.

“I have heard factories talking about the initiatives - and saying why it’s not going to work and laughing about what some of these organisations are thinking. They are not talking to each other... You know bringing them into the 21st century, giving them grants to invest in machinery. I mean, they’re not in a position to compete with Europe. I recommend for people to sample here and manufacture somewhere else” (R.19 supply chain consultant).

Lack of scale and verticality

With the innovation of digital cloth printing, the city of Leicester in the East Midlands had grown as a production hub for cheap fast fashion. However, given the town’s reputation for poor employment ethics, London brands were averse to placing their production there. Several of the respondents reported a clear opportunity for digital printing in London, for fast turns, adjacent to manufacturing and London-based businesses. During the first round of data collection there were several cloth and manufacturing units looking for funding to develop this technology and were frustrated by a lack of support. It is to be noted that by 2021, a digital printing unit was opened in a London manufacturing social enterprise with support from retail and technology partners.

Given the lack of verticality and limited opportunities for more complex or volume production, once businesses had scaled sufficiently, designers typically moved production to Portugal and other specialist areas in Europe and in China. Whilst there was a desire for more UK production, for many the choice for overseas manufacturing was both economic and environmental. That is, firms take advantage of the agility and lower manufacturing costs
offered by vertical manufacturing regions, whilst reducing the carbon footprint of the import and export of materials and garments.

The loss of making skills, due to an ageing workforce and Brexit, was recognised by many of the respondents. Cluster and trade organisations organisations were actively focused on collaborative schemes with MSEs and larger organisations to provide apprenticeships and skill development within the sector. Whilst social enterprises were delivering manufacturing, training, and mentoring, the challenge for London factories was that with tight margins and high costs they could only afford to employ people who were already skilled.

4.3 MSEs resources and orientations

Social capital: Business network relationship orientation

Three profiles emerged regarding the nature of relationships within the industry cluster (Figure 20). Typically, the older, traditional manufacturing or retail firms were seen as quite insular, with a closed set of relationships. Not exclusively, these firms were perceived as very competitive with many of the relationships being transactional and sometimes adversarial. Manufacturing within the fashion supply chain was described by one respondent as “this perpetual wheel of you screw me, and I’ll screw you” (R. 19).

Pre-Covid many of the established and traditional premium specialists were busy and not seeking additional business. A concern emerged that these ‘family businesses’ might not have a future when the current owners and the aging skilled labour force come to the end of their professional careers. Typically, it was the younger, smaller, and more sustainability orientated businesses which engaged with and were supported by cluster activities. This indicated a potential gap in the focus on future proofing established and traditional businesses who required support to enhance their day-to-day operations within the sector. These were typically the units with a larger workforce, which has implications on production capacity and employment.

The younger (often millennial-led) manufacturing and design firms were considered generally more open and collaborative. They chose to co-locate with like-minded firms and other stakeholders. Designers emerging from the LFW system also talked about a strong collaborative bond that extended into benefits throughout the development of the brand and its value and supply chain.
Figure 20: Data structure for MSE relationship orientations.
“One of the wonderful things about the designer fashion industry is that it’s not super competitive with each other.... coming up through the British Fashion Council system, which is incredibly supportive, the relationships we have with other brands are really strong. [Designer] went to university [in London] with other people that now are stakeholders within the industry and so has those relationships already and is able to draw on them for help and guidance” (R. 7).

However, the bond of coming from the right design school or through the same development route was also seen as a barrier to access by some, contributing to the culturally non-inclusive and burnout behaviours often seen within the fashion industry. In addition, those who came through the LFW route were seen by some as less collaborative outside their immediate community, and less proactive when it came to innovation and outreach. This was compared unfavourably by several respondents to the technology sector, which was much more consistently focused on seeking collaborative opportunities and development.

The third type of firm, not aligned to any specific sector (retail, cloth, service, or manufacturing) could be defined by their proactive approach to developing diverse relationships and openness to innovation through collaboration. They sought out like-minded firms to co-create opportunities rather than holding an adversarial or competitive position. These proactive firms used trade bodies as well as cluster programmes, accelerator opportunities, and their wider network to develop their business and supply chain capabilities and their ecosystem.

“So, I don’t see myself as an educator I’m a transient medium passing on what I learn. So, we work with a [UK fashion and textiles trade body] provided mentor and business coach and through them we have quite a network in the industry who may be mills, other manufacturers, and designers of course” (R. 3).

These relationships often extended beyond the business, to embrace social and environmental concerns. The stakeholders and businesses sought diverse learning relationships with like-minded organisations.

Whilst these profiles emerged, there were many instances of non-typical firms. For example, a very traditional cloth business embracing innovation and sustainability activism through collaboration. This then leads to looking at further orientations related to sustainability, the supply chain, and the human capital of the firm.
Social capital: Long-term sustainable supply chain management learning orientation

For many of the MSEs their suppliers and customers represented invaluable knowledge resources and co-creators of their supply chain network. The value of long-standing and supportive relationships, both within and beyond the cluster, was evident from the perspective of suppliers, designers, and retailers. Several of the MSE respondents discussed their pride in supporting young brands, the creative community relationships, and their desire to contribute to making in the UK. The MSEs valued not only the supply chain relationships, but also recognised their mutual growth trajectory, especially if they shared values. The proximity of suppliers facilitated the learning process, through viewing the manufacturing process and trust built by familiarity.

“So, we can do those small productions and we do like doing it. It’s kind of a great way to connect with other people, and other customers challenge you to improve your processes all the time…Often, we find that we form really strong partnerships with these brands. It is in our ethos to help young brands and designers to develop denim making, because they cannot do it anywhere else” (R. 4).

The proximity of manufacturing units to young designers also meant they were able to demand more sustainable production leading to a pull-through of sustainable practices, where both the downstream and upstream supply chain partners explored new sustainable and circular practices. Learning and innovation happened within and beyond the direct supply chain, from the needs of customers, and from the knowledge or ecosystems of others.

Collaboration and co-learning were facilitated by like-minded organisations participating in the supply chain and wider cluster. The appreciation of ‘craft’, innovation, and sustainable practices were most frequently cited as personal and business values that brought organisations together. It became evident that a sustainable ethos plus a collaborative approach to innovation gave access to R&D beyond the scope of normal small business practice. Both MSEs and the larger sponsors recognised the agility, adaptiveness, and autonomous decision-making of smaller firms to deliver R&D projects and establish ‘proof of concept’ work for future processes.
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<tr>
<th>1st order concepts</th>
<th>2nd order themes</th>
<th>Aggregate dimensions</th>
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<tbody>
<tr>
<td>- “Our growth trajectory is linked to our supply chain partners trajectories”</td>
<td><strong>Investment in long term relationships, a mutual growth trajectory</strong></td>
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<tr>
<td>(r.3)</td>
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<td>- “It’s in our ethos to help young brands and designers for long term partnerships”</td>
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<td>(r.4)</td>
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<td>- “Developing manufacturing knowledge is factory network orientated, one</td>
<td><strong>supply chain-based learning</strong></td>
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<td>recommends another” (r.7)</td>
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<td>- “The designers are demanding more upcycled product and so we’ve connected</td>
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<td>with more designers and learnt more about upcycling” (r.9)</td>
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<td>- “We’re trying to get a sew-bot and a digital scanner [we’ve been in talks with</td>
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<td>a company who want us as a centre of excellence and training provider”</td>
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<td>(r.2)</td>
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<td>- It’s easier to make things happen with small businesses, less rules, and levels</td>
<td><strong>Sustainable innovation through collaboration</strong></td>
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<td>(r.5)</td>
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<td>- “A lot of technology firms want to pilot with fashion start-ups because it’s</td>
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<td>sexy” (r.5)</td>
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<tr>
<td>- “We work with researchers, [for example] to make digital printing more</td>
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<td>environmentally friendly” (r.2)</td>
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<td>- You can have a project which has huge impact [on sustainable practices] but</td>
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<td>with small costs (r.5)</td>
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Figure 21: Long term SSCM learning orientation
“A lot of fintech or corporate firms want to pilot with fashion start-ups because it’s sexy, and you can always have a project which looks so big, and has huge impact, but is small with small costs. We won a fashion futures prize for that. We went up against Burberry and H&M..and we won! For us it’s easier to make it happen. If you’re smaller there are less people involved and it happens that you don’t have to change so much” (R. 5).

The most proactive MSEs had innovation collaborations with several partners at different stages along the supply chain and with the wider creative ecosystem within the cluster. Despite strong evidence of common values driving innovative collaboration and R&D funding, however, some participants identified concerns around a lack of trust between small and large companies, and a lack of transparency and common language in delivering projects and valuing adopting outcomes.

What emerged from the data was that MSEs who were more successful in identifying and developing collaboration opportunities with others were those with a sustainable ethos. Those claiming a strong focus on environmental and social values alongside their financial viability, were proactive in co-creating SSCM future capabilities, such as digital wash labs, upcycling processes and technology, or vertical micro factories. This reflected a long-term sustainability learning orientation, rather than short-term trading, as a priority.

This contrasts with the traditional more insular businesses, where MSEs with a sustainability orientation represent a different organisational culture that embraced social and environmental co-creation opportunities. However, it also reflects not only the relationship attitude of the MSEs but also the sustainable agenda of cluster institutions and initiatives as a gatekeeper to funded opportunities. Creative cluster initiatives, in demanding sustainable innovation, promoted social value outcomes.

**Human Capital: Growing skills and valuing people**

Many of the MSEs talked about how they struggled with limited resources. Both fashion and service brands tended to follow a similar scaling trajectory, that is making full use of the locally available freelance skills when they started. As they grew their first hire was likely to be in pattern cutting and production. Eventually, this would lead to the appointment of a sales role, whilst business management remained with the founder and their mentors until sufficient scale was reached. Other service businesses also used freelance staff, employing a core team when possible.
Given the paucity of making skills and a history of poor employment conditions, the MSE manufacturers who contributed to this study, considered their employees as their key stakeholders and assets. Their ability to retain these staff was bound in with their quality of employment and conditions, with many of the MSEs seeing their team as the first level of their ‘community’. Many of the sewing and cutting skills came from Eastern European and Southeast Asian communities, often with English not as their first language. For the sustainability orientated businesses, the skills, contribution, and commitment of the small team were essential for success, leading them to focus on the value they placed on their teams, experience, opinions, and ideas.

“And it aches me aches me that after all these years someone is asking them what they want, it’s not about what I want – I say, ‘you are a part of this growth’. And they would ask me who is paying for this hour, I say, ‘I’m paying for this hour, I want to get to know you, it’s not just a job and I want to make it worthwhile for you’... [I want to create] an amazing environment for them to grow professionally and personally” (R. 3).

Despite this, many respondents saw that some of the fashion businesses were “set in their ways and very stretched about what they can deliver, reliant on people doing favours and interns” (R.14). The intern issue was a divisive one with some of the designers, who themselves went through and learnt from the intern system, seeing it as a benefit and a responsibility focusing on enabling their interns to learn and grow. Within the fashion cycle access to multiple interns, as well as access to multiple freelancers at development pinch points, such as pre-catwalk shows, was invaluable. Others felt very strongly that the intern system was abusive and non-inclusive, restricting access to the fashion system to those who can self-fund.

Many respondents also referred to the need for a living wage, not just the minimum wage in London. Transparency in their employment of people and contribution to the local community, for some, was seen as an essential aspect of the sustainable or conscious positioning.

“For me it is important to pay everyone -if you talk about transparency and supply chain and responsibility then, you need to put the right working conditions in for a business in London. So, we try to be as good as we can. We have three full-time, two-part time and six freelancers” (R. 5).
Figure 22: Human capital: Growing skills and valuing people

- Build skills through freelancers before recruiting a team
- The challenge is always resources; finding time and the skills to apply for R&D, and business support
- Incorporate apprenticeships for paid training roles

- “Our biggest stakeholder is our team and we put a lot of ‘weightage’ into their wellbeing” (r.3)
- “It is important to pay everyone” transparency and supply chain responsibility includes a fair wage in London (r.5)
- It’s about providing an environment for people to grow professionally and personally
- “Seeing this Gen Z company working, young people collaborating [] We’re inhibited, and they are not” (r.18)

- “A historical thing about fashion roles and fear of failure. You know what you’re supposed to do, a hierarchy of decisions.” (r.18)
- Businesses “are set in their ways, stretched” and reliant on favours and interns (r.19)
Many of the businesses who had innovative and sustainable ideas cited their frustration at not having the time or the skills to apply for the very funding that was designed to help them thrive and grow. The specialist skills required for applying for projects and funding were typically developed from the start in social enterprises. For commercial businesses, the challenge was both developing the skills and being able to prioritise funding bids versus the day-to-day challenges of running the enterprise.

**Human and social capital; a sustainable orientation.**

There appeared to be a tendency for MSEs active in cluster initiatives to synthesise their role as good employers with that of good citizens. For many of the MSEs in the sample this sustainability was built in as the strategic orientation of the firm on foundation. Most of the MSEs collaborating on R&D and innovation had leaders with a strong and clear vision or orientation for their business, focusing on the environmental and the social before the financial drivers.

“We were at a life stage with good jobs and savings and we either could buy a house and mortgage with good jobs for the rest of our lives or do something together...to make a bigger impact, not only our lives but to those around us...and get to talk about it more passionately. We’re both passionate about it in our own ways but didn’t have the chance to do that. It [our business] has given us that” (R.3).

Whilst many of the firms talked about sustainable values, for some this meant that social and environmental aspects were prioritised over economic opportunities. These firms were active in developing their sustainability network or ecosystem, sharing knowledge, participating in collaborative R&D, and training for sustainability. There appeared to be a dominant orientation towards social sustainability in the sample, combining a focus on both sustainable workplace practices and enhancing community connections.

This manifested in behaviours at two levels. At a more basic level this included community activities such as such as open access, learning and teaching events, and co-hosting small businesses and events. In a more ‘client focused’ manner, some of the firms specifically supported minority or disadvantaged communities or clients through employment and training, or in highlighting their issues through their products and communication.
Figure 23: Data structure human and social capital, a sustainable orientation.

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<tr>
<th>1st order concepts</th>
<th>2nd order themes</th>
<th>Aggregate dimensions</th>
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<tbody>
<tr>
<td>“Core values of community, ‘collectivity’, and connectivity” (r.4)</td>
<td>Supporting the community</td>
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<tr>
<td>“Do something with bigger impact, not just our lives, but those around us. Our team sends a message to the community that we care” (r.3)</td>
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<td>Social orientation</td>
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<tr>
<td>“Driven by social skilling and rehabilitation... to give them self-worth” (r.9)</td>
<td>Widening participation, diversity, and inclusivity</td>
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<td>Key message about getting young people into making, making our industry grow (r.3)</td>
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<tr>
<td>Diversity through a London living wage (r.11)</td>
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<tr>
<td>“We employ differently abled staff” (r.2)</td>
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<tr>
<td>Sticking to a strong set “conscious values” (r.5) rather than just business gains</td>
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<tr>
<td>“She set up the business to help people, she could have made big bucks but that’s not what she’s about.” (r.2)</td>
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<tr>
<td>It’s how sustainable product development gets to the network (r.16)</td>
<td>Sustainable decision making over profit</td>
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<td>Young designers collaborate to help pull through sustainable innovation</td>
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<tr>
<td>“Sustainability managers are knowledgeable and pre-competitive” (r.21)</td>
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<tr>
<td>Partnerships to put circular skills into a training programme (r.9)</td>
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<tr>
<td>“In terms of the community... there is momentum and movement” (r.4)</td>
<td></td>
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<tr>
<td>“We’re at the beginning of our activism and social impact” (r.4)</td>
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<tr>
<td>Fashion is the tool, it is about “how fashion can do good”. “I would like to set an example” (r.5)</td>
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<tr>
<td>“Our researcher has a background in politics, she is working on policy recommendations for sustainable manufacturing” (r.8)</td>
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This more directed activity was seen across social and for-profit MSEs. This led to consideration of many of the businesses as hybrid organisations with a social and economic value system driving their decision making.

The concept of sustainability also extended to the notion of personal responsibility, recognition that it was a personal and social responsibility to protect the environment. For many, therefore, the social and the environmental were not seen as separate paradigms or trade-offs. The sustainable and social orientations not only aligned with the values of many of the cluster initiatives but manifested as a defining ambition within many of the MSEs to change practices in the industry.

This desire to have an impact further reflected the activism positioning first identified in the cluster tangible resource analysis. Despite their size, these MSEs saw they had a responsibility to try and change the fashion system, to develop and communicate sustainable practices. The focus on making sustainable change was important as MSE founders and their teams took on multiple roles including that as activists and educators.

"Definitely, I feel that fashion is just the tool. Of course, it’s great to make beautiful clothes but for me it’s how fashion can do good. I would love to show that it’s possible to design a business and not harm anyone - not just improving the lives of those that are involved.... I would like to set an example, some people like that, others do not" (R. 5).

Here then, sustainability involves both their internal business practices and their external focus in what is identified as a sustainable orientation. This sustainable orientation also reflected the ambitions of some of the institutional stakeholders who, in effect, were gatekeepers to resources such as space and R&D funding. Hence, the sustainable orientation evident in the cluster also created a push-pull type of scenario for internal and external resource development. For many of the cluster engaged MSEs value was perceived in their personal sustainability, both their environmental and social responsibility to themselves, their teams, and the wider community over more traditional performance and profit metrics.

**Entrepreneurial orientation**

The entrepreneurial attitude of the MSEs often embraced collaborative innovation to make changes within and beyond the direct fashion industry. This led to identifying opportunities beyond the traditional design, make, and sell linear fashion model, with some respondents talking
about “growing outward” rather than “just getting bigger” (R.11). Many of the MSEs saw an
opportunity in products or manufacturing where others did not, such as in upcycling or artisan
manufacturing in London.

The MSEs in this phase of research were proactive in shaping the way the industry worked and
looking as far ahead as ten years in terms of their manufacturing models. Many had to reach out
for partnerships and collaboration to gain access to new and expensive technology. In these cases,
their ability to manage multiple projects and sustainable reputations supported their access to
opportunities.

“Fashion is changing so much at the moment... we have Optitex [digital design to production
system]... with systems like Optitex I think in ten years time we’ll be making bespoke garments, but
not at Saville Row prices... We’re also trying to get a sew bot [robotic stitching system] really trying,
but it would have to be given to us.... we’ve been in talks with a company which may use us as a
centre of excellence and a training provider” (R.2).

The dominant form of innovation being embraced by MSEs was digital, that is in product lifecycle
management, digital design, and manufacturing processes as well as digital interfaces with
consumers. Several respondents cited that there was a lack of textile innovation being embraced,
and of innovation for scaling production to have a greater impact on the wider fashion industry.

However, three of the MSE in the sample were working on innovation in printing, the adoption of
more sustainable textiles at scale, and innovation in garment washing (part of the finishing
process). They were actively seeking R&D partners and working with cluster-based initiatives to
develop their ideas.

Some of the MSE founders were focused on the need to scale to optimise efficiency and,
particularly for the social enterprises, to create more value for their clients and customers.
Others wanted to retain control of their core values, to keep their businesses on a sustainable and
more ‘human scale’. This may in part respond to previous research identifying a lack of growth of
firms within clusters (Siepel et al., 2020).
The entrepreneurial attitude of the MSEs often embraced collaborative innovation to make changes within and beyond the direct fashion industry. This led to identifying opportunities beyond the traditional design, make and sell linear fashion model, with some respondents talking about “growing outward” - “If the industry is closed to it, we see it as an opportunity as we have the designers who want it” (r.9) - “With Optitex, in ten years we’ll be making bespoke garments, but not at Saville Row prices” (r.2)

- “Our innovation comes in the digital sense of fashion and our processes’” (r.3)
- “The next stage is around R&D into upcycling, technology, and upskilling” (r.9)
- “I was very open minded about innovation; with the right mindset and vision it doesn’t matter how small you are” (r.5)
- “We are researching digital printing on silk” (r.2)
- “There is an aversion to textiles innovation” (r.16)

- “I am recruiting a business development manager to really push what is going on through the business” (r.9)
- “The more you grow the further you get from the core, and we don’t want to do that” (r.4)
- The other way to grow is develop other strands, for example the washing innovation lab, we just need a cash injection (r.4)
- “Growing outward” rather than “just getting bigger” (R.11)

Figure 24: Data structure for entrepreneurial orientation
“Growth is an interesting one. We love what we do at the moment, and we think we are at the capacity we can be with the space that we have and bearing in mind the skill shortage, cash flow ups and downs. We want to stick to this... the more you grow the further you may get from the core... and we don’t want to do that. So, there are other ways that we could grow, so one of the things we talk about is setting up a similar business but somewhere else, in a similar way to us” (R. 4).

Reflecting the concept of growing outwards rather than scaling volume, many of the MSEs were looking at additional activities to provide opportunities. Diversification into new products and services was mentioned frequently, as well as the opportunity to leverage their sustainable knowledge through training and development with others. Partnerships in other locations developing similar business models was also seen as an opportunity.

The proactivity and innovation themes lead to some understanding of the entrepreneurial orientation of the firms. The differing views to scale and growth bring an interesting perspective on perceptions of risk and the opportunity to research further on the prioritisation of personal, social, and environmental sustainability over economic profit.

4.4 Interpretation

This section presents an interpretation of the data sets in response to the three fundamental questions for CR case studies (Easton, 2010).

Q 1. What are the entities that define our research field?
Q 2. What are their relationships?
Q 3. What are their powers and liabilities?

The responses to these questions frame the identification of mechanisms which may provide explanations for SSCM innovation and social value creation. This is done through the consideration of the themes and aggregate dimensions, which emerged from the data and are presented in Figure 25. In doing so, several constructs introduced in the literature review are developed and new concepts that provide further insight into the interpretation are introduced.

The most credible constructs are then identified as potential causal mechanisms to be evaluated further in study 2, Chapter 5. Finally, the relationship between constructs, SSCM
capabilities, and the creation of social value in the form of an initial conceptual framework is presented.

The entities

In CR, entities can be organisations, people, relationships, attitudes and/or resources, but what defines them is that they represent the building blocks for theory development (Easton, 2010). The object of this research is the MSE, and the dominant population active within the creative cluster are the designer businesses and garment manufacturing units. Whilst the designer MSEs design and manage their supply chain from cloth to customer (in a linear and circular manner), the manufacturers typically manage a larger workforce and control the processes and technology used for production, sourcing trims and services. Whilst these could be considered as two different entities, the data identified that both suffer similar liabilities from limited resources and knowledge and follow a not dissimilar growth trajectory. These were underpinned by similar values or orientations.

For this research, therefore, they are considered as a single entity. The scale of these businesses mean that the firm’s values directly reflect those of the founder and by extension the leadership team, hence the founders are also considered integral to the MSE entity.

Other organisations, such as local authorities, University R&D initiatives, and space incubators could be considered as a collective of institutional entities. They all have powers over resource availability and the development of collaborative relationships through the curation of their programmes. They share many of the sustainability related values and these inform their partner selection and resource allocation. Their liabilities tended to be financial and political, which were interlinked in so far as many institutional departments competed over access to resources for initiatives.

The ecosystem, the relationship between institutions, MSEs, and other stakeholders, is identified as a relational entity that has the power of co-creation, supporting sustainable and collaborative cultures. Both the supply chain and the ecosystem construct (Letaifa, 2014) were considered as separate entities but the analysis suggested that the ecosystem, recognising both direct supply chain and a wider set of stakeholders, better reflected the set of relationships that drove SSCM innovation and social value co-creation within the cluster.
Figure 25: Visualisation of the entities, powers and liabilities for the research field.
The nature of those relationships was based on shared sustainability values, approaches to learning, and innovation within a creative field. The final entity is therefore identified as a creative and entrepreneurial learning ecosystem. This perspective is supported by the work of Brown and Mason (2017) who identified entrepreneurial actors, entrepreneurial resource providers and connectors, and the entrepreneurial orientation of the area as contributing to an entrepreneurial learning ecosystem.

No attempt was made to map the entire ecosystem for each case, rather, for CR variants or invariants in the nature of the relationships between these entities becomes the focus. The natures of the entities’ relationships, powers, and liabilities may explain the mechanisms that lead to the innovation of supply chain management practices rather than the innovation within specific supply chains.

The relationships between the entities are both necessary and contingent. For example, the MSE manufacturer or designer requires a relationship with their supply chain partners to maintain their business and vice versa. However, the relationship between the cluster organisations and the MSEs is contingent for the MSEs but necessary for the cluster organisations to fulfil their remit. The MSE and the institutions are both necessary for the cluster learning ecosystem.

It is to be noted that the entities share several powers and, to a lesser degree, liabilities. From this the aggregate dimensions of entrepreneurial orientation, sustainable orientation, and long term SSCM learning orientation then can be positioned as potential mechanisms explaining events. These mechanisms both build on positive cluster resources, but also address aspects of the cluster resource limitations. Specifically, space and resource organisations targeted sustainable and creative entrepreneurs with support programmes, whilst industry and cluster organisations collaborated with these firms to establish training and development programmes.

Collaboration formed an integral part of the cluster stakeholder activities and, more specifically, underpinned much of the R&D which led to opportunities for value co-creation within the creative and entrepreneurial learning ecosystem. Thus, whilst co-creation was not identified as a separate aggregate dimension in the data structures it is proposed as a plausible mechanism worthy of further exploration. Given the paucity of MSE resources and relatively small scale of the institutional R&D initiatives, co-creation of value between upstream,
downstream supply chain partnerships and the wider ecosystem appeared greater than the impact of any single firm activity. The nature and impact of these collaborations is an opportunity for development in study 2.

The mechanisms

A sustainable and entrepreneurial orientation

MSEs with a strategic entrepreneurial and sustainable orientation aligned with a long-term sustainable supply chain learning orientation are seen those most likely to engage in the co-creation of SSCM capabilities.

The awareness of the interdependence of society, environment, and the economy were at the heart of decision making for most of the more cluster engaged MSEs. The founders and their teams looked to create positive impact through their supply chain activities and ecosystem of relationships. As such, their sustainability was not about compliance or CSR. Rather, it was about change through innovation in technology and processes, which aligns with what Marshall et al. (2015) defined as advanced SSCM capabilities.

This sustainability orientation was supported by the MSEs attitudes to innovation and a long-term SSCM learning orientation, proactively in shaping industry futures. Thus, the entrepreneurial orientation of the MSEs created value by engaging in what Miao et al. (2017) termed ‘entrepreneurial bricolage’, where entrepreneurial reflexivity interacted with a sustainability orientation (DiVito and Bohnsack, 2017).

The opportunity for this study is to better understand the behavioural dimensions of the social and/or entrepreneurial orientation, to generate new insights beyond the current focus on the TBL. It also leads to a consideration of firms who prioritise social value (through improvements in environmental and/or social practice) over market share and profit maximisation. In so doing, these firms are more collaborative and embrace the co-creation of value within the ecosystem, including the local community, as part of their orientation.

DiVito and Ingen-Housz (2019) found that the motivation to engage in entrepreneurial activity that is not purely profit orientated can place constraints on financial resources. The prominent role of stakeholder groups in controlling access to financial and other resources can impact on the perception of value and how it may be captured has been recognised (DiVito and Ingen-Housz, 2019, Tate and Bals, 2018). Contrary to this, in the East London Fashion cluster a
sustainable orientation and commitment to the community or community groups gave access to funding, rather than restricted it, albeit this was not from traditional venture capital sources. R&D funding and incubator resources supported the creation of social value through local activities, the support of specific groups, environmental and social best practice development, ‘proof-of-concept works, and ‘open-source’ innovation.

DiVito and Bohnsack (2017) examined the duality of entrepreneurial and sustainable orientation, which they presented as persistent and conflicting, resulting in competing priorities in sustainability decision-making. Contrary to this, in the East London fashion cluster, the data suggests that many of the MSEs did not see a duality in their orientation. Their decision-making was based on the perceived opportunity aligned with their holistic perception of a sustainable business and stakeholder needs.

These MSEs, therefore, relate to the typology identified by Bos-Brouwers (2009) that is, those focusing on value creation, where sustainability aspects were integrated into new processes, products, and service development. These MSEs were driven to be “innovative front-runners” with a desire to “lead by example” where “these companies are inspired by new markets and materials possibilities and the added value of integrated design” (ibid., p. 428).

Also contrary to the findings of DiVito and Bohnsack (2017), at this exploratory level, there was no indication that MSEs with a dominant sustainable dimension were less innovative or proactive. Significantly, sustainability orientated MSEs appeared to combine their sustainability and entrepreneurial orientations. However, some of the MSEs were resistant to the risk of losing their ‘core’, the control of their community or sustainability values through scaling. This provides an opportunity to understand more about the drivers and barriers for growth, and the nature of social value creation between those MSEs seeking scale and those seeking growth through knowledge and alternative business models.

This leads to the consideration of sustainable entrepreneurship (SE), where the MSEs in this study “focused on the preservation of nature, life support and community in the pursuit of perceived opportunities ... for economic and non-economic gain” Shepherd and Patzelt (2011 p.142). The question becomes whether a combined Sustainable Entrepreneurial Orientation (SEO) is a valid multi-dimensional concept that can help understand the motivation and behaviours that lead to SSCM innovation and social value creation.
A subsequent search of literature found a small number of papers exploring such a construct. This literature is presented here, following the recommendations of van Bockhaven et al. (2015), who found this approach reinforced communication of the abductive process. The introduction to Industrial Marketing Management’s special issue on ‘innovative strategic relationships among sustainable start-ups’ cited the inclusion of papers on sustainable entrepreneurial orientation (SEO) as providing a new direction in organisational performance research (Ribeiro-Soriano and Piñeiro-Chousa, 2021).

Criado-Gomis et al. (2017) proposed Sustainable Entrepreneurial Orientation (SEO) as a multi-dimensional construct integrating EO and SO (Figure 26). In their conceptualisation a company “develops and demonstrates its orientation towards sustainability by integrating sustainable interests into its culture, decision-making, strategy and business operations” (ibid., P. 6).

As such, they state, results can be measured at the economic, social, and environmental level. However, it is noticeable that as identified in the sustainable orientation literature, there remains a lack of specific action dimensions or behaviours to define SO.

Also termed SEO, Social Entrepreneurial Orientation differs in so far as the multiple orientations are EO and social entrepreneurship (Kraus et al., 2017). They identified a measurement or scale for this conceptualisation of SEO where the uni-dimensional EO concepts become social proactiveness, social risk-taking, social innovativeness plus the dimension of ‘socialness’. Here then SEO has a double bottom line, social and economic viability.

The limitation of both these approaches is that the social or sustainable orientation lacks the concise clarity that the EO construct provides. The EO construct “characterises and
distinguishes key entrepreneurial processes” (Lumpkin and Dess, 1996 p. 136). Unlike the concept of entrepreneurship, which can be defined as ‘new market entry’ (ibid.), EO defines how new entry is undertaken. Currently the SO in SEO defines sustainability as the TBL but does not characterise the processes or practices to achieve it.

The opportunity for this study, therefore, lies in identifying the EO process dimensions from a sustainability perspective following the recommendations of Marshall et al. (2015), combined with proposing those which underpin the SO for SEO elaboration. Equally, the opportunity lies in creating a rich set of case studies that acknowledge and explore the contextual issues highlighted by Lumpkin and Dess (1996), where the “dimensions of EO may vary independently in a given context” (p. 137). Here the opportunity is to elaborate on SEO within the context of MSEs in a creative cluster.

**Long term SSCM learning orientation**

The learning orientation of the MSEs and of their supply chain partners was supported by the firms’ investments in long term relationships and the recognition of a mutual growth trajectory, what Beske (2012) termed ‘supply chain continuity’. As stated by Lambert (2014), it is not discrete supply chains that create value, rather it is the management of relationships along and beyond the traditional supply chain that creates value. Importantly, in the East London fashion cluster, these relationships also created social value through SSCM practice innovation.

Arguably then, the cluster represents the heart of the MSEs ecosystem where supply chain knowledge and practice is developed and, as Letaifa (2014) and Pathak et al. (2014) identified, firms re-imagine the relationship with other non-typical supply chain actors. Hence, the cluster drives innovation by introducing MSE firms to a wide variety of other firms that they may not encounter otherwise, enabling innovative partnerships, such as through imaginative uses of new technology.

As the long-term learning orientation was proposed as one of the facets of SSCM, it is pertinent now to review evidence of SSCM within the cluster MSEs, which is set out in Table 17. Alongside the long-term SC learning orientation there is evidence of SSCM underpinning the relationships between cluster entities. However, what presents an opportunity is to explore the points of difference, highlighted in bold.
<table>
<thead>
<tr>
<th>Facets of SSCM – identified from the SSCM literature</th>
<th>Empirical evidence from the cluster</th>
</tr>
</thead>
</table>
| - **Strategic sustainability orientation** (Carter and Rogers, 2008, Beske, 2012). | Sustainable orientation evident
Drive towards transparency in work-based practices and supply chain related practices
**New:** prioritising sustainability over profit in decision making |
**New:** Activism, actions to transform industry practice for more sustainable outcomes. |
| - **Proactive sustainable innovation** (Beske, 2012, Marshall et al., 2015). | Commitment to R&D and innovation across the supply chain and broad stakeholder network evident.
**New:** Extends to new business models and collaborative cross industry R&D. Re-shaping industry futures. |
| - **Collaborative supply chain risk management** (Carter and Rogers, 2008, Beske, 2012); ethical management and monitoring, and collaborative project development. | More information required through case studies on ethical management and monitoring for risk management
**New:** **Collaborative risk taking** driven by entrepreneurial orientation to resource investment in projects with uncertain outcomes. |

Table 17: Evidence of SSCM within the cluster MSEs and interactions with other entities.

The TBL becomes a pro-sustainability focus, and continuous commitment to sustainability becomes a desire to change industry-wide behaviours through activism. The commitment to R&D and innovation is important, but significantly it extends to new business models beyond the supply chain and stakeholder network, to include collaborative cross industry practice and co-creation to shape industry futures.

Finally, the SSCM view of risk reduction across the supply chain also extends to the EO concept of risk taking, where collaborative risk taking across partners reflects a willingness to invest in projects with uncertain outcomes. As such, whilst the long-term learning orientation was
identified as a potential mechanism, the new aspects identified within SSCM also have potential to contribute to knowledge and are worthy of further exploration in the case studies in study two.

**Ecosystem-based social value co-creation**

The relationship between the historic agglomeration of fashion firms, design schools, and support institutions helped drive more creative and sustainable MSEs into East London. As Pitelis (2012) suggested, for many firms this led to the proactive engagement in the cluster, which they combined with external opportunities. Growth of the ecosystem of like-minded creatives expanded the MSEs’ human and social capital and provided opportunities for co-creation of SSCM innovation and social value. The cluster provided the context for the ecosystem, but the sustainable and entrepreneurial orientation of the firms both drove and enabled their access to resource opportunities.

In the East London fashion cluster, the proximity of global buyers, access to knowledge resources and innovation networks, the manufacturing heritage, and ‘edgy creativity’ combined with engaged MSEs led to the co-creation of a creative and entrepreneurial ecosystem. The social capital of the MSEs who chose to locate and, more importantly, integrate and collaborate in the area was developed through the ecosystem of entrepreneurial relationships, within and beyond the direct supply chain.

Building on the findings of Spigel and Harrison (2018), the entrepreneurs and their teams who engaged with the cluster on a daily basis built “trust-based local social networks” (ibid., p. 159). However, in this study it was also their shared values or orientations that enhanced their ability to access and acquire resources. Value was co-created between the entities, the MSEs and institutions, through the learning ecosystem which included the local community.

Social value, therefore, emerges from the sustainable and entrepreneurial orientation of the MSE and is co-created within the business and broader community ecosystem. It manifests in knowledge exchange and creation, skill development, fair employment, the support of marginalised communities, location reputation (for creativity, innovation, and sustainability), and local community engagement.

However, it is to be noted that some MSEs who had the potential to grow and create employment were excluded from cluster-based opportunities, due to the perceived lack of
‘sustainability ambition’. Thus, many of the more traditional, competitive firms, who had the potential to contribute to a socio-economic value creation, were excluded from R&D opportunities. This led to comments regarding the naivety of some of the formal initiatives and a lack of focus on investment in existing technology to scale production in East London.

This element is important as, combined with the apparent reticence of some sustainable orientated MSEs to scale, it has implications on the potential socio-economic performance of the creative cluster initiatives who were targeted with “50% export growth, a contribution of £150 billion gross value added and 600,000 jobs to be created by 2023” (GOV.UK, 2018 para. 8.). The opportunity for this study is to understand which MSEs are more likely to contribute to this ambition and how. It also leads to opportunities for recommendations regarding supporting the sustainable growth of more traditional businesses.

4.5 The conceptual framework

Study one has provided a detailed exploration of the East London fashion cluster. It has identified potential causal mechanisms that explain tendencies of why and how SSCM capabilities are developed, and how these relate to social value creation. Several opportunities for theory elaboration have been established for development in study two. These are set out below, followed by a summary of the justification for the DCF as the theoretical lens, which was set out in more detail in the literature review.

- To identify the distinct dimensions of EO from a sustainability perspective following the recommendations of Marshall et al. (2015).
- To identify process dimensions of SO, which combine with the EO dimensions for SEO elaboration.
- Explore the facets of SSCM as these relate to cluster MSEs with a sustainable and entrepreneurial (SEO) orientation.
- Use the DCF as a lens to evaluate SEO as a plausible mechanism to explain MSEs processes to sense and seize SSCM opportunities for social value creation.

The dynamic capabilities framework

The dynamic capabilities framework was identified after study one as the lens having the most potential for theory extension as it attempts to identify the enabling mechanisms for sustained value or wealth creation. In focusing on the relationship between firms resources (positions
and processes) and evolutionary pathways (Teece, 2007), it aligns with the CR focus on structures, powers and liabilities, and pathway choices.

Following the micro foundations perspective, the dynamic capabilities to sense and seize opportunities, and transform resource configurations can be applied to the development of sustainable supply chain practices and capabilities and the value these create. Thus, in the language of CR, SSCM dynamic capabilities become the theoretical lens through which to interpret the mechanisms that explain the events of SSCM innovation and social value creation. Study two, therefore, takes the extant literature regarding and sustainable and entrepreneurial orientation, ecosystems, co-creation, and SSCM as a point of departure.

The final opportunity for this research then becomes the elaboration of the DCF framework to consider the antecedents of SSCM dynamic capabilities. Importantly, this moves the objective of the DCF from the purpose of long term competitive advantage and wealth creation (Teece et al., 1997, Beske, 2012) to social value creation. This is presented as a conceptual framework in Figure 27.

![Figure 27: The conceptual framework underpinning the design of study two.](image)

Here, the distinct characteristics and dimensions of the orientations remain to be determined by the in-depth case studies. They are positioned as antecedents to the creation of SSCM practices or facets and the co-creation of the cluster ecosystem. The processes of developing SSCM capabilities and the co-creation of the cluster ecosystem are represented as iterative. Both the cluster ecosystem and the SSCM facets or practices are shown as informing the MSEs’ dynamic capabilities to sense and seize opportunities, and to transform their resources to
execute or create social value. This relationship is also represented as iterative as the DCs help create social value, inform future SSCM capabilities, and contribute to the resources and capabilities within the ecosystem.

Study two, therefore, focuses on the nature of innovation and its impact on social value creation. It addresses the opportunity to elaborate on the use of EO/SO/SEO in relation to SSCM capability development, and to consider an elaboration of the DCF in relation to the elaborated SEO model and SSCM.
5 Study two: the embedded case studies findings and interpretation

Study two was designed to explore the mechanisms and constructs identified in study one through the processes of retroduction, elimination, and identification (Figure 28).

Figure 28: The retroduction, elimination and Identification process of study two

Following the conceptual framework set out in Chapter 4, this study uses six embedded case studies to explore the positions, processes, and pathway choices of the MSEs in relation to innovation in their SSCM capabilities and social value creation, as set out in Table 18.

<table>
<thead>
<tr>
<th>Objectives and constructs framing study two</th>
</tr>
</thead>
<tbody>
<tr>
<td>- To identify the distinct dimensions of EO from a sustainability perspective</td>
</tr>
<tr>
<td>- To identify the distinct process/ behavioural dimensions of SO which combine with the EO dimensions for SEO theory elaboration.</td>
</tr>
<tr>
<td>- To explore the combined facets/practices model of SSCM with the elaborated SEO concept.</td>
</tr>
<tr>
<td>- To consider SEO through the lens of the DCF for social value creation.</td>
</tr>
</tbody>
</table>

Table 18: The objectives and constructs for study two

Each case included respondents from the entities identified in study one: the MSEs; the cluster institutions; and/or representatives of the wider learning ecosystem. The cases were described in Chapter 3 where the respondents’ roles and profiles are also set out. In total 31 interviews with 24 individuals informed the second study. Given the timing of the Covid 19 pandemic, where the UK Government announced a lockdown from the end of March 2020 to mid-July 2020, two interviews were conducted with one of the representatives of the MSEs to capture the challenges and their responses to disruption in the market. An outline description of the cases is included in Table 19.
Case number | Brief case description
---|---
Case 1 | Social enterprise - training and garment manufacture. Two production units. One in East London.
Case 2 | LFW sustainable brand – global brand specialising in upcycled and re-made luxury menswear. Production atelier and design /retail studio in East London
Case 3 | LFW men’s brand- global luxury menswear brand. Design studio in East London, all production offshore.
Case 4 | Manufacturer & retail brand- factory in East London, distribution/ experiences/retail outlet in London.
Case 5 | Women’s ‘conscious’ brand. Design and business studio in East London, and small design studio in Austria.
Case 6 | Fashion technology start up. Beta trials with design partners at time of interviews.

Table 19: Brief description of the six bounded case studies.

The data analysis followed the inductive approach, identifying in-vivo 1st order codes that were subsequently linked to the code table developed in study one and with further codes that emerged added. As set out in the methodology chapter, the Gioia method (Gioia et al., 2013) looks for similarities within single or multiple embedded cases and thus the data structures represent the similarities between the six cases.

Given the topic, the inclusion of two respondents at different levels and the observations MSE stakeholders enabled triangulation to verify the credibility of the MSEs claims regarding socially desirable outcomes. Thus, the quotations and paraphrasing of the 1st order codes represent a synthesis of perspectives across the entities. The final set of 1st order codes were grouped to develop cross-case 2nd order themes for case comparison as shown in Table 20.

Through this process a core of four cases (Cases 1,2,4 & 5) were identified as having similar values and behavioural constructs that drove their sustainable positions and processes. For ease of identification these have been called SEO firms. As in study one, the interpretation section considers the data in response to objectives of the second phase of research. Where required, additional literature is introduced to support the emergent themes and dimensions.
<table>
<thead>
<tr>
<th>Aggregate dimensions and second order themes</th>
<th>Case 1 SEO</th>
<th>Case 2 SEO</th>
<th>Case 4 SEO</th>
<th>Case 5 SEO</th>
<th>Case 3</th>
<th>Case 6</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pro-ecological purpose</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pro-ecological decision making</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>- sustainability natives</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Valuing the craft, the makers, and the product</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>- Supporting training &amp; development in the community</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>- Unpaid interns</td>
<td>-</td>
<td>✓</td>
<td>-</td>
<td>-</td>
<td>✓</td>
<td>-</td>
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<tr>
<td>Supporting the local community and society</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
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<tr>
<td>Agency for sustainability</td>
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<td></td>
</tr>
<tr>
<td>Autonomy</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Activism (cited);</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>-</td>
</tr>
<tr>
<td>- SC Activism- social</td>
<td>✓</td>
<td>-</td>
<td>✓</td>
<td>✓</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>- SC Activism- environ</td>
<td>-</td>
<td>✓</td>
<td>✓</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Visionary leadership</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Attitude to risk</td>
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<tr>
<td>Risk as losing control</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Embracing risk</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>-</td>
</tr>
<tr>
<td>Risk management through collaborative projects</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
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<tr>
<td>Sustainable ecosystem; co-creating value through innovation</td>
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<tr>
<td>Beacon firm- co-creating community ecosystem</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Innovation and project development</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Multiple upstream and downstream collaborations</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Creating innovative case studies</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>-</td>
<td>-</td>
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<tr>
<td>Covid 19 response</td>
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<tr>
<td>Long term relationships</td>
<td>-</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>-</td>
</tr>
<tr>
<td>Mutual support</td>
<td>-</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>-</td>
</tr>
<tr>
<td>Agility in adversity</td>
<td>-</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>-</td>
</tr>
<tr>
<td>Innovation and project development</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
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<td>-</td>
</tr>
<tr>
<td>Reflexive response</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>-</td>
</tr>
<tr>
<td>Mobilisation of local ecosystem for social good</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

Table 20: Similarities and differences in the cross case second order themes.
5.1 Pro-ecological purpose

The pro-ecological purpose dimension comprised of three 2nd order themes relating to: pro-ecological decision making; valuing the craft, the makers and the product; and supporting the local community and society (Figure 29). The quotation evidence tables are presented in Appendix section 7.6, with a hyperlink from the data structure to the relevant section. All SEO firms supported the identification of the themes within this dimension. The implications of these and difference with the non-SEO firms are set out below.

All six case founders cited sustainability within their values, but the actions and priorities associated with this differed. The sustainable orientation was either ‘in-built’ as part of their core purpose and drove all their actions (SEO cases), evolved as the founder and the business awareness matured (Case 3), or informed their business idea (Case 6). The core SEO firms could, therefore, be described as sustainability natives. That is, the purpose of their business was predicated on an aspect of environmental and/or social sustainability, and this drove their processes and choices. For Cases 1 and 4 this started with a social purpose, for Case 2 it was from an environmental perspective, and Case 5 embraced both from the start. However, as the SEO firms evolved, they talked about how they embraced both environmental and social aspects into their activities, acknowledging their interdependence.

Contrary to this, in Case 3 a sustainability focus followed the growth of sustainability awareness in the fashion market generally, and the demands of their retail customers more specifically. Their response was to rely on trust in the relationships they had with their global suppliers, and to look to reduce their carbon footprint through their materials sourcing and their offshore factory base. The focus was on minimising risk and harm, rather than value creation. For Case 6, their business idea was to create a digital solution to improve communication along the fashion supply chain, with the potential to improve work-place social practices. However, there was no specific aspect for sustainable production built into their product.
Figure 29: Pro-ecological purpose
Pro-ecological decision making

A dominant theme was the responsibility of the individual, to themselves, society, and the environment. Variously termed ‘human first’ or ‘personal sustainability,’ it positioned the agency of the individual at the centre of responsible or conscious decision making, driving the actions of firms. It reflected a move from the detached ‘business first’ perspective and evidenced the importance of a deliverable purpose, rather than the catch all generalisation of ‘sustainability’. This perspective was particularly strong in Cases 1, 4, and 5, where the founders talked about their personal responsibility underpinning the ethos of their firms.

“I’m human first- and that’s the problem we have. People are so detached from the fact that the normal thing to be is a decent human being, right? Being human first it’s not cool, so people started to devise business as social or harm free. This is a problem in itself, as we divide things into economically viable or socially viable” (founder Case 5).

Part of this responsibility related to a holistic view of the impact of both the individual and the firm’s actions on the planet and on society. The SEO firms identified that whilst they may have had a specific social or environmental purpose, they also prioritised opportunities or challenges within other aspects of sustainable practice over the pursuit of profit, where “fashion can really do something good” (founder Case 1).

“Our utmost aim is personal sustainability first, and then with that second is social and environmental sustainability. So, we divide into three categories; we look at everything holistically, and as individuals we have that centre core. If we are happy with our jobs and our values, we create a better place to work, a community….and one day I determined to be a zero-waste business” (founder Case 4).

In setting up his firm the founder of Case 4 rejected the lack of social values in the large corporations he had worked in. He wanted his team and the businesses he shared his space with at the heart of the local community. He then sought other partners and institutions to innovate his social and environmental practice. In so doing his purpose progressed to include the aims of circularity and zero waste.

The ‘social’ aspect in two cases was about supporting marginalised communities. This included direct actions as in Case 1 (social enterprise), or more philanthropic actions by raising awareness or charity links. However, the philanthropic approach of Case 3 did not position the
impact on communities at the heart of its supply chain activities or decision making, rather it underpinned the brand position and communication. Case 2 started with a circular purpose, a reduce, re-use, remake philosophy, but also encompassed local community building in East London, as well as sustainable education, training, and development.

This then leads to a consideration of decision-making, where consistent with findings from study one, the firms identified as SEO did not talk about sustainable trade-offs, rather they saw decision-making as a holistic opportunity. Whilst the purpose of the firm may seek out environmental or social value creation in the first instance, holistic decision-making drove consideration of people, planet, and prosperity alongside the overall purpose of the firm.

“I think they [social and environmental issues] are connected. I don’t think you should look at them as separate things. I think when you start out you know what your values are, and you should stick with them. And, if you don’t, then this is when you start to sell your soul to the devil…. Of course, it’s tempting if someone says to you that you can grow your business in just a year by just not paying everyone. Wouldn’t that be amazing to be this huge business? Because you know what you stand for, you have these values, you can say no to them” (founder Case 5).

What is significant, however, is the SEO cases prioritised their social and their environmental purpose, over the profit maximisation. That is their sustainability aligned more with an ecological logic (Matthews et al., 2016, Montabon et al., 2016) than the win-win of the TBL. However, this did not negate the need to be economically viable, or indeed the desire to grow the business to generate income and/or profit.

Unlike much of the literature, SSCM capabilities were not simply developed for the long-term economic performance of the businesses, rather they delivered the strategic purpose of the firms, which was underpinned by an economically viable business model. This is evidenced in Case 2 who cited that in not having a traditional style finance director, they were able to prioritise creative and sustainable projects that may not meet traditional finance metrics.

“The fun is being the making of something or taking the plunge on the project, rather than the return and rewards, these are not the typical measures. The balance between provocative and exciting ideas are aligned to a business plan, but we don’t have a traditional finance director- which might make it different.”
However, as the founder of Case 2 also identified, they had ‘grown-up’ financially during the pandemic by managing their product mix and forward stock panning very carefully.

Typically, the SEO firms were also hesitant about the use of the term sustainability. Related to the concept of personal responsibility, the firms tended to qualify their meaning of sustainability in terms of their actions or philosophy such as in ‘responsible design’, referencing being ‘conscious,’ or ‘human centric’. As sustainability natives, they felt the term was over-used and were concerned by greenwashing. That is, they acknowledged the challenges in moving towards a more sustainable, or pro-ecological business model, and did not wish to claim they were sustainable.

Cases 3 and 6 (not identified as SEO) aligned more with what DiVito and Bohnsack (2017) termed ‘flexible decision making’. That is the MSEs had a more trial-and-error approach to environmental and social opportunities. The firms were not led by a particular sustainable purpose, sustainability was considered but was not central to all their business decision-making. This is evidenced in the Case 3, where sustainability options were dependent on economic factors such as price first.

“Cost price, manufacturing and getting the numbers right. Making sure it doesn’t have to travel too far and so the manufacturer can source the fabric as well as manufacturing themselves. In sustainability terms we always discuss what can be done, sustainably that fits with our prices” (Case 3).

Valuing the craft, the makers, and the product.

Study one identified a manufacturing skill gap due to an aging workforce and the impact of Brexit. Here, the focus is on the actions of the SEO cases in response to this as part of the broader theme of valuing the craft, the makers, and the product. The impact of Covid 19 on the role of craft as therapy and community building was acknowledged by the SEO cases. It was seen as providing a wider audience for the MSEs with a craft orientation and community ethos. It also represented a counterpoint to the mass production of fast fashion.

“Hand craft is booming at the moment, it’s therapeutic, it feels like the only certain thing you have of doing something with your own hands and you are in control of the result. So, there is a lot we can do as a sustainable brand that is producing locally and has built a direct to community approach that values craft” (founder Case 5).
In valuing the craft, they valued the skills of their teams and the makers they worked or collaborated with, bringing a strong social ethos to their operations. They prioritised internal development, progression, and training, as well as fair pay, and a London living wage.

However, whilst all the MSEs talked about the value of their team, of upskilling and investment, a key difference lay in the discussion around internships. The designer fashion system had historically been built on unpaid interns, particularly in the build-up to fashion weeks. Contrary to this, for three of the SEO firms, both for-profit and the social enterprise, payment for all was an essential part of their purpose. For them, any form of sustainable positioning required transparency in payment for all workers, and equal access to the industry for those who could not self-fund. Customers, they argued, had to accept the true cost of making.

In Cases 2 (SEO) and 3 (not-SEO), who had come through the LFW route, unpaid internships were offered as a learning and training opportunity but only when linked to university studies. They cited that they aimed to provide the best possible learning experience, whilst benefitting from the talent and time of the interns. The challenge here is whether a firm claiming a great learning experience, but not paying for the labour, can claim a social or sustainable orientation? Does access to (good) training offset the responsibility to pay for a much-used resource?

Those who would only offer paid work were often unable to respond to the requests for training and development. They did not have the resources to take unskilled workers, as the cost and impact of training on productivity affected the viability of their business. Because of this, Cases 1, 2, and 5 were looking for funded training and development of both making and business skills, highlighting the importance of apprenticeships within the sector for inclusivity and access.

“And lots of people come in and want to work with us- but because their knowhow is so little and they’re productivity is so low- as a small company, we can’t afford to work with them and train them. So, my dream would be to work with the local council and government to create a kind of training centre- where we could train people without it costing us” (founder Case 4).

It is important to note here that there is one major training provider/social enterprise working with brands and offering apprenticeships, who was unable to contribute the time to study 2
due to the furlough of most of their team. The relatively affluent BFC provided funding for design apprenticeships, which Case 3 had benefitted from, whilst more apprentice schemes within the smaller manufacturing sector were still being discussed within the cluster.

Finally, all the cases (except the service start-up, Case 6) highlighted that in valuing the craft and the makers, there was more need for connection with the product as a considered purchase that had value in its longevity. This perspective led the four SEO MSEs to develop different products, such as a move into accessories and homewares, which were less seasonal. It also led to an extension of their business models to build on knowledge exchange around responsible making and craft. This included training, events, open studios, podcasts, and consultancy. The MSEs offered a mix of open source, free, and paid opportunities.

“We merge fashion and function... We [also] offer collaboration and consultancy services. And then, over and above the collaboration we do a lot with uni’s and education, and local communities. We have a transparent approach, we do tours... We work with the BFC and the Centre for Fashion Enterprise. We’ve hosted young designers in our space when we’ve talked about what it takes to run and build a fashion business as responsibly as possible” (Case 2).

Supporting the local community and society

In valuing craft and the makers, there was a natural extension to supporting the local community and marginalised communities within it. All the SEO firms collaborated with or founded local business networks to promote shared values within their community. They sought to promote the area as a desirable location for other businesses and customers alike. They also had outreach activities and open access for the local community to learn and experience what they were doing in their craft workshops, production units, or retail environments.

This is evidenced in Case 2 who, in July 2021, opened a community space which they called a space for culture, community, and experimentation. Their COO cited that they had always been about the ‘3Ps,’ (people, planet, prosperity) not just profit driven, and had engaged in the B Corp accreditation process as a way of improving their knowledge and as a means of measuring the impact of the supply chain decisions.
It is to be noted, the use of prosperity as opposed to profit, which is a term also emerging in the sustainable fashion literature, and from within collaborative studies with fashion MSEs (e.g. Williams et al., 2021). It reflects a desire for prosperity for the firm, its stakeholders, and for society, as opposed to profit capture from transactions.

A further example is Case 1, which was founded on the social mission to increase wellbeing and reduce prison re-offending rates through training in fashion production skills. However, this engagement extended to the wider community as a core partner in the development of a suite of low-cost studios that were publicly funded and aimed at supporting early-stage fashion businesses to flourish. The most important criteria in selecting applicants for studio space was their connection to the community and their ability to ‘contribute to the neighbourhood’ through outreach and engagement activities. This further supports the impact of sustainable place curation in clusters, as identified in study one.

The connection to the community was also seen as creating accountability for the actions of the business, where Case 4 focused on the lack of connection in larger corporations.

“That for us, creates accountability. When you are in a community, automatically accountability starts and that for us is very important. You know, we work with huge companies where they are not connected to the community, so there is no accountability for their values. Whereas, when you are a small company in a small community, immediately that creates, accountability. You need to connect” (founder Case 4).

The local embeddedness and the co-creation of the local ecosystem created personal value for the founders, as well as reputational and economic value through projects, and customer awareness for the MSE.

5.2 Agency for sustainability

Three 2nd order codes were identified as aspects of the SEOs aggregate dimension of agency for sustainability, visionary leadership, autonomy, and activism (Figure 30).

Visionary leadership

Common to five out of the six cases was a consensus from staff and stakeholders regarding the importance of the visionary leadership of the founders. Entrepreneurs, by definition, identify and exploit previously unidentified opportunities (Hitt et al., 2011). What is significant here, is
that the founder’s visionary leadership not only applied to their firms but also in sustainable thought leadership within the industry.

They had extensive networks to help develop their innovative ideas and these networks were frequently innovative in themselves, partnering diverse actors’ skills, industries, and backgrounds. Respondents talked about the ‘skill of joining the dots’ (Case 3) and the “alchemy of things, the networks and the exposure to things” (Case 2), where the founder’s vision (creative and sustainable), reputation, and relationships were the key to unlocking opportunities and new ways of working.

To be noted is the use of plural in networks, where multiple relationships created the firm’s ecosystem, which is discussed in more detail in section 5.4. These networks developed from multiple sources such as the education and mentoring system, industry trade body networking, location networks (often curated by space providers), and the supply chain. Often these were identified as being purpose related, where relationships developed between individuals and organisations with shared values around creativity, inclusivity, and wider aspects of social and environmental sustainability.

In addition to their local relationships, all the MSEs had international networks and either European or global supply chain partners, which reflects the structure of the wider fashion industry. These networks were developed over time and often from knowledge developed from within the cluster ecosystem. Typically, access to them expanded as the as the reputation of the founder and their enterprises grew. In harnessing the power of the network to realise an idea or develop their vision, many of these networks supported the co-creation of innovative projects beyond the cluster.

**Autonomy**

All of the for-profit businesses stressed the importance of autonomy, of the entrepreneurial need to take independent action, to “drive new ventures to fruition” (Rauch et al., 2009). Specifically, however, this linked to the freedom to adhere to their values, to manage growth on their terms, and to undertake projects that might not pass turnover and profit maximisation related metrics.
<table>
<thead>
<tr>
<th>1st order concepts</th>
<th>2nd order themes</th>
<th>aggregate dimensions</th>
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| - “Autonomy and ownership are important...I want to have full control of how it develops” (founder c.5)  
- “Growth is not binary; it’s a dynamic state and we always think forward and make the best decision we can now” (COO c.2)  
- “The more you grow the further you get from the core, and we don’t want that” (production director c.4)  
- “In a sustainable industry people like to talk [but] there is no action. She is the opposite; she goes through with it” (employee c.5) | Autonomy | | |
| - “We’re trying to start a new model [for the industry], but don’t yet have the skills” (director c.1)  
- “How might we lead and pioneer some processes and help transition the industry?” (director c.2)  
- “You have to contribute to the future... you do have a duty as a cultural voice” (founder c.3)  
- “As an activist, you have to be healthy, I can’t pick all the fights and battles” (founder c.5). | Activism | | |
| - [The founder] “has so much knowledge of the alchemy of things, the networks, and the exposure” (COO c.2)  
- “We’ve been working together for three years, I love her, she’s great. I value our relationship, what she does and who she is” (customer/collaborator c.1)  
- “So, if the industry is closed to that [upcycling], we see it as an opportunity” ... and we have the designers who want it (director c.1) | Agency for sustainability | | |

Figure 30: Data Structure for agency for sustainability
This autonomy meant that the SEO MSEs could undertake collaborative projects prioritising both environmental and social value creation to enhance their knowledge and develop new business models. For the SEO MSEs this extended to develop case studies to help drive a better, more sustainable industry model.

The benchmark for many being that so long as they did not lose money, they would undertake projects for the community, social groups, or develop environmental practices and awareness. In contrast, for Case 3 (non-SEO), autonomy was a creative need, the autonomy to take creative risks, rather than sustainability initiatives.

Two of the cases (4 and 5) specifically talked about not wishing to scale much beyond their current operation in order to not ‘stray from the core’ of their values.

“Autonomy and ownership are really important to me. I think a lot of brands, especially who are direct to consumer, and those who are built in the same way that we are, they are quite keen to get investment as soon as they can and grow, grow, grow. I didn’t start this business to sell it. I didn’t start this business to outgrow it. I don’t want that. That is not the plan, I want to do the job that I love, as long as I can. And I want to have full control of how it develops” (Case 5).

However, scaling was the specific objective of the other four cases, but this scaling was not seen as ‘binary’. For them, scale was a means of keeping their values, of making their purpose economically viable. For two of the cases growth was seen as enabling them to scale their social value (Case 1) and/or raising awareness and knowledge, being ‘provocative’ around circular and ecological fashion practices (Case 2).

The two MSEs not looking to scale specifically saw opportunities to share their business knowledge and practices with others, and to influence industry practice by scaling their influence and reach rather than physical size. As such, business sustainability and/or scaling was predicated on a diverse set of activities including new products, new collaborations, knowledge creation projects, and education through consulting and training. Attitude to scaling was not, therefore, a point of difference between SEO or non- SEO MSEs.

“We’ve seen growth for the last 11 years apart from one year...We have our ethos, and we recognise that this is not binary. It is a dynamic state so we will always think forward about what we can do and make the best decisions we can now. How might we lead and pioneer
some processes and help transition the industry to more circular models? We recognise we’re not perfect, we do have a long way to go... but we’ll always be striving for improvements.” (COO Case 2).

Activism

Four cases specifically cited the importance of their role as activists, as role models of, and provocateurs for, better practices. Additionally, the founder of Case 2 was identified as being an activist by industry commentators (in press reports) but used the term (industry) ‘provocation’, rather than activism. In so far as activism can be defined as “the use of direct and noticeable action to achieve a result, usually a political or social one” (Cambridge dictionary) then the activities of the firm align with the other MSEs claiming activist status within the study.

There was, however, a clear distinction between those whose activism was about creating messages through their customer brand communication, and those whose activism was evidenced by the multiple actions along the supply chain and engagement with policy and trade bodies. Whilst some of the SEOs had also engaged with some form of philanthropy (1% for the planet for example, Case 2), their agency and activism were more concerned with direct action than altruism. There was a distinction between the “responsibility of a cultural voice” (Case 3, citing impact of charity projects, as an influencer, and media coverage) and the SEO MSEs driving change through SC action.

“Our ambition is that we want to make a change in society- the way it functions. For the past 40 years- for my adult life, I would say- we have seen that the bigger the company is the worse [it is] in terms of community level relationships. When the companies are big, the shareholders are the decision makers- but sometimes they make the decision, which is against the community” (Case 4).

5.3 Managing risk

Three 2\textsuperscript{nd} order codes were identified as aspects of the SEOs aggregate dimension of managing risk: embracing risk; risk as losing control; and risk management through collaborative projects (Figure 31).
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<tr>
<th>1st order concepts</th>
<th>2nd order themes</th>
<th>aggregate dimensions</th>
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<tbody>
<tr>
<td>- [Risk management] is not having “anyone who could profit from us not being sustainable anymore” (founder c.5)</td>
<td><strong>Risk as losing control</strong></td>
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<tr>
<td>- Risk is not being able to take risks, to “be provocative” (founder c.3)</td>
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<tr>
<td>- “Growth can be risk, moving away from your core” (production manager c.4)</td>
<td><strong>Embracing risk as an opportunity</strong></td>
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<td>- “Everything we have been doing, right from the beginning, is a massive risk. My job is to convince people there is limited risk and a massive opportunity” (director c.1)</td>
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<td>- “I take one risk at a time, and if you don’t take risks you don’t move on” (founder c.5)</td>
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<tr>
<td>- “Sometimes when you need everything to be crystal clear, it’s hard to move on. Ignorance can be bliss” (founder c.4)</td>
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<tr>
<td>- “This whole enterprise is full of risk throughout, but it’s balanced with our other [collaborative] projects” (founder c.2)</td>
<td><strong>Risk management through collaborative projects</strong></td>
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<tr>
<td>- “By focusing on the opportunity, we can have the most amazing collaborative opportunity” (founder c.4)</td>
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Figure 31: Data structure for attitude to risk
Closely aligned with agency for sustainability are the SEO firms’ perspectives on risk. The EO literature defines entrepreneurial organisations as those who take calculated risks on innovations, and in doing so, reconfigure their resource base to seize these opportunities (Lumpkin, 2021, Teece et al., 1997). All the MSEs talked about risks as opportunities, however, there was a sliding scale of the willingness to embrace risk and differing strategies on managing it. Case 6 was considered as risk averse (by a stakeholder) in terms of their attitude to investing in innovative technologies. This was seen as a limitation in getting funding and project support.

The biggest risk cited by nearly all the MSEs (except the social enterprise) was the loss of control, of autonomy as discussed previously. All the MSEs, and many of their stakeholders, talked about embracing risk only so far as uncertain outcomes did not lead to a loss of decision-making powers relating to their ambition for, or purpose of, the firm. The founders and senior managers of cases 1-5 talked about the freedom to take risks through new markets, processes, and technologies, and to learn from these, that is ‘to move on’. This perspective on risk was evident across the SEO and non-SEO firms.

Here then, creative cluster MSEs typically reflect the literature on social enterprises (e.g. Lumpkin et al., 2013), with two distinct perspectives on risk. That is, they embrace uncertain outcomes and innovative solutions given their paucity of resources, but that they are risk adverse in terms of the outcomes for their specific purpose.

It is important to acknowledge the role of collaboration in both embracing and managing the risk of innovation through shared endeavour and co-creation. Innovation risk management was seen as a collaborative activity in the four SEO firms and is developed as a theme in the next section. Risk then, for SEO firms, was embraced as a learning strategy, managed through collaboration, but only so far as the enterprise retained decision making control for its actions and the value created.

5.4 Sustainable ecosystem; co-creating value through innovation

Three 2nd order themes were identified as aspects of the aggregate dimension of sustainable ecosystems co-creating value through innovation: beacon firms; multiple upstream and downstream collaborations; and creating innovative case studies (Figure 32).
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<tr>
<th>1&lt;sup&gt;st&lt;/sup&gt; order concepts</th>
<th>2&lt;sup&gt;nd&lt;/sup&gt; order themes</th>
<th>aggregate dimensions</th>
</tr>
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<tbody>
<tr>
<td>“An innovation hub... they know many designers who want this so, they [MSE] create this kind of ecosystem” (HE researcher c.4)</td>
<td>Beacon firms</td>
<td></td>
</tr>
<tr>
<td>“Gradually you create a community, who you follow, or they follow you” (founder c.4)</td>
<td>Multiple upstream and downstream collaborations</td>
<td>Sustainable ecosystem, co-creating value through innovation</td>
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<tr>
<td>“Driving a movement of people seeing business as a force for good” (COO c.2)</td>
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<tr>
<td>“We will [the MSE] project lead with the local authority and the architect to create a space for us, designers, and students” (founder c.4)</td>
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<tr>
<td>Collaborating with brands and institutions for prize funding</td>
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<td>“It [multiple projects] seems like a multifaceted thing, but they’re all the same. How can we empower people and contribute to this bigger voice” (director c.1)?</td>
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<tr>
<td>“[They have a] reputation for delivering on collaborative projects” (innovation agency c.5)</td>
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<tr>
<td>“We are creating case studies that will be very valuable for the industry” (founder c.5)</td>
<td>Creating innovative case studies</td>
<td></td>
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<tr>
<td>“I would love to show that it’s possible to design a business and not harm anyone– I would like to set an example” (founder c.5)</td>
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<tr>
<td>“Understanding sustainable metrics through B Corp” (COO c.2)</td>
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<tr>
<td>“We hope that all who visit the space will be empowered to make positive changes towards a circular economy” (COO c.2)</td>
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Figure 32: Data structure for sustainable ecosystems; co-creating value through innovation
The importance of the agency of the MSEs in pursuing sustainable opportunities, shown earlier, leads to the consideration of ecosystems of like-minded MSEs, supply chain partners, and cluster institutions. The theme of visionary leadership evidenced how the entrepreneur’s human and social capital was an integral element of the sustainable agency of the MSE. Additionally, the leadership networks, the MSE’s autonomy, and activism contributed to the co-creation of ecosystems focusing on sustainable outcomes, that is, on co-creating social value.

**Beacon firms**

The SEO MSEs acted as beacons to bring in like-minded businesses and those who wished to benefit from the clustering of knowledge, skills, and resources. The action of helping to co-create a community helped to drive a movement of people, working locally to build on the values they shared. The communities also developed a creative energy that inspired local firms and artisans.

> “Feeling connected to the community that I live in, and I work with, it feels much more rewarding. And of course, with that slowly, gradually, without knowing you create a community who you follow- or they follow you. Gradually you get friends from this community” (founder Case 4).

Case 4 was seen by representatives of the local authority and their HE collaborators as a key business attracting others to the local enterprise zone, “creating this kind of ecosystem” (Case 4 HE collaborator). The low-cost studio provision supported by Case 1 is also representative of the ambition to co-create an ecosystem with sustainable and community-based values.

Case 5 was one of the first of six MSEs to take space at a new set of fashion studios and actively participated in their promotion and outreach activities. Case 2 collaborated with local firms to create a ‘low impact fashion trail’ to promote sustainable fashion businesses and, as previously mentioned, collaborated on the development of a community space to bring together local and global sustainable and creative innovators.

The activist mentality meant not only the acknowledgement of the SEO MSEs’ role in the community, but also a role in leading movements to change the fashion industry. This highlights the importance of interaction throughout the ecosystem of stakeholders and along the supply chain.
“So really driving a movement of people, seeing business as a force for good - so not just looking at profit as a measurable but also people and planet, etc... In short that’s what we do... and we’re looking into more accreditations converting what we do into measurables. We actively want to be more involved in education and community” (Case 2).

Multiple upstream and downstream collaborations for sustainable R&D

Whilst this theme suggests a linear upstream and downstream supply chain, the relationships within the SEO MSEs ecosystems encompassed commercial actors beyond the fashion industry and cluster institutions. This title, therefore, reflects the importance of collaborations that impact sustainable innovation in both production and distribution, and in value co-creation with consumers and other groups, such as the local community. This contrasts with the non-SEO firms who were focused solely on downstream consumer innovation (Case 3) or upstream production communication (Case 6).

The four SEO firms all had engaged in multiple collaborations (not necessarily at the same time given their resource paucity) focused in innovation and some aspect of sustainability. In the first instance all four SEO cases were developing their own internal supply chain R&D into environmentally sustainable practices. Three were also actively collaborating, or seeking to collaborate, with local and global institutions for more formalised R&D projects.

“But their vision for this [research] residency was to establish a smart lab... And they know many designers who would like this in London, so they want to establish an innovation hub in Walthamstow” (HE researcher on Case 4).

A particular focus for the SEO cases was the circular economy, which is reducing (resource use), re-using products, and upcycling and re-making. In line with the firms’ desires to shape business futures, many of the R&D outcomes were positioned to be open-source resources, to be accessible across the community and industry. The SEO firms were open to multiple collaborations within a single project, managing multiple concurrent or sequential projects, and sharing the output.

“So ideally, we will project lead to work with the local authority as well as the architect... So that is one stage, the building, and the other is the right machinery and the right partners... we want the space to be open space for students as well as designers... so [the
question is] how do you create a structure for that because it needs to be a business, as well as open source?” (Case 4).

Given the sustainable focus of many of the cluster initiatives and funded R&D projects, the sustainable processes and reputation of the MSEs was significant in shaping their access to opportunities. In study one some firms had identified the closed network related to BFC opportunities. The data from study two suggests that the ecosystem of the institutions and entrepreneurial and sustainability active (or activist) firms also created a closed loop of opportunity, not open to the more traditional and less experienced collaborative firms.

The technology start-up (Case 6), particularly, found resistance to recognising their view of sustainability relating to practices in the workplace, and as such did not fit the funding requirements of many of the projects. Thus, the funding institutions acted as sustainability gatekeepers regarding the types of R&D funding that was allocated.

Study one identified a key limitation for MSEs seeking collaborative projects and funded opportunities was the lack skills and resource time to apply for the very opportunities set out to support them and their innovation ideas. This was confirmed by Cases 2 and 4.

“In terms of innovation funds, we haven’t benefitted from any. We think we may qualify but the reality is we don’t have the time to do the applications. That is definitely a business blocker for us, but we’re a small team and we don’t have the knowledge or the expertise. Going through the certification [B Corp] will help us put bids in in a clearer or simpler way” (case 2).

Creating innovative case studies

A further distinct form of innovation was evident with the SEO firms explicitly focused on ‘creating future case studies’. These covered both social and environmental opportunities and show-cased alternative opportunities for sustainable business models and processes. Case 5 engaged in proof-of-concept work, collaborating with technology companies and innovation agencies for digital asset development. They were also exploring a demand-pull production model by developing a community of customers, who were encouraged to engage with the product development process.

“Participating in something like that, I find it more exciting with people who just don’t have anything to lose because they just want to see what can happen next, what can be
possible. We are creating case studies that will be very valuable for the industry” (founder Case 5).

From an environmental perspective Cases 1 and 2 were pioneering sustainable production methods and in upcycling, with Case 1 (the social enterprise) also combining this with community rehabilitation.

“The business or the model of what’s happening is two-fold. A model that shows that a community project could be the alternative to a prison sentence and a model in the prison, but also a way in which universities can work within the community and create a source of income and create progression” (director Case 1).

All the SEO firms offered, or aspired to offer, consultancy services as an income stream, and or/actively participated in knowledge exchange within their ecosystem. Knowledge exchange was embedded in their purpose and aligned with their business practice. It was considered invaluable in driving change in the industry.

“Its kind as if I’m trying to do multi-faceted thing- but they’re all the same in that [we] can empower so many different people .... to think about how they can help and develop their businesses and we all come together and contribute to this much bigger voice” (founder Case 1).

Whilst all six cases were involved in some form of R&D and innovation within their business models and supply chain, the core difference between the SEO forms and cases 3 and 6 was the manner of their R&D collaboration and the objective of the research. For these non-SEO firms, innovation was limited to a single point in the supply chain with a customer focus, predominately for business development and profit orientated.

For the SEO Cases, the objective of their R&D included opportunities for business enhancement, such as agility or new direct to customer models, but this was from a pro-ecological perspective, such as reducing waste, rather than from purely a profit-first perspective. For them, the goal was both to improve their own capabilities, create proof-of-concept or innovation case studies, and the dissemination of this knowledge through their wider networks.

This then leads to further consideration of scale and impact. Case 5 was uncomfortable with scaling if that meant risking the firms’ values, but they reflected on their impact on industry
awareness and knowledge through collaboration. They cited a collaboration with one other MSE and an innovation agency where they won a fashion futures prize, outperforming Burberry and H&M. This gave them a much bigger platform to share knowledge and influence, and in turn introduced them to other opportunities and partnerships.

“It was incredible big or small we can help.... but by partnering, because there were three of us, and it was just a six-month project...and after that [winning against Burberry and H&M] we were asked to talk about fashion and technology and our project, so the impact was huge” (founder Case 5).

5.5 Impact of Covid 19.

Study two supported the findings of study one, with strong evidence of a long-term supply chain learning orientation in all cases except, naturally, the start-up. As such no data structure for that is developed here, rather the nature of the MSEs response to the Covid 19 pandemic is considered in relation to the MSEs supply chain capabilities (Figure 33).

Long term relationships, mutual support & agility

The first theme evidences the importance of supply chain continuity. MSEs cited the importance of their long-term relationships, of a strong and reliable supply chain that they could trust to do everything possible to overcome the challenges of the pandemic.

“If we stick with a factory or a supplier, we build a long-term relationship because they are capable of doing things that are somewhat outside of the norm...I think our success in the last few months, it’s not my credit, but it’s down to the fact that our supply chain is so strong and so reliable. People in every step along the way trims, fabric, or factory have been really, really, pushing to do everything they can to get the garments made” (production director Case 3).

Despite the mix of manufacturers and retail brands, and the acknowledgement of how difficult navigating the pandemic had been, neither the MSEs nor their stakeholders cited adversarial relationships. Whilst there had been some cancellations and delays, they were all party to conversations focused on working together to resolve issues. In part, this may have been related to the MSEs and their stakeholders’ sustainable ethos underpinning the nature of their relationships.
**1st order concepts**

- “Our success in the past few months has been down to the fact that our supply chain is so strong and so reliable” (production director c.3)
- “I made sure to help with how they handle the orders, how other customers are behaving and looked for the best solutions for all” (founder c.5)

- “Factories are not familiar with the concept of integration, so there’s a lot of learning on both sides” (director c.2)
- “Investing in our tech stack” (COO c.2)
- “We made a big shift to Portugal, we’re still in the middle of it and developing our remote systems” (founder c.5)
- The pandemic forced us to speed up projects, there was nothing to lose (founder c.5)
- The project really started in Covid as we were awarded a grant (founder c.4)

- Get more structure around the ethos, time to reflect (COO c.2)
- Moving away from the traditional fashion calendar, focusing on demand and experiences (founder c.3)
- Slow down our beta trial (founder c.6)

- Engaging with the local community, I feel like everyone on Fish Island has one of our masks (founder c.5)
- We’ve developed a reusable gown for surgery (customer/collaborator c.1)
- We [collaborative network] produced over 40,000 pieces of PPE [gowns] to 40 trusts, we were working with 150 makers (customer/collaborator c.1)
- Smaller companies in the crisis could help make faster and better decisions (founder c.4)

**2nd order themes**

- Long term relationships; mutual support, agility in adversity
- Innovation and project development
- Reflexive response to supply chain and business model
- Mobilisation of local ecosystem for social good

**Aggregate dimensions**

Covid 19 response

---

*Figure 33: Covid 19 Response*
It may also have reflected their relatively unique market position, in sustainability (Cases 1,2,4,5) and creativity (Cases 1-5). This was, however, surprising given their size and relative lack of power over larger retailers and was contrary to the experience in much of the fashion market.

“[We had no] cancellations and that is because we have strong relationships. Galerie Lafayette, for example, I know we’re the only [emerging designer] brand from the UK they’ve got in the whole of the store” (collaborator / customer of social enterprise Case 1).

Upstream, the MSEs tried to honour their orders and work with their factories, with both parties having a long-term mutual dependency for survival. In Case 5 this extended to checking in and advising how some of the factories could work with other customers and learning from solutions and agreements others had made.

“So, I divided everyone into groups... And by doing that, it helped me build a framework to identify those who would be fine and would have the same amount of money available from us, and those where it would be more tricky. I had the conversations of how is it with everyone. So, it’s not my factory, so I’m not the only one producing there...so I made sure [to help with] how they handle other orders, how other customers are behaving” (founder Case 5).

For Case 6, the start-up, the roll out of their beta trial was delayed whilst their potential customers and collaborators were either on furlough or trying to resolve major business issues.

For the SEO MSEs, who were working with or supplying larger brands, there was often a two-way learning orientation that continued during the pandemic. The larger firms (customers and suppliers) having R&D budgets and the smaller firms supplying practical experience of more pioneering sustainable practices. Indeed, the interest in sustainability-based projects, from larger firms and customers alike, was found to have increased during the pandemic. This provided the SEO MSEs and their supply chain partners with opportunities for development and collaboration.

“So, we got really busy in lockdown, as people are becoming more ‘woke’ during this time. We’ve been asked to do more projects, but at the same time we’ve been locked out of our studio and have only just got our new space” (customer social enterprise Case 1).
Innovation and project development

From a supply chain specific perspective, MSEs 1-5 tightened their product ranges, focusing on what was needed (by their customers) and what was possible to produce. The founder of Case 3 called it his “emergency collection”. Typically, this was less trend led product and included more basic products at lower price points. Case 5 looked to more flexible production and on more ‘on demand’ manufacturing.

“And then the pandemic forced us to speed some of the projects up and also to risk more than we were planning to do, because there was nothing to lose. We are still all about conscious products in combination with experiences so that didn’t change, but obviously the experiences had to adjust. So, we are now really focusing on demand” (founder Case 5).

All, except Case 6, continued to seek better ways of managing their supply chain resources, from the sustainability of the materials and ethical manufacturing of garments to reducing the carbon footprint of transportation. This continued through the pandemic, and whilst for some this meant a strong local focus, the process of seeking more vertical operations abroad continued. Case 5, for example, was in the middle of moving their knitwear production away from Leicester to Portugal due to concerns over unethical employment practices in factories. The founder had a long-standing social relationship with the Portuguese source, and as the business grew, they were able to consider working together. The pandemic meant they could not visit the factory which meant they had to set up new digital communication and product development processes to manage the relationship.

The combination of the need to find new ways to communicate when physical visits were not possible fast forwarded the use of more digital systems. Case 2 had invested in product lifecycle management and enterprise resource planning systems. They were also considering further work in smart communication through systems integration, where data and product information were shared in ‘real time’ along their supply chain. The systems integration was seen as enhancing their agility and the efficient use of resources but required trust between partners. As collaborators with the Future Fashion Factory (FFF) cluster initiative there was also potential to develop the project further.

“We’re in the initial stages at the moment and running some “proof-of-concept” work. It’s positive and certainly there’s a lot of learning going on, as we are quite unique in what we do and sample in house... Factories are not familiar with this concept of integration, so there’s
a lot of learning on both sides. But it is positive so far...So, it starts with design and builds through integrated systems, all with ‘one version of the truth!’ We’re all looking at the same systems the same version, which is a very collaborative system” (director Case 2).

Case 2 also worked on their community co-creation lab, which they stated, was the result of a discussion at the start of the pandemic and represented their public response to the crisis. Case 4 continued progress on its innovation lab through the pandemic. They had funding through the BFTT cluster initiative and recruited their project leader who started in July 2021.

Reflexive response to Covid

All the Cases found the pandemic created a catalyst for reflection. Whilst the sudden closure of their facilities, production, and retail outlets was a catastrophic shock, the MSEs talked about the benefit of time to really think about their operations and future pathways.

“We took the opportunity with Covid. We were meeting every day, crisis planning. We took the position that this was an opportunity for us... not the doom and gloom that everyone else was talking about. So, we took the opportunity to move our website from one platform to another, to make us digital first and creating an online/ offline experience” (COO Case 2).

Cases 1, 4 and 5 reflected on their role as part of the local community. With Case 5, when allowed, opening as a community space, providing locals somewhere to go, and selling products such as face masks. Case 4 reflected on whether it was right to sell things in such difficult times, but also on their role as makers within the community.

“You know when society is going through such difficult times, I didn’t feel we needed to sell something [they ceased online sales as well in the first three months of the pandemic] but I believe our role as a local manufacturer is so important now” (founder Case 4).

For Case 2, who had started the process of B Corp accreditation, the pandemic gave the leadership more time to evaluate their business model and processes collectively, of the impact and process of growing.

“As we transition to get more quantitative data to evaluate the impact and track things which are positive to do... but the reality is we don’t have much data on what is the way to move forward. We’re trying to get more structure around the ethos. That’s the nature of being a small business and growing” (COO Case 2).
Mobilisation of local ecosystem for social good

Finally, it is worth reflecting on the MSEs response to the shortage of personal protective equipment (PPE). All the SEO MSEs were engaged in some form of PPE production, from the most basic level of mask production, either as an individual firm or as part of an institutional response such as the BFC ‘Great British Designer charity’. Here then, SEO MSEs pivoted to leverage their global and local ecosystems to develop innovative products, addressing the emerging need in very short timescales. Both social and environmental needs underpinned R&D into locally produced and more sustainable PPE that could be re-used.

“And we’ve also developed a reusable gown for surgery... We were looking for a non-single use product. So, we got patterns from an Italian factory who make through Europe, where they have reusable gowns. We worked with a company... who’s a supplier here and is certified for it, and we want to get that made here. And that would be our legacy for it [the pandemic]” (customer/collaborator Case 1).

This then led to a final focus on how the supply ecosystem, from manufacturers to online global businesses in London and the UK, was mobilised to support one PPE production initiative. One of the micro designer businesses, and a collaborator and customer of Case 1, co-founded the ‘Emergency Designers Network’. Case 4 was also one of ten early supporters of the initiative. The network delivered over 60,000 articles of PPE (gowns and scrubs) to over 40 health trusts in the first five months of the pandemic.

The initiative received help from the East London cluster community and their wider ecosystems in London, the UK, and Europe. The network set up charitable fund raising to pay for materials and worked with their UK and global networks to source fabrics. Case 4 provided the specialist machinery and skills to produce parts of the gowns, giving their resources and staff time for free. They continued to do this for some time until they had to stop as it was placing too much financial burden on the business. Cases 1, 4, and an extended network of over 150 makers, large and small, all contributed to the production from 2020 into 2021.

“They (the NHS trusts) sent us their PPE, we got them patterned, made, and sent to the Royal Free [hospital]... Then I sourced PPE grade materials in Lancaster and then we sourced a cutting facility in Nottingham... So [we] developed a tech pack. We had donated materials and reached out to [Case 4] for specialist machinery. Matches and Net-a-porter [based in London] gave us a driver each for distribution and we started fundraising... But we didn’t just want to
work with big guys, so we set up a logistics operation... Yes, just knowing all these different makers was amazing... so we were working with 150 makers, and now the hospitals are asking again... (customer/ collaborator, Case 1).

The power and impact of community embedded firms was commented on by the founder of Case 4.

“But, as we have seen from Covid, when you have smaller companies, smaller companies for the health of society it is much better. So, if you have a crisis they could help-imagine a family firm can make faster and better decisions. So as [brand name], we want to be examples, to set an example and be pioneers, to be better makers and work with the community... and create with that local community, rather than making the business bigger or moving somewhere else.”

5.6 Interpretation

This section draws together the findings of study two in response to the four objectives set out at the beginning of the chapter.

- To identify the distinct dimensions of EO from a sustainability perspective.
- To identify the distinct process/behavioural dimensions of SO, which combine with the EO dimensions for theory elaboration of the SEO concept.
- To explore the combined facets model of SSCM with the elaborated SEO concept.
- To consider SEO through the lens of the DCF for social value creation.

Table 21 sets out a summary of the cross-case themes and aggregate dimensions that relate to an entrepreneurial orientation. The themes were evident in the analysis of each of the SEO cases. There was also a high degree of similarity with Case 3, which can be identified as having an entrepreneurial orientation. Despite being a start-up, which in itself is a risk-taking venture, Case 6, was seen as risk averse by some industry commentators, which limited their approach to innovation and developing new technologies beyond adapting those which already exist. Case 6, then is seen as not having an entrepreneurial orientation, as defined by the EO concept.

All the firms were involved in some form of innovation through partnerships and forms of business integration. For cases 1-5 this continued through the pandemic and informed their
strategic response to changes in the marketplace. Significantly, Case 6 slowed down its project launch and did not engage in any specific Covid related projects or collaborative endeavour.

What differentiates the SEO cases was the extent of their collaborative innovation along the supply chain and with a diverse ecosystem of partners. For them, it was not just innovation for new market entry as in Case 3, it was also innovation for more sustainable, pro-ecological outcomes.

The distinct process dimensions of EO from a sustainability perspective

<table>
<thead>
<tr>
<th>Aggregate dimension/ second order themes.</th>
<th>Case 1 SEO</th>
<th>Case 2 SEO</th>
<th>Case 4 SEO</th>
<th>Case 5 SEO</th>
<th>Case 3</th>
<th>Case 6</th>
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Table 21: Cross case themes relating to Entrepreneurial Orientation.

Visionary leadership was recognised as important in five of the six Cases. This contributed to the MSEs proactive approach to creating market opportunities and introducing new products and processes. For the SEO MSEs, however, this extended into creating ‘future case studies’ and ‘open-source’ innovation to help inform future industry sustainable practices. The SEO
founders were identified as visionary, where their visionary leadership related to their thought leadership and influence on sustainable practice within the wider fashion industry.

Cases 1-5 embraced risk as an opportunity and talked about committing resources to uncertain outcomes on a regular basis. For the core SEO businesses, risk taking was also something that could be managed through their collaborative ecosystems, sharing risk, resources, and the process of knowledge exchange. In comparison, despite being a start-up, Case 6 showed a relatively low tolerance of risk and of proactivity. For all the MSEs, except the social enterprise, the biggest risk they saw was losing control of their autonomy.

Autonomy is one of the multi-dimensions of EO (Lumpkin and Dess, 1996). For all the MSEs autonomy was aligned both with the concept of autonomy of alternative value prioritisations and in the ability to “go it alone” (Lumpkin et al., 2013 p. 777), to drive new business models within the fashion industry. These findings, therefore, provide a new view on the importance of autonomy for social value creation. Contrary to the findings of Lumpkin et al. (2013), autonomy facilitated social action and the prioritisation of ecological values over profit. It ensured that the firms did not have to respond to shareholders or stakeholder pressure for profit maximisation.

The identification of the autonomy dimension forms a novel contribution of this research, responding to Marshall et al. (2015) who called for the need to understand specific dimensions of EO that explain decision making for SSCM. This extends understanding beyond the existing concept of SEO (Criado-Gomis et al., 2017) which takes the unidimensional view of EO consisting of innovation, proactivity, and risk.

Competitive aggressiveness, the intensity of the firm’s efforts to outperform competitors through aggressive responses to competitive threats (Lumpkin and Dess, 1996), was not evident in any of the six case studies. Rather, the MSEs were confident in their creative individuality and the relationship with their ‘customers’ (business-to-business or business-to-consumer). Their focus was not market competition and profit growth, but the sustainable development of their businesses and the industry, whilst keeping to their purpose.

This then shows the importance of context when considering the EO construct. In a fashion and creative cluster context, the ability to prioritise creative freedom, to control product design and direction underpins the founder’s reason for setting up their firm. However, this focus on creative control could extend to other creative industries or those where product or
service design are key drivers. The autonomy and differentiation through product positioning means that whilst they may compete for prizes and funding, the MSEs did not compete from a supply chain perspective and were supportive of other like-minded firms within their ecosystem. They were keen to share information regarding processes, sources of supply and distribution and, importantly sharing the results of R&D as open-source material.

However, the wider cluster population did have firms who had a competitive stance regarding access to resources. In the exploratory study, respondents cited the challenge of the competition to access R&D and project funding for both HE and other organisations. Thus, whilst this study highlights the importance of collaboration along the supply chain, the wider network, and ecosystem, this does not signify that there was no competition for cluster resources or market opportunities.

**The process dimensions of a sustainable orientation**

Table 22 sets out the cross-case analysis of SO dimensions. The analysis found that the pro-ecological purpose of the SEO MSEs drove their decision making. It underpinned the development of the firm from inception and was ingrained into the culture of the business. The pro-ecological decision making is important in that it acknowledges that whilst these firms had a distinct purpose, they recognised that sustainable decision making required the prioritisation of environmental and social aspects over profit maximisation. This differentiates from the instrumental TBL perspective on sustainability and provides insight into why the SEO MSEs engaged in SSCM innovation for social value creation.

There is a small but growing body of literature in the strategic management field exploring the purpose of the firm. Whilst the orientation concept is focused on behavioural dimensions, the purpose of the firm drives everything the business does, it explains ‘the why’, rather than ‘the what’ and ‘the how’ of a firm’s mission. Karns (2011) called the shareholder wealth maximisation paradigm “morally deficient” (p. 339) and explored the construct of a stewardship model for business purpose as:

> “a more humanized vision of business that pursues a deeper purpose than wealth creation for owners. It emphasizes service to the common good through sustainable business activities that care for the well-being of people and planet” (p. 342).
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<thead>
<tr>
<th>Pro-ecological purpose</th>
<th>Case 1 SEO</th>
<th>Case 2 SEO</th>
<th>Case 4 SEO</th>
<th>Case 5 SEO</th>
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<td>Valuing the craft, the makers, and the product</td>
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<td>- SC Activism - environmental</td>
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<tr>
<td>Mobilisation of local ecosystem for social good</td>
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Table 22: The cross-case analysis of SO dimensions.

Reflecting this position, in 2017 the British Academy launched a major research project into the role of business in society and the future of capitalism. Their findings suggested the need to move from business models driven primarily by financial goals, to ones focused on purposes that solve problems whilst not profiting from causing problems. They identified a shift towards purposeful business, stating this had become more mainstream since 2019. This study provides empirical evidence of purpose driven firms, where addressing environmental and social problems can be explained through the combination of SEO and SSCM.

Throughout this research there has been a tension between the positioning of the study in ‘sustainable’ versus ‘social’ supply chain management, given the focus on the creation of social value. The CR process requires a focus on where ‘reality kicks in’ (Easton, 2010) and in
identifying pro-ecological decision making it is important to acknowledge that social value creation is related to both social and environmental supply chain practices.

Supporting this pro-ecological decision making, the four SEO firms combined their entrepreneurial proactivity and innovation with activism to drive change practices within the industry. This was done, in part, through collaborative R&D, creating proof of concept case studies, and open-source innovation. Importantly, however, the MSEs were proactive in sharing their knowledge and practices through events, outreach via training, consultancy, or podcasts, and engaging with cluster, industry, and government departments to lobby for change. Sustainability was not perceived as a source of competitive advantage, rather it was integral to their own business purpose and their engagement with industry and cluster stakeholders.

Given the apparent importance of activism as a dimension, there is very limited research on the topic in management literature generally and in SSCM specifically. Many papers focus on issues around regional politics, social value investment, CSR, and dealing with stakeholder activists, rather than the activism of firms and their founders. Some studies (Erpf et al., 2019, Martin and Osberg, 2007) consider the actions and activism behaviours of social enterprises. However, in these studies, activism is seen as a process of influencing the actions of others rather than direct action.

“In the pure form, the successful social entrepreneur takes direct action and generates a new and sustained equilibrium; the social activist influences others to generate a new and sustained equilibrium; and the social service provider takes direct action to improve the outcomes of the current equilibrium.” (Martin and Osberg, 2007 p. 38).

Despite the definitions, Martin and Osberg (ibid.) acknowledged that in reality there are more hybrid than pure forms, where social entrepreneurship and social activism co-exist. In positioning activism as a process dimension of a sustainable entrepreneurial orientation, this study evidences the impact of activism on the SSCM choices the firm makes and the relationships it develops.

The data identified that the SEO MSEs had a highly proactive ecosystem of like-minded organisations. Indeed, the SEO MSEs were seen as ‘beacon firms’ helping to co-create collaborative communities with similar sustainable values. Thus, the SEO MSEs co-created cluster ecosystems by both promoting the local area through their reputation and activities,
and co-created value between partners within the ecosystem and in the community. The power of the local and wider ecosystem was shown through the mobilisation of the supply chain during the Covid 19 pandemic. The entrepreneurial and sustainable orientation of the MSEs, and their ecosystem of relationships, co-created social value for the community through the production of PPE.

The analysis, therefore, identified a group of MSEs whose entrepreneurial and sustainable orientation were co-joined. The findings suggest that an elaborated form of the SEO construct can provide a plausible explanation of the position and processes of a group of MSEs within the creative cluster. The SEO MSEs seek out opportunities and engage in multiple supply chain projects for innovation and social value creation. Social value is created on three levels: socio-economic value; knowledge creation for sustainable outcomes; and community development. Table 23 presents a summary of the four SEO MSEs innovation activities aligned with SSCM practices and the nature of the social value created. The full table can be found in appendix 7.8.

Thus, autonomy, pro-ecological purpose, activism and, co-creation are proposed as novel contributions to the discourse around sustainable entrepreneurship, and provide an elaboration to the current visualisation of the SEO construct (Criado-Gomis et al., 2017). In the context of the East London fashion cluster then, the distinct SEO variables are:

**Innovation** - pro-ecological and collaborative novel solutions, along the supply chain and into a wider ecosystem.

**Risk** - embracing opportunities and managing risk through collaboration.

**Proactivity** - visionary leadership for sustainable future industry practice.

**Autonomy** - to follow a sustainable purpose and recognise metrics other than profit and growth.

**Pro-ecological purpose** - driving decision making and underpinning the culture of the firm.

**Activism** - to change practices and business models within the fashion industry.

**Co-creation** – creating value through like-minded ecosystems, between partners, and in the community.
<table>
<thead>
<tr>
<th>Case/ innovation</th>
<th>Relation to SSCM</th>
<th>Socio economic value</th>
<th>Sustainable knowledge</th>
<th>Community development</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Case 1</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>New circular business model</td>
<td>Production and materials innovation, new SC relationships</td>
<td>√</td>
<td>√</td>
<td></td>
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<tr>
<td>New model of social production</td>
<td>Development of social SC practices, resource development</td>
<td>√</td>
<td>√</td>
<td>√</td>
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<tr>
<td>Co-creation of ‘social community based’ fashion business spaces.</td>
<td>Proximity based SC development</td>
<td>√</td>
<td></td>
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</tr>
<tr>
<td>Co-creation of a reusable PPE gown for surgery</td>
<td>New cloth resources, collaboration for product design and production</td>
<td>√</td>
<td>√</td>
<td>√</td>
</tr>
<tr>
<td><strong>Case 2</strong></td>
<td></td>
<td></td>
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<tr>
<td>Integrated ERP systems in three levels of production</td>
<td>Digital relationship management, agile production supporting growth</td>
<td>√</td>
<td>√</td>
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<tr>
<td>Proof of concept R&amp;D into digital design systems</td>
<td>Integrating systems R&amp;D with global factory base, developing transparency and trust</td>
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<tr>
<td>Co-creation of a “35000 ft² community-led space</td>
<td>Ecosystem and SC co-creation with a focus on positive fashion, climate action, and the circular economy”</td>
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<tr>
<td><strong>Case 4</strong></td>
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<tr>
<td>An innovation hub</td>
<td>Supporting the development of new production and supply chain practices within the fashion and wider creative industries</td>
<td></td>
<td></td>
<td>√</td>
</tr>
<tr>
<td>Wash dye lab open-source innovation</td>
<td>New SC resource for London production, reshoring opportunity. Open source</td>
<td>√</td>
<td></td>
<td>√</td>
</tr>
<tr>
<td>New business collaboration-furniture materials from denim waste</td>
<td>Circular supply chain development – proximity manufacturing</td>
<td>√</td>
<td></td>
<td>√</td>
</tr>
<tr>
<td>Case 5</td>
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<td>----------------------------------------------------------------------</td>
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<tr>
<td>Remote systems to support relocation of production</td>
<td>Social SCM practice development, fair pay, and employment</td>
<td>√</td>
<td></td>
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<tr>
<td>Fully recyclable garment development</td>
<td>New SSCM sourcing and production practices</td>
<td>√</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Collaborative digital proof of concept projects - multiple</td>
<td>New sustainable supply chain practices and services</td>
<td>√</td>
<td></td>
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<tr>
<td>Entrepreneurial podcasts and events</td>
<td>Ecosystem development to improve SSCM practice within an</td>
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<td></td>
<td>entrepreneurial local network</td>
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</table>

Table 23: SEO case innovation, SSCM, and social value creation
The facets of SSCM and the dimensions of SEO

To explore the link between SEO and the facets of SSCM, the 2\textsuperscript{nd} order themes identified in the data structures have been re-mapped (Table 24). This updates the table first presented in Chapter 4. The novel contributions to SEO are presented in bold. In so doing, the 14 1\textsuperscript{st} order concepts, which led to the identification of the SEO process dimensions, provide further insight into the “methods, practices, and decision-making styles” (Lumpkin and Dess, 1996 p.135) that underpin the development of SSCM in cluster SEO MSEs. This leads to the proposal that SEO, as a strategic orientation of MSEs, also underpins and explains the development of SSCM capabilities.

<table>
<thead>
<tr>
<th>Facets of SSCM – identified from the SSCM literature and presented in chapter 2.</th>
<th>SEO dimensions and 2\textsuperscript{nd} order themes providing insight into SEO behaviours underpinning SSCM activity</th>
</tr>
</thead>
</table>
| **- Strategic sustainability orientation** (Carter and Rogers, 2008, Beske, 2012); including aspects of a holistic TBL value recognition, sustainability as part of an integrated strategy. | - **Pro-ecological purpose**  
- **Pro-ecological decision making**  
- **Supporting the local community and society**  
- **Autonomy** |
| **- Sustainable business culture** (Marshall et al., 2015, Carter and Rogers, 2008); continuous commitment in the workplace, along the supply chain and stakeholder network for sustainable development. Organisational citizenship, values, and ethics. | - **Activism**  
- **Visionary leadership**  
- **Co-creation**  
- **Beacon firm-co-creating community ecosystems**  
- **Shared values support multi stakeholder engagement**  
- **Mobilization of local supply chain for good**  
- **Valuing the craft, the makers, and the product** |
| **- Proactive sustainable innovation** (Beske, 2012, Marshall et al., 2015); commitment to R&D and innovation across the supply chain and broad stakeholder network. | - **Proactivity**  
- **Innovation**  
- **Engaging with multiple institutions for sustainable innovation**  
- **Co-creation**  
- **Reputation, visionary leader’s network co-create sustainable business futures**  
- **Co-Creating innovative case studies** |
| **- Collaborative supply chain risk management** (Carter and Rogers, 2008, Beske, 2012); contingency planning, supply and distribution, ethical management and monitoring, and co-operative partnership development. | - **Risk**  
- **Managing R&D risk as a collective endeavour**  
- **Embracing risk as an opportunity**  
- **Not risking the pro-ecological purpose** |
| **- Long term supply chain learning orientation** (Beske, 2012, Croom et al., 2018); long term partnership development, continuity, skills, and value. | - **Co-creation**  
- **Innovation and partner integration** |
Incorporating transparency in stakeholder engagement and supplier operations (Carter and Rogers, 2008)
- Long term relationships, continuity builds trust, transparency, flexibility, and mutual support
- Agility in adversity

Table 24: Mapping the SEO concepts and dimensions to the facets of SSCM.

In mapping the proposed new SEO dimensions with the five facets of SSCM identified in the review of literature, there are several contributions to the understanding of SSCM. The case studies clarified some of the concepts first presented after study one, which include a move from the focus on the TBL or sustainable orientation to a pro-ecological purpose underpinned by the MSEs autonomy.

It evidences a move from cooperation and collaboration to co-creation being ingrained the culture of SEO MSEs. This represents the strategic choice for innovation and underpins long-term learning in the supply chain, and the ecosystem. Finally, it further supports that a culture of activism, the desire to proactively shape and drive more sustainable futures, is also ingrained into the business culture of SEO MSEs.

From a CR perspective, acknowledging the specific contextual conditions, the SEO construct also provides an explanation of why MSEs engage in cluster activities and in the co-creation of the cluster-based business ecosystems. It is because their purpose seeks to address environmental and social problems beyond the boundaries of the firm. To do this they seek to develop creative and innovative ecosystems beyond their current supply chain for R&D and knowledge exchange. Thus, there is an iterative relationship between the development of SSCM capabilities, the co-creation of the ecosystem, and of social value.

Given their prioritisation of the environment and society, the SEO of MSEs also provides an explanation of why and how firms contribute to social value co-creations from a soft (innovation for a better social and environmental existence) and hard (direct social action for targeted groups) perspective (Forouharfar et al., 2018). Thus, the case studies provided further evidence of the conceptual framework identified after study one. They also lead to the proposal of the elaborated SEO construct as an antecedent to SSCM capability development and cluster/ecosystem co-creation.

Finally, this leads to consideration of dynamic capabilities as an enabling framework. Covin and Lumpkin (2011) assert that DCs are a key means for linking EO to a firm’s opportunity exploitation and value creation. It is credible therefore, to argue that DCs link the SEO of the
firm with SSCM opportunities for social value creation. Following the work of Aslam et al. (2020) who proposed the EO as an antecedent to DCs, the SEO construct can then also be seen as an antecedent to the micro foundations of dynamic capabilities. Where, for SEO MSEs, the facets or practices of SSCM and the co-creation of cluster ecosystems form the learned pattern of activity for sensing, seizing, and transforming resources for social value creation.

In study one, the orientation of the firm and the long-term supply chain learning orientation were identified as plausible mechanisms for exploration. In study two the data suggests that it is the SEO which is the primary mechanism driving both SSCM activities and ecosystem co-creation, which in turn also explains the development of SSCM dynamic capabilities for social value creation. This can be mapped within a revised conceptual framework which is set out in Figure 34.

The research suggests that the elaborated SEO construct provides a compelling explanation of why and how MSEs in clusters innovate their SSCM capabilities and prioritise social value creation over profit maximisation. The SEO construct reflects the empirical values and behaviours set by the founders and evident in the culture of the MSE. The combination of SEO and SSCM provides a better understanding of the values and behaviour of these MSEs. It positions SSCM as integral to the strategy of the firm focused on social value creation, rather than instrumental in competitive advantage and profit maximisation.

Figure 34: The final conceptual framework

SEO also drives ecosystem co-creation which informs and supports the development of what have been identified a basic SSCM capabilities (Marshall et al., 2015). In identifying that the relationship between SSCM, cluster co-creation, and the DCF is iterative, the framework
presents an explanation of how firms can transform their resources into dynamic capabilities, to sense and seize sustainable opportunities. Hence, the combination of SEO, SSCM and the DCF represent a model of sustainable business for social value creation.

The research, therefore, contributes to knowledge in three areas:

- Elaboration of the SEO construct for SSCM.

- Exploring the co-creation of social value through SSCM in clusters and ecosystems.

- Combining SEO, SSCM and the DCF to present a model of sustainable business for social value creation.

The research analysis thus far has reflected the cluster context and is implicit within the conceptual framework. The degree to which these findings may be generalised and the implications of the findings for scholars and practitioners is discussed in Chapter 6.
6 Discussion and conclusions.

6.1 Summary of chapters 1-5

This chapter first summarises the contribution of chapters 1-5. Conclusions regarding the research questions are then presented. A discussion regarding the theory elaboration and the novel contribution is developed before the chapter concludes with the research limitations and a summary of the recommendations further research and actions for practitioners.

Following the launch of several creative cluster initiatives in East London with a focus on innovation in the supply chain and social regeneration, this thesis responds to four research questions.

RQ. 1. Why do fashion MSEs in the East London geographic cluster innovate their sustainable supply chain capabilities?
RQ.2. How do fashion MSEs in the East London geographic cluster innovate their sustainable supply chain capabilities?
RQ. 3. Why do fashion MSEs in the East London geographic cluster seek to create social value through their supply chain management practice?
RQ.4. How do fashion MSEs in the East London geographic cluster create social value through their supply chain management practice?

Given the empirical context and the lack of research concerning clusters in SSCM, the literature chapter first considered contributions from the fields of SCM, strategic management, entrepreneurship and innovation, and economic geography. This positioned the review at the intersection of the topic areas of clusters and ecosystems, supply chain management, and social value. The key constructs which emerged focused on SSCM as practice, the co-creation of clusters, networks, and innovation ecosystems for value creation.

SSCM is positioned as a learning trajectory where firms move to more sustainable practices through a complex and dynamic process (Silvestre, 2015). It represents a paradigm shift from the trichotomy of economic, environmental, and social definitions of sustainability as individual strands of sustainable performance to an integrated view of sustainability as practice within MSEs (Gao and Bansal, 2013, Gold and Schleper, 2017, Silva et al., 2022, Silva and Figueiredo, 2020). Where, for Montabon et al. (2016), a ‘truly sustainable approach’ can only be developed when an ecological dominant logic emerges, “where environment and social interests supersede economic interests” (ibid., p. 11).
Social value was acknowledged as a socially situated and complex topic. It is defined as a process in which “resources are combined in new ways to meet social needs, stimulate societal change or create new organisations” (Lumpkin et al., 2013 p. 762). As such, it is not only focused on novel solutions to social problems (Lawrence et al., 2014) but also effecting practice change in response to the environmental concerns and needs of society.

The entrepreneurial and social orientation of firms emerged as potential mechanisms to understand how and why firms seek to create social value. Nonetheless, the specific values that drive ecological entrepreneurship and the impact of relationships and embeddedness in different contexts remains unexplored (Gast et al., 2017, Johnson and Schaltegger, 2020, Brown and Mason, 2017). Neumeyer and Santos (2018) also identified a gap in knowledge regarding the role of different ecosystem stakeholders in creating social, environmental, and economic value creation in communities or regions.

As part of the abductive process of scanning multiple theoretical frameworks and to bring the understanding of literature in the SSCM field up to date, a systematic style review of literature (Tranfield et al., 2003) using the search terms “sustainable supply chain management” AND “social sustainability” OR “social value” OR “social orientation” was conducted. 65 papers were identified for review, of which over half were published since the last social SCM review by Nakamba et al. (2017).

In SSCM, the dominant paradigm continued to follow an instrumental logic (Montabon et al., 2016), but the win-win of the TBL was presented by some scholars as a contested topic (Matthews et al., 2016). The orientation of the firm considered interchangeable with ‘logic’ or ‘culture’ for this research, also emerged from the SSCM literature as a mechanism worthy of investigation. Furthermore, Marshall et al. (2015) identified an opportunity to understand the distinct dimensions of EO related to sustainable supply chain managers social practices, where value is created beyond the direct supply chain with multiple stakeholders.

Chapter 3 focused on the foundations and execution of the critical realist methodology and set out the five stage RRREI approach (Rotaru et al., 2014) that underpins this research. The chapter justified the validity of the design according to the process outlined by Guba and Lincoln (1994). The population for study one was defined as those firms contributing to the East London cluster activities, with the sample representing one third of the total potential organisation population. 22 semi-structured interviews were conducted from key cluster stakeholders, including eight MSEs.
In study two, six MSEs were selected as cases using theoretical sampling (Eisenhardt, 1989) to enable the processes of theory elaboration. Respondents were selected to represent senior managers and employees of the MSEs as well as their institutional, ecosystem, and supply chain stakeholders. In total, 31 interviews from 24 respondents contributed to the cases. A two-stage interview was conducted with a representative of each of the MSEs to track the impact and actions triggered by the Covid 19 pandemic, which was declared between the two phases of the research. The initial review of all data was inductive and followed the Gioia et al. (2013) method. However, given the requirement for cross case analysis study two adopted analytical bricolage in combining this with the Eisenhardt and Graebner (2007) cross-case approach.

Chapter 4 presented the analysis of study one through the visual presentation of data structures (Corley and Gioia, 2004), key quotations, and evaluation of the 2nd order themes and aggregate dimensions. The exploratory study identified the MSEs, the cluster institutions, and the creative learning ecosystem as three entities representing the building blocks for theory elaboration in critical realism (Easton, 2010). The analysis focused on the exploration of the relationships between the entities, their powers, and liabilities.

Subsequently, through the iterative review of phenomena and theory, the entrepreneurial and sustainable orientation aligned with a long-term sustainable supply chain learning orientation were identified as specific orientations (mechanisms) likely to explain empirical evidence of innovation in the supply chain. This led to consideration of the holistic decision making of MSEs, where evaluation of literature led to the identification of the Sustainable Entrepreneurial Orientation (SEO) construct which had been proposed by Criado-Gomis et al. (2017).

The limitation of this construct was an instrumental focus on the TBL and no consideration of specific sustainable orientation behaviours. This led to the question of what dimensions of EO and of SO might better provide a plausible explanation of MSEs’ behaviours, where sustainable actions were integral in the sustainable performance of the firm. The DCF was identified as an enabling framework (McDougall et al., 2022) through which SEO could be evaluated as a mechanism for value creation. It presented the opportunity to consider SEO as an antecedent of SSCM dynamic capabilities in a dynamic market, re-focusing the DCF on social value creation rather than profit maximisation for the firm.
Chapter 5, therefore, reflected both the inductive analysis of the data and a more deductive approach to exploring the appropriateness of the SEO construct. It identified seven distinct behavioural dimensions for an elaboration of SEO in MSEs. In so doing it eliminated EO and SO as stand-alone concepts and consolidated the long-term supply chain learning orientation within the facets, or practices, of SSCM. In positioning the SEO construct as a mechanism explaining the development of SSCM and of cluster ecosystem co-creation, SEO was proposed as an antecedent to SSCM dynamic capabilities.

The conceptual framework mapping the relationships of SEO, SSCM and the DCF was set out, presenting a new synthesised model of sustainable business for social value creation. It is the critical evaluation of these findings and their contribution, as both a response to the research questions and to the field of SSCM, which is developed here.

6.2 Response to the research questions

In adopting a critical realist methodology, this study started with the empirical domain. By abductively evaluating data and theory to identify mechanisms that explain how events happen, the thesis is presented as a methodological narrative. For critical realists, the generalisability of findings is contingent within a specific set of contextual conditions. As such, whilst this section discusses a framework for the elaboration of theory, reference to contextual contingencies in the East London fashion cluster is important. Thus, the terminology in this section combines a discussion of what ‘was’ observed and what ‘is’ theorised.

In recognising the joined-up nature of the ‘grand challenge’ of developing more sustainable business models, the research considered the causal relationships between SEO, SSCM, and the co-creation of cluster ecosystems for SSCM dynamic capabilities. Thus, SEO explains why MSEs innovate their SSCM capabilities, and the dimensions of SEO viewed through the lens of the micro foundations of SSCM dynamic capabilities explain how.

RQ. 1. Why do fashion MSEs innovate their sustainable supply chain capabilities?

Proposition one: The desire to innovate supply chain practices in MSEs with SEO fulfils two needs. The desire to create new sustainable markets and/or products that require innovative supply chain management capabilities, and the desire to transform industry supply chain practices to do less harm.
Capabilities within the perspective of the RBV and the DCF are positioned as “capacities to deploy resources to perform a task or activity or to improve performance” (McDougall et al., 2022 P. 16). Two specific behavioural dimensions drove the SEO firms to seek innovation in their supply chains. Firstly, they were highly proactive in seeking new operations that anticipated future needs. Significantly, the founders of all four SEO firms were identified by staff and other stakeholders as visionary, as sustainability thought leaders. Despite their size, the profile and reputation of the founders led to these firms influencing aspects of the fashion market behaviours, supply chain practices, and creating new models for sustainable demand.

These firms were not simply reacting to the activities of competitors or other fashion firms, they aimed to shape the environment. Similarly, Waldron et al. (2016) explored how social entrepreneurs compel the adoption of new, socially-focused, industry practices through their rhetoric. Here, the firms influenced industry practice through communication, by setting an example, and by engaging in open-source R&D.

This can be evidenced through Cases 1 and 2, who both sought to develop new circular business models. In Case 1, the director identified that whilst the core industry was closed to upcycling manufacture it represented a future need within the market. As such they were building their upcycling capability through collaborative research with both HE institutions and upstream and downstream supply chain partners. In Case 2, the investment in new technology was focused on supply chain integration to reduce waste. They were developing an integrated digital design and development system across the three levels of their manufacturing process. They aimed to share their insights and make the results open to the industry.

There are a limited number of studies on micro and SME firms in the SSCM DC literature. One of the few examples is the work of Gruchmann et al. (2019) who explored sustainable niche food entrepreneurs and who, like the SEOs in this study, incorporated sustainability into their core. Whilst their focus was on dynamic capabilities for scaling, they acknowledged that these firms often trigger market innovations that drive sustainable change. Here, the contribution of this study lies in identifying that triggering market innovation for sustainable change is a specific mission, not a spill-over from activities of the SEO firm, and that they adopt communication and relationship strategies to support this.

This leads to the second dimension answering why the cluster MSEs sought innovation in their supply chains, their pro-ecological purpose. The term pro-ecological is used within the
elaborated SEO construct to deliberately distinguish the dimensions from the instrumental perspective of sustainability (Gao and Bansal, 2013), where the social and environmental contribute to the economic competitive advantage of the firm.

The SEO firms in this research were all created with a pro-ecological purpose and their business models were developed with sustainability at their core. Their innovation collaborations and R&D activities were focused on the constant improvement of their and the industry’s environmental and social performance. Whether the pro-ecological purpose from inception is a necessary aspect of the orientation was not determined by this study, which represents an opportunity for further research into dynamic capabilities for SSCM and business transformation.

The desire to innovate supply chain practices and relationships, therefore, fulfilled two needs. The desire to create new sustainable markets and or products, which required new supply chain capabilities, and the desire to improve supply chain processes in their own right. That is not to say that there was no evidence of supply chain innovation in the non-SEO cases. However, these MSEs focused on one aspect of innovation, such as new channels of distribution targeting innovation for economic gain, rather than it being integral to all their supply chain activities. In SEO firms, supply chain innovation was visualised as a spine that ran through their activities and extended relationships.

**RQ.2. How do fashion MSEs in the East London geographic cluster innovate their sustainable supply chain capabilities**

**Proposition two:** The SEO of MSEs in creative clusters explains that they innovate their SSCM through dynamic capabilities to sense, seize, and transform resources for sustainable opportunities.

**Proposition three:** For SEO MSEs in regional creative clusters, basic SSCM capabilities and co-creation are necessary behaviours in forming the dynamic capabilities to sense, seize, and transform SSCM resources.

In the empirical context of the East London fashion cluster, where most supply chain R&D and mentoring initiatives were underpinned by a sustainable ethos, cluster institutions actively sought partnerships with, or funding for, MSEs with a sustainable reputation and purpose. Thus, the SEO both drove and enabled access to resources and SSCM innovation opportunities in the cluster.
The conceptual framework set out in Chapter 5 presented the SEO as driving the development of SSCM capabilities, which have been described as ordinary or basic capabilities to run a business in a sustainable manner (Beske, 2012, Marshall et al., 2015). Dynamic capabilities are considered advanced capabilities to transform supply chain configurations (Gruchmann et al., 2019) and markets. Thus, it is the MSE’s SEO which drives their SSCM capabilities and ecosystem co-creation activities, which in turn explains their dynamic capability to innovate. The relationship between SSCM, cluster co-creation, and SSCM DCs is an iterative one.

This section, therefore, looks at the individual dimensions of SEO linked to the specific processes which underpin the micro-foundations of dynamic capabilities (Figures 35-37) as set out by Teece (2007). Additionally, in the context of the Covid 19 pandemic, the learned routines of the SEO MSEs enabled them to navigate the business and “supply chain shock” that ensued (Sarkis, 2020). It also drove a specific response to a social need with a business ecosystem supply chain initiative addressing the shortage of PPE in London hospitals.

**Sensing opportunities**

Teece (2007) identified that opportunity discovery and creation stem from both individual capabilities and organisational processes that are not evenly distributed among individuals or organisations.

![Figure 35: Micro foundations of the dynamic capability to sense opportunities](From: Teece (2007 p. 1326.)]

The SEO firms’ focus on co-creating local and global ecosystems, and the sustainable and creative reputation of the founders, led to them acting as beacon firms. That is, they attracted entrepreneurial and sustainable learning orientated firms and organisations to the location, which further enhanced opportunities for knowledge spill-over, collaborative R&D, and co-
creation, which created a positive feedback loop. For example, in Case 4 the founder’s engagement with the local council and ELFD activities first led to the opportunity for a research residency into sustainable denim processing. This then formed the basis of a creative cluster research bid, which after an 18-month funded project culminated in the opening of their open-source innovation lab in March 2022.

The focus of SEO firms on co-creation, their long-term supply chain learning orientation, and engagement in multiple upstream and downstream collaborations ensured that stakeholders throughout the value chain were in scope for collaboration. The co-creation between partners in the ecosystem and their positive attitude to open-source innovation provided access to ‘well-resourced’ and ‘R&D rich’ institutions. However, this was not only facilitated by the reputation of the MSE but also by their project delivery capability. In SEO MSEs this was facilitated by the agility that their simple structure and their autonomous decision making.

Most importantly, it was the MSEs pro-ecological purpose that drove the selection of specific opportunities. The purpose of the firm and the desire to prioritise activities leading to positive social and environmental outcomes provided the guiding principle for technology and internal R&D choices. Equally, the need to preserve their capacity for autonomous decision making, of not losing control limited the scale of some of the innovation potential. The topic of scaling is developed further in the Implications for practitioners in section 6.3.4

**Seizing opportunities**

Teece (2007) highlighted the issue of path dependency when investing in technology, where once a dominant design emerges strategic choices become more limited. In SEO MSEs, the benefit of multiple collaborative R&D projects in sensing both market and product/technology opportunities meant that many of the uncertainties around the choice of pathways were reduced due to the flexibility these collaborations afforded.

This is evidenced in Case 2 where involvement in both cluster and consultancy projects informed their internal R&D into integrated digital design. Reflecting the observation of Mitchell (1991) on the benefits of time, SEO MSEs were well positioned to wait until both options and opportunity were more fully tested, that is, their proactive collaboration enabled them to consider multiple pathways without significant investment.
The pro-ecological purpose defined the SEO MSEs decision making protocols. The firm’s collaborative and co-creation focus helped to ensure that the business model was constantly reviewed through engagement with customers and complementors, both within and beyond the traditional supply chain. Indeed, the SEO MSEs in this study not only engaged with multiple R&D, they also proactively embraced multiple business models and value creation opportunities.

This level of business model agility is something that would normally be seen in large enterprises with multiple divisions. It can be argued that the SEO MSEs’ collaborative approach to business co-creation, and the cluster initiatives that foster collaboration, endow them with opportunities beyond that which would be expected from their actual scale.

The activism of the firms and their founders, the aim to collaboratively co-create more desirable industry futures led them to engage with open innovation involving customers, suppliers, and complementors. As Teece (2007) identified, the “impact of exploration is highest when exploration spans organisational boundaries” (p. 1324).

It is important, however, to reflect on the specific nature of the fashion industry and how this may relate to MSEs’ disposition toward innovation where the “capacity an enterprise has to create, adjust, hone, and, if necessary, replace business models is foundational to dynamic capabilities” (Teece, 2007 p. 1330). The value placed on creativity that underpins the fashion process and the constant cycle of new product development may inform the art of visioning alternative business models, routinising the transformational process. However, this was not
evident in all the fashion businesses in study one or two. For SEO MSEs innovation was seen as both necessary and desirable for their creative practice and their pro-ecological purpose.

The long-term supply chain learning orientation and pro-ecological purpose enabled SEO MSEs to select partners and define boundaries based on shared values and trust. Rather than setting boundaries that focus solely on innovations that benefit the originator, SEO firms also looked to use innovative technology and practices to co-create social value. However, their purpose meant that some collaborations were excluded. The risk of losing autonomy and risk to the purpose of the firm and its reputation delineated clear boundaries relating to collaboration and co-creation. This also set boundaries in the selection of opportunities for investment and financing.

The purpose and reputation of SEO firms contributed to the commitment and loyalty within the firm and of customers, complementors, and other institutions. Taking the example of Case 4, their proactivity in seeking co-creation opportunities and their willingness to position the innovation lab as an open resource for other brands, students, and researchers alike was one of the reasons they were successful in their funding bid with the BFTT creative cluster programme.

**Transforming resources**

Finally, this section considers how the SEO of MSEs provides a plausible explanation of the development of transformational dynamic capabilities. Whilst the SEO MSEs in this study were relatively established, having traded for between 5-11 years, they all evidenced a consistent commitment to reconfiguration. All had established one business model and were focused on acquiring technology and developing processes to make their operations more ecologically sustainable and commercially efficient, that is developing their routines (Figure 37).

The proactive focus and engagement in multiple R&D projects ensured that these firms maintain what Teece (2007) called “evolutionary fitness” that they did not become ‘stuck’ in “unfavourable path dependencies” (ibid., p.1335) as their business models developed. Co-creation, and by extension co-specialisation was woven into SEO firm’s operational routines for organisational adaptation and fit.
Figure 37: Micro foundations of transformational capabilities

From: Teece (2007 p. 1326.)

The cluster agglomeration was important in facilitating trust-based relationships between like-minded firms with a sustainable focus. This, combined with the MSEs co-creation activities, both helped to develop the business ecosystems within the cluster, facilitating knowledge management across actors in the ecosystem, and enabling co-specialisation in R&D projects.

The autonomy and agility of the firms ensured that decisions could be made quickly, and projects and processes developed in an agile response to the rapid change in markets. In a publicity video to promote their innovation lab Case 4 cited their ambition to transform their business from a sustainable manufacturer to “an innovation talent factory, which is about making people who make things, and make a difference” (Case 4 website).

Decentralisation, to enable agile and intrapreneurial activity, was not yet an issue within the MSEs given their scale and the direct control of the founders, so is not discussed here. However, issues regarding governance are worthy of note. Teece (2007) identified that the separation of ownership and control can affect the agency for dynamic capabilities. In the SEO MSEs, the visionary leadership aligned with the purpose of the firm ensured that the firms’ activities were focused on sensing and seizing new SSCM capabilities through innovation.

In recognising the need to understand the impact of its decisions as it scaled Case 2 engaged with the B Corp process which helped to define social, environmental, and governance best practice for business. By extension, this would also mean that as the business and potential partnerships grew, the B Corp legal status would require directors to consider all stakeholder interests, not just shareholders.
In exploring sustainable entrepreneurial enterprises Markman et al. (2016) also considered the impact of governance on the firm’s ability to prioritise value other than profit, citing the B Corp movement as evidence of the potential for this in larger and public companies. A future research opportunity, therefore, would be to track the impact of SEO behavioural dimensions in a longitudinal study as businesses scale.

The response to how MSEs innovated their SSCM capabilities, therefore, lies within the identification of the SEO construct as an antecedent to the development of the micro foundations of dynamic capabilities. Each of the seven dimensions of SEO become the practices and behaviours that underpin the dynamic capability to sense, seize, and transform resources for enhanced sustainability performance through the supply chain.

The nature of the supply chain relationships, the trust and shared values, enabled the SEO MSEs in this study to navigate the challenges of the pandemic. They adapted their products and services, fast forwarded technology integration, set up new routes to market, and continued to engage in R&D. Often their relationships with cluster institutions supported investment in these activities. Even in the collective response to the lack of PPE in hospitals the firms were able to transform their activities, harness ecosystem relationships to respond to market need at speed and engage in R&D to develop future solutions for more ecological (re-usable) PPE.

**RQ. 3. Why do fashion MSEs in the East London geographic cluster seek to create social value through their supply chain management practice?**

**Proposition four:** SEO firms do not regard social value creation as merely instrumental in maximising their economic value creation, but instead see their strategic objective as social value maximisation.

The responses to questions one and three are inextricably linked in SEO firms. For them, the purpose of the firm was not profit maximisation, rather it combined the desire to use their creativity and innovative practice to sustain themselves, their teams, and be beneficial to their local community and wider society. This can be positioned as creating social value by the process of combining resources “in new ways to meet social needs, stimulate societal change or create new organisations” (Lumpkin et al., 2013 p. 762).

SEO firms within the sample were both social enterprises and for-profit organisations, therefore, their perspective of social value was not simply based on altruism or philanthropy.
Indeed, Case 3, who cited their philanthropy as core to their business positioning, was not identified as having an SEO as sustainability was not integral in all its SSCM decision making. SEO firms recognised the potential of the creative process of fashion, the craft, and of supply chain practices to do good beyond the traditional metrics of sales and profit.

SEO MSEs sought to be leaders in their field and were proactive in both creating and shaping sustainable future businesses for social value. Significantly, the founders and their teams were found to have a high sense of agency to achieve this, underpinned by their autonomy and their activism. The combination of activism and proactivity in the SEO construct reflects the direct action of the MSEs and their desire to influence others. Cases 1, 4, and 5 self-identified as activists and engaged with communities, institutions, and local government to seek change. Case 2 sought to scale its ‘industry provocation.’

The SEO firms lead by example, seeking out collaborative and knowledge co-creation opportunities. As such, the SEO firms represent a hybrid of the three types of social activism identified by Martin and Osberg (2007) where the SEO MSE influence “others to generate a new and sustained equilibrium and [may take] direct action to improve the outcomes of the current equilibrium” (ibid., p. 38).

The supply chain was central to the processes and operations of the MSE and delivered the purpose of the firm. This perspective extends identification of SSCM to include an ecosystem of relationships (Letaifa, 2014, Marshall et al., 2015). Here, a broad suite of stakeholders was integral to the purpose of the firm and the rationale of co-creating social value.

Given these findings, and the positioning of SSCM as practice, the data suggests that for SEO firms the definition of SSCM by Seuring and Müller (2008) requires updating. The definition has been extended to explicitly include communities and to replace co-operation with collaboration and co-creation. This is significant as it reflects a change from SSCM relationships being helpful (co-operation), to working together (collaboration), and creating value through integration (co-creation) (Ramaswamy, 2009, Ramaswamy and Ozcan, 2018).

Information has been replaced with knowledge to reflect both information flow and the importance of new knowledge through R&D. Importantly, the order of the wording has also been amended to present the hierarchy of environment, then social and then economic as
presented in the pro-ecological logic, with the additional wording highlighted in grey. This research therefore proposes that for SEO firms:

‘SSCM practice is the management of materials, knowledge and capital flows as well as collaboration and co-creation among companies, institutions, and communities to meet the goals of sustainable development prioritising the environmental, social, and economic needs of the firm and its ecosystem of stakeholders’ (adapted from Seuring and Müller, 2008 p. 1700).

The exploration of the co-operation concept is beyond the scope of this study but for more information from the SCM field, where co-operation and co-opetition is a strong focus, see Pathak et al. (2014). Further discussion the contribution to SSCM dynamic capabilities through the concept of social value co-creation is developed in section 6.3.3.

For MSEs in the East London cluster seeking to innovate their SSCM capabilities, the fundamental SEO of the firm and its founders and staff was central to why and how it delivered a particular balance of social value. This was evidenced by Case 2, who achieved continuous growth for the last 11 years, with no external investment. The COO specifically cited that they were different from many other companies as they did not have a finance director. He said this enabled them to review opportunities for them to develop their creative practice, their contribution to the community, and their circular purpose.

The important issue here is that SEO firms engaging in informal and formal cluster activities can contribute to the local economy through growth and good employment, but that this is not their purpose. Specifically, the SEO MSEs value their craft and the collaborative and creative process for innovation in their products, processes, and services. In seeking to transform their SSCM capabilities, and those of the wider industry, they also seek to create social value through improving environmental outcomes and community engagement.

RQ.4. How do fashion MSEs in the East London geographic cluster create social value through their supply chain management practice?

Proposition five: For SEO MSEs in regional agglomerations SSCM practices and co-creation are necessary behaviours in forming the SSCM dynamic capabilities to create social value.

Several SSCM studies have conceptualised facets or categories of SSCM practices as the micro foundations of SSCM dynamic capabilities (Beske, 2012, Gruchmann et al., 2019, McDougall et
al., 2022). In this study the co-creation of cluster ecosystems is identified as an additional necessary aspect that explains how SEO MSEs develop dynamic capabilities. Nonetheless, this research agrees with these previous studies in that the position “SSCM practices and dynamic capabilities as being embedded in a continuous iterative process” (Gruchmann et al., 2019 p. 778).

However, this research adds to knowledge in the specific case of creative clusters. Here, it is the iterative relationship between SSCM practices and the co-creation of the ecosystem that reconfigures the SEO MSEs’ resources in response to dynamic markets. This leads to an opportunity for future research to evaluate the SEO construct in relation to ecosystem co-creation and the co-creation of value beyond recognised or established creative clusters, and those in other related industries such as artisan food production.

The objective of the transformation of resources is the co-creation of social value. Importantly, and supporting the perspective of Marshall et al. (2015), the ecosystem represents an extended supply chain encompassing non-traditional supply chain partners, such as research organisations, local institutions, and local communities, as well as access to their local and global networks. The identification of these actors in the creation of social value is supported by Bailey and Lumpkin (2021) who consider the role of communities, regimes of support, and enterprises in creating positive social change. However, their work does not explicitly consider the co-creation of social wealth (which they term civic wealth).

The co-creation of social value is both the objective and result of dynamic SSCM capabilities. SEO MSEs in the fashion cluster sought to meet social needs in terms of fair and inclusive employment, growth and development of their stakeholders, and prioritising pro-environmental supply chain practices. They aimed to stimulate societal change through the proactive pursuit of innovation through knowledge co-creation, providing future case studies, and open-source capabilities as a resource to influence and enable the actions of others.

Finally, they looked to develop and evolve not only their own product, processes, and business models, but also new organisations to respond to specific needs, such as community hubs (e.g., Case 2 and 5), innovation labs (e.g., Case 4), or indeed organisations that were able to respond to social needs in the pandemic (e.g., Cases 1 and 4).

Social value is, therefore, identified as being created at three levels:

1. Socio economic value.
2. Sustainable knowledge creation for enhanced environmental and social outcomes.
3. Societal value creation through community development and support of marginalised communities.

In presenting the nature of value creation further examples are presented from the MSE case studies but also from an SME who participated in study 1. This enables consideration of SEO and SSCM innovation for social value creation when MSEs scale. The data comes from both the primary research and publicly available material, as such the examples continue to be presented anonymously.

**Socio-economic value**

Reflecting the finding that only some SEO firms aspire to scale, two differentiated means by which they contribute to socio-economic value creation can be identified. First, in the traditional sense of contributing to local employment, driving the local economy, and contributing to export sales, the example of two of the SEO cases can be explored.

Specialist manufacturing appeared to have the most scope for wide scale employment and for training and development, particularly in marginalised communities. For example, Case 1 was involved in the transformation of a derelict building into a fashion studio hub for East London. The studios were launched in 2020, and by March 2022 housed 39 micro and small businesses including a new production unit for the social enterprise. The hub supported start-ups and established and growing businesses, including LFW brands with strong export sales.

The space also provides mentoring and training programmes, and local community outreach activities. The initiative, therefore, co-creates social value through good employment and training, and supports future employment growth through interaction between the space providers and mentors supporting these businesses to scale. Through the processes of regeneration of a derelict space local value is co-created by the integration of local government, regional government initiatives, and the MSEs taking part.

Separately, case 4 who stated that they did not wish to scale their manufacturing unit, also contributed to socio economic development and the potential for increased employment in the area. By acting as a beacon firm, they attracted new businesses to the location, co-created new business ventures, and worked with the local government to develop space and business support systems. Both businesses promoted the need for a London living wage.
Sustainable knowledge creation for enhanced environmental and social outcomes

This category of social value creation reflects the importance of knowledge development and the knowledge economy for sustainable products, processes, and business models. Here, the value lies in transforming processes to reduce harm to the environment and society and promoting processes and R&D into ecologically positive opportunities. This category of value co-creation may in time also lead to opportunities for local employment and export growth.

Two differentiated activities can be identified as knowledge sharing and influencing, and innovation and R&D. All four of the SEO cases welcomed the local community, customers, students, and other businesses into their business premises to share challenges, insights, and best practice. This kind of value creation is also reflected in the sustainable entrepreneurship literature where Gregori and Holzmann (2020) find that sustainable entrepreneurs “increase awareness and education regarding sustainability issues, which is often an additional outcome of their business model” (P. 6).

In this research, three of the SEO MSEs built consultancy and/or training and mentorship into their business models to both grow their influence and support the financial viability of their portfolio of activities. In a sense this reflected a move up the value chain and supported business growth without scaling from the core or requiring volume growth, although this may happen.

Case 2 provided a strong example of this where the founder both leads his own eponymous LFW label and acts as design director for a global activewear brand. In addition, the MSE, which is moving towards a medium scale, has a responsible design consulting business and the three activities form the pillars of the business model. In 2021 the MSE collaborated with a space provider and a placemaking consultancy to design and develop a 3500 ft² space for “community-led co-creation with a focus on positive fashion, climate action, and the circular economy” (Space Provider’s website).

The second area is around direct R&D and proof-of-concept projects. Here, the example of the Case 4 innovation lab is worth re-visiting. With funding from the AHRC creative clusters programme, and space provided through the local government, the project is in the process of developing the skills and technological resources to build the UKs only sustainable wash lab. This is a resource that was previously only available overseas. The innovation lab is to be open
source, available to students and other brands to develop more sustainable ways of working with materials.

For the MSE it creates a new set of local manufacturing and processing capabilities, meeting their purpose to connecting with the local community of makers. For the local government it develops a commercial resource and draws new businesses and employment opportunities to the area. For other brands it provides a resource and skill set they did not previously have access to. For the BFTT creative cluster it meets their aim to "innovate, research and develop the next generation of products, services and experiences in the fashion, textiles and technology sectors, with sustainability as the driving force" (BFTT, n.d.).

Societal value creation through community development and support of marginalised communities

The previous two categories of social value creation contribute to social value in the wider community. However, here it is appropriate to consider social value specifically targeting social need in marginalised groups. This is typically the sort of value that is considered in the study of social enterprises (e.g. Tate and Bals, 2018) and social innovation (Lawrence et al., 2014) where the focus is on novel solutions for pressing societal needs.

Case 1 responds to a social need for training and development within prisons and using garment making as a source therapeutic activity. The social enterprise benefitted from developing their upcycling proposition and were able to grow and develop their second unit beyond the prison environment, identifying marginalised communities for training and employment in East London. This helped to develop their own commercial income stream to support future developments and support more communities.

Clearly, as shown through the case studies, the three types of value creation are not mutually exclusive. As a final exemplar Social Enterprise x is presented to provide evidence of how all three types of value can be created whilst scaling from a small to a medium enterprise. Social Enterprise x contributed to study one and from data collected and from open-source materials, it can be identified as having all the proposed attributes of SEO. Founded 14 years ago, it has scaled considerably, evidencing the dynamic capability to seize opportunities and transform capabilities through co-creation.
The social enterprise was established with financial support from local government and with the investment of a global fast fashion e-tail business who supported and benefitted from the firm’s ambition for ‘ethical’ production in East London. Together they founded a manufacturing unit and a stitching academy. It was set up based on transparent production and employment practices. It aimed to incorporate as sustainable manufacturing processes as possible, and from its inception it adopted the best ‘available’ technology to run its production. More recently, it benefitted from the installation of an integrated virtual design and production system with its fast fashion partner.

In January 2021 it partnered with an ethical clothing company, funded by Leicester city council, to train and develop manufacturing skills. This is significant given the poor reputation and issues widely reported in fast fashion factories in the region. In August 2020, with the support of the Welsh Government and the support of a space provider, they also took over a factory in Wales and saved the job of 75 specialist seamstresses. Their production capacity increased from 15-20000 units to 30,000 per week. Finally, in 2022, again with funding from its fast fashion partner and in collaboration with a digital printing engineering company, the firm opened a micro factory where cloth is printed on demand in house to order, providing the first vertical factory in London. The press release highlights the contribution to SSC manufacturing capability:

“This project will provide a widely-applicable proof of concept for the fashion industry – a “micro-factory” production centre empowering producers to consolidate the end-to-end fulfilment experience to a single site, minimizing the logistics and waste associated with complex international supply chains, and quickening speed to market. Furthermore, it offers a compelling proof case for distributed manufacturing models, whereby producers can fulfil from multiple manufacturing hubs across different regions.”

Thus, regional cluster initiatives can generate employment and scale revenue. Additionally, for the SEO firms within them, the co-creation of the ecosystem provides opportunities for SSCM innovation driving their social and environmental performance. Therefore, the value of the creative clusters, as seen in this study, is in aiding transformation of industry best practice and where the positive benefits of this can be generated at a wider scale generate employment and economic growth.
6.3 **Theory Elaboration and contribution**

The data analysis led to the elaboration of the existing SEO construct, which is positioned as an antecedent to SSCM dynamic capabilities. In so doing it also elaborates the DCF by proposing the objective of SSCM DCs is the co-creation of social value. It repositions SSCM from being instrumental in developing competitive advantage and profit maximisation, as in the seminal work by Carter and Rogers (2008), to being integral in creating social value.

This section, therefore, discusses the novel contribution and of the research and opportunities for further research and for practitioners in the field under three headings

- Elaboration of the SEO construct for SSCM.
- Exploring the co-creation of social value through SSCM in clusters and ecosystems.
- SEO as an antecedent to SSCM dynamic capabilities.

The section concludes with the re-presentation of the conceptual framework from Chapter 5, where the elaboration of SEO plus SSCM and the DCF present a new synthesised model of sustainable business for social value creation.

### 6.3.1 Elaboration of the SEO construct for SSCM.

The data from the case studies showed that the EO and SO constructs viewed separately did not properly explain the evidence from the interviews. In consideration of the development of advanced or dynamic capabilities Aslam et al. (2020) considered the impact of EO moderated supply chain learning orientation on supply chain capabilities. Marshall et al. (2015) found that sustainability culture mediated by EO led to advanced social supply chain practices. The limitation of these approaches was the prioritisation of one orientation over another, when the empirical data suggested that for a group of MSEs their entrepreneurship and sustainable purpose where inextricably linked.

Markman et al. (2016) considered a group of firms which they identified as sustainable, ethical, and entrepreneurial. Like the findings of this study, they defined them as organizations that are often organized with hybrid values, seeking to regenerate the environment and drive positive societal changes, rather than minimizing harm. They also identified that they often “use novel business models or methods of innovation to advance sustainable practices, and/or rely on governance that incorporates social and environmental stakeholders and operating principles” (p. 676). The contribution of this study is to identify the behavioural dimensions of
the firms’ strategic orientations and align these with SSCM DCs for the co-creation of social value.

Through the CR process of redescription the study considered the existing SEO (Criado-Gomis et al., 2017) and socially entrepreneurial orientation constructs (Kraus et al., 2017). Ribeiro-Soriano and Piñeiro-Chousa (2021) identified that research into SEO “remains nascent even though social entrepreneurship has received increasing attention in both academic research and practice” (p. 111).

Whilst the social and SEO constructs reflected the data in so far as sustainability and entrepreneurial orientations were co-joined, they had limitations in their ability to provide plausible explanations of why and how the SEO MSEs in the study behaved. Specifically, the current SEO (Criado-Gomis et al., 2017) construct did not adequately explain the behaviours of the cluster MSE firms regarding their pro-ecological purpose and value co-creation leading to the opportunity for theory elaboration (Ketokivi and Choi, 2014).

In the strategic management literature the construct of EO is positioned as behavioural rather than dispositional (Covin and Lumpkin, 2011). That is, it focuses on firms’ behaviours enabling market entrance, rather than on the disposition to enter new markets (ibid.). As such, this thesis argues that any combination of SO and EO should follow this behavioural perspective. This is the first limitation of the existing sustainable entrepreneurial orientation construct, where sustainability is positioned as a disposition towards TBL values rather than a set of sustainable behaviours.

This led to the opportunity not only to consider the specific dimensions of EO, including the additional EO constructs of autonomy and competitive aggressiveness, but also to conceptualise SO behavioural dimensions. The data analysis resulted in the identification of autonomy as an additional EO dimension and four new dimensions in place of the TBL. This is significant as the TBL remains a core aspect of SSCM literature, yet has been criticized as a contested topic, where often the environmental and the social aspects are instrumental in the firms prime objective of competitive advantage and profit maximisation (Gao and Bansal, 2013, Montabon et al., 2016).

Table 25 sets out the elaboration of the SEO through the four seminal papers to the proposed multi-dimensional behavioural construct.
<table>
<thead>
<tr>
<th>Dimension</th>
<th>EO as a Unidimensional (UD) construct (Miller, 1983) (Covin and Slevin, 1991)</th>
<th>EO as a Multi-dimensional (MD) construct (Lumpkin and Dess, 1996)</th>
<th>SEO as a UD construct EO+SO (Criado-Gomis et al., 2017)</th>
<th>Social entrepreneurship orientation (UD) (Kraus et al., 2017)</th>
<th>Sustainable entrepreneurial orientation (UD) This research</th>
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<tbody>
<tr>
<td>Risk</td>
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<td>√</td>
<td>√</td>
<td>Social risk</td>
<td>√</td>
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<td>Proactivity</td>
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<td>Social proactivity</td>
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<td>Innovation</td>
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<td>Competitive aggression</td>
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<td>Sustainable TBL orientation</td>
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<td></td>
<td>Dual economic and social orientation</td>
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<td>Socialness</td>
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<td>Pro-ecological purpose</td>
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<td>Co-creation</td>
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<td>-Sustainable goals</td>
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<td>Activism</td>
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Table 25: Comparative table of EO and SEO evidencing the elaboration of the SEO concept.
The shaded elements in the SEO visualisation, at the bottom of the table identify the new dimensions. In this next section the new dimensions are justified as novel contributions and further opportunities explored.

First however, it is important to acknowledge the lack of evidence of competitive aggression as a dimension. The case study data highlighted a lack of perceived competition between both LFW firms and those SEO firms outside of that system. When probed, the firms were confident in their creative product differentiation and their brand positioning. They did not feel that they directly competed over product or services.

There were competitive processes evident within some of the MSEs’ activities, for example in seeking prize funding and R&D opportunities, but this was not an aggressive stance. Rather, it was a necessary and established process within the industry. Given the niche nature of fashion MSEs there is, therefore, an opportunity to track the MSEs who choose to scale and whether there is evidence of more aggressive competitive behaviours in so doing.

**Autonomy**

Autonomy was not included in either the SEO or the socially entrepreneurial orientation constructs. The findings of this research consider this a significant gap in understanding how MSEs “drive new ventures to fruition” (Rauch et al., 2009). This aligns in part with the notion of independent action, however, autonomy for SEO firms more specifically relates to the freedom to adhere to their purpose, to manage growth on their terms, and to undertake projects that would not pass more traditional turnover and profit related metrics.

In the literature, autonomy is considered a positive dimension for businesses with a social mission, which may free firms from industry norms (Lumpkin et al., 2013). However, contrary to previous findings (ibid.), in SEO firms collaboration does not inhibit independent modes of operating. This is likely to relate to the cluster context and the scale of the firms, where the ecosystem of like-minded MSEs with the autonomy to make pro-ecological decisions and take business risks enables them to pursue multiple collaborations.

These findings, therefore, provide a new view on the importance of autonomy for SSCM innovation and social value creation, where, contrary to the findings of Lumpkin et al. (2013), autonomy was not impacted in social contexts. Significantly, it facilitates collaborative action for value co-creation. However, the desire for autonomy has the potential to limit growth, where the SEO firms are not willing to compromise on their purpose. As such they are less
likely to seek traditional investment routes for growth, where profit and market share are prioritised. Future longitudinal research could consider the impact of the desire for autonomy over time, particularly in those firms seeking to scale. This is particularly important for those for-profit firms, who as medium businesses have less access to start-up and growth funding.

**Pro-ecological purpose**

The elaboration of the SEO construct challenges the current focus of SSCM and the DCF on competitive advantage and TBL metrics. SEO firms prioritize pro-ecological benefits over profit maximisation. To the best knowledge of the researcher, this is the first study to provide empirical evidence of a pro-ecological purpose as a behavioural dimension explaining the development of SSCM dynamic capabilities.

Evidence of a pro-ecological purpose responds the call of Matthews et al. (2016) and (Montabon et al., 2016) for a new paradigm in SSCM research. In so doing, the purpose of the firm and its ecosystem of relationships, become central concepts through which mechanisms for social value creation are explored. Whilst the review of SSCM literature found evidence of a growing body of research into the decision trade-offs, morals and values of individuals and firms, there is no real focus on the purpose of firms.

There is a small body of literature in the strategic management field exploring purpose. Similar to the concept of pro-ecological purpose, for example, Karns (2011) explored the construct of a stewardship model for business purpose “emphasizing service to the common good” and for the “well-being of people and planet” (p. 342). Like this research Domínguez-Escrig et al. (2019) found that stewardship behaviours promoted the development of successful innovation. However, the limitation of the stewardship concept is that is focused on reconceptualising the purpose of businesses through the actions of corporate leaders rather than providing a clear framework explaining why and how a distinct group of firms operate.

In the sustainable entrepreneurship literature Muñoz and Cohen (2018) proposed that a focus on purpose-driven entrepreneurship could integrate diverse perspectives and provide a greater understanding of entrepreneurs “who aspire to also achieve positive social, environmental, and local economic outcomes” (p. 317). Specifically, this research identifies that the pro-ecological purpose of MSEs has implication on the potential scalability of SEO firms, where, as Gregori and Holzmann (2020) also found, entrepreneurs ‘consciously constrain’ activities due to their social and environmental logic.
However, the data has also provided evidence that a pro-ecological purpose can lead to scale through the development of multiple business models and activities, as well as scaling pro-ecological industry practice via direct influence, activism, and knowledge spill-over. The impact of this is local and cluster based, but can also impact activity in other regions, as evidenced in the case of Social Enterprise x.

The British Academy launched a major research strand into business purpose in 2017, with their subsequent report stating:

“Corporate purpose is distinct from the consequential implications for the corporation’s profitability and shareholder returns. The purpose of corporations is not to produce profits. The purpose of corporations is to produce profitable solutions for the problems of people and planet. In the process it produces profits, but profits are not per se the purpose of corporations” (British Academy, 2018 p. 16).

Their work reflects the purpose of MSEs identified in this research, providing guidance for corporate leadership and policy, but it does not provide a framework explaining behaviours. This research, therefore, contributes to the development of knowledge concerning the purpose of MSEs operating in clusters, and the role of purpose in SSCM innovation. It positions SSCM DCs as the means by which firms may create social value, where profit is not an equal element as in the win-win of the TBL. Economic sustainability is a necessary element of the firm’s operations and ambition, but profit maximisation and competitive advantage are not the prime objective.

SSCM has become one of the primary research areas within SCM (Carter et al., 2019). However, given the dominance of the economic performance in SSCM Gold and Schleper (2017) stated that “a coherent theoretical foundation for guiding companies towards a stronger integration of sustainability into their operations and supply chains is still missing” (p. 427).

In the sustainable entrepreneurship literature SE firms are considered as ‘key actors’ in sustainable development who drive innovative business models “that create positive social and environmental impact” (Gregori and Holzmann, 2020 p.1). Despite this, understanding how entrepreneurs create these multiple forms of value has not yet been sufficiently explored (ibid.). Waldron et al. (2016) asserted that there was still a lack of understanding of the
phenomena in theory and in practice, and Gast et al. (2017) cited an opportunity to explore the specific values that drive ecological entrepreneurship.

This research, therefore, provides empirical evidence of why and how firms innovate their SSCM capabilities for pro-ecological impact and proposes an elaboration of the SEO, SSCM and the DC frameworks to theoretically underpin it. This contributes to both theory and empirical understanding of the values that drive practice leading to three forms of social value. It also addresses a gap in the SE literature through research into embedded relationships that create sustainable entrepreneurial opportunities (Muñoz and Cohen, 2018, Johnson, 2020). Future cross disciplinary research could develop understanding of SEO and SSCM DCs as mechanisms explaining entrepreneurial opportunities and behaviours in different contexts, over time.

**Activism**

Unlike the dominant discourse in SSCM regarding activists, the SEO construct positions activism as a behaviour not of the firm’s stakeholders (although it may indeed be) but of the MSE itself. Considered a key aspect of the MSEs agency for sustainability, this research presents activism, the desire to change the industry, as a key motivation or purpose of SEO firms. This differs from other research streams identified in the SSCM literature review, which consider the impact of NGOs and other activists on the positions and processes of the firms. Most frequently activism is aligned with the concept of reputational risk management.

Within the wider management literature some studies (Erpf et al., 2019, Martin and Osberg, 2007) consider the actions and activism behaviours of social enterprises. However, in these studies, activism is seen as a process of influencing the actions of others rather than direct action. The research provides empirical evidence that MSEs perform a hybrid set of activities. That is as entrepreneurs taking direct action to improve their own actions and those of their stakeholders, as activists they influence others through raising awareness and lobbying for political change, and in taking direct action to improve the situation of marginalised communities.

Whilst the activism dimension is a novel contribution in the SEO construct, the concept of ‘influence’ is considered in the SE literature. For example, Waldron et al. (2016) explore how social entrepreneurs used rhetoric to influence the adoption of socially focused industry practices. There is also a small but growing body of work looking at the CEO activist in larger
corporations (Chatterji and Toffel, 2018). The activism of entrepreneurs and their firms may provide a rich stream of research with a focus on the impact of provocation and activism on SSCM innovation and industry transformation.

**Co-creation**

In the conceptual framework, co-creation was positioned as a necessary behaviour in creating the ecosystem within the cluster. There has been a proliferation of co-creation papers since the early work by Prahalad and Ramaswamy (2004) who considered interaction as the locus of value co-creation, where the agency of individuals ‘co-construct’ contextualised value through interactions within networks. This research follows this positioning of value co-creation but enhances understanding of the interaction between the MSEs, institutions, and the wider ecosystem of relationships in the context of creative clusters.

In considering value creation for sustainability, Freudenreich et al. (2020) proposed the inclusion of societal stakeholders who “are both recipients and creators or co-creators of value in joint value creation processes” (p. 4). This research supports this perspective and provides a novel understanding of the role of shared values and purpose in enabling the co-creation of ecosystems for social value. It also addresses the opportunity to understand the roles and relationships of different stakeholders in co-creating social, environmental, and economic value creation in communities or regions (Neumeyer and Santos, 2018).

### 6.3.2 SSCM and the co-creation of social value

To date there are no specific SSCM studies focusing on the co-creation of social value. Fletcher et al. (2016) considered the co-creation of value between retailers and retail customers in social value chains but did not extend this to consideration of a broader suite of SSCM stakeholder interactions.

This research provides empirical insight into the co-creation of business ecosystems in clusters, where the proposal of SEO as an antecedent to SSCM DCs combines insights from the field of sustainable entrepreneurship into the field of SSCM. It extends the perspective of scholars (Kähkönen and Lintukangas, 2018, Lusch, 2011) who positioned collaboration within supply networks as co-creation of value for the firm and other the beneficiaries. It fills a research gap in the wider literature concerning co-creation processes for innovation in SMEs identified by Loureiro et al. (2020), and in considering a wider set of stakeholders, beyond the direct physical supply chain.
Despite the focus on creative clusters contributing to local economic development becoming mainstream (Bloom et al., 2020), some early work considering cluster supply chains e.g. Tolossa et al. (2013), and Stevens and Johnson (2016) proposing that global supply chains were transitioning to “collaborative devolved supply chain clusters” (p. 29), there is a gap considering the impact of clusters and, more specifically, the co-creation of value in ecosystems in the SCM and SSCM fields (Wagner, 2021).

Entrepreneurship and innovation scholars identified that the topic of entrepreneurial ecosystems was at a nascent stage (Terán-Yépez et al., 2020). This research addresses the opportunity to consider dynamic networks and social capital to help entrepreneurs and local government incorporate business ecosystems within their communities (Terán-Yépez et al., 2020, Johnson, 2020 ).

In so doing, it highlights the co-creation of value between the firm and its ecosystem in multiple ways. This breadth of value creation is supported by Pullman and Dillard (2010) who stated that value is likely to be grounded in the firm’s broad set of supply chain relationships and stakeholders, where shared values and orientations can result in a portfolio of values rather than a single outcome. Lusch (2011) proposed that value co-creation networks have a purpose. Whilst he focused on the purpose of individual wellbeing, which also emerged within the case study data, in this study this extends to a collective wellbeing, a need for environmental and social wellbeing for sustainable businesses and communities to thrive.

The concept of co-creation has been criticized as not fully reflecting the challenges of differing concepts of value and resource provision, where co-creation presents an unrealistic ‘angelic’ vision of markets (Cova et al., 2011). The potential for this challenge is even greater in the concept of co-creation of social value. This research acknowledges this challenge, but it was not in the scope of the study to address this issue. However, it does present an opportunity for further research to explore the evolution of relationships and impact of specific co-creation activities in SSCM over time.

### 6.3.3 SEO as an antecedent to SSCM dynamic capabilities

In their recent review of sustainable entrepreneurship Terán-Yépez et al. (2020) identified DCs as an emergent topic within the literature citing the work of scholars (Criado-Gomis et al., 2017, Criado-Gomis et al., 2020) who suggested that SEO should be viewed as a dynamic
capability enabling firms to use their entrepreneurial behaviours to integrate sustainable practices into company strategy.

The findings of this research lead to two significant challenges to this positioning. Firstly, for SEO MSEs sustainable practices form the central spine of company strategy; seeking out sustainable opportunities for new markets, processes, and business models to create social value. Secondly, following the work of Aslam et al. (2020), who established EO as an antecedent to dynamic supply chain capabilities, this research proposes the SEO as an antecedent to the creation of SSCM dynamic capabilities, rather than being a dynamic capability in itself.

In the conceptual framework proposed by this research, the SEO of MSEs drives their SSCM capabilities and their ecosystem co-creation. There is an iterative relationship between these two capabilities and the development of SSCM dynamic capabilities. This extends the understanding of the iterative relationship between SSCM basic capabilities and the development of dynamic capabilities (Beske, 2012, McDougall et al., 2022).

However, the significant difference from the SSCM and dynamic capabilities literature is that the objective in transforming resources in dynamic markets is to co-create social value rather than economic value and competitive advantage. This is in contrast to the work of Beske (2012) who considered that competitive advantage related to the economic value created by the firm and to value realised by the target user from lower costs or higher perceived value.

Gruchmann et al. (2019) was closer to the perspective of this research by identifying that SSCM dynamic capabilities improved the environmental and social performance of small firms and helped them maintain competitiveness with traditional (not SSCM) firms. There is, therefore, an opportunity to explore the impact of the SEO orientation and social value co-creation on the relative performance of MSEs seeking to scale over time.

The dynamic capabilities of SEO MSEs may improve the operational effectiveness of supply chain activities, but these firms did not seek to compete through superior supply chain effectiveness, rather, they sought to enhance industry-wide sustainable practice. This is a significant difference in so far as it brings into question the value of inimitable resources for SSCM, within the VRIN construct (Barney, 1991), which underpins both the RBV and dynamic capabilities.
For fashion firms in the creative clusters, their VRIN capabilities resided in their creative process and their product and brand positioning through which they co-created value with customers and collaborators. Through their SSCM R&D and innovation adoption they did not seek competitive advantage, rather they sought the knowledge and resources for industry wide SSCM practice transformation.

Here then, imitation is not just something that can be done by firms to improve their SSCM performance (Gruchmann et al., 2019), it is an industry wide learning and practice trajectory sought and enabled by SEO firms. Further research could develop understanding of the impact of open-source R&D, activism, and industry provocation by MSEs and other firms. It could explore the duality or otherwise of both inimitable and imitable capabilities within firms and explore the tensions that this may lead to. It could also explore the value impact of SSCM practice on alternative measures such as those aligned with the UN SDGs (Silva and Figueiredo, 2020).

Finally, this research differs from the SSCM literature in not trying to identify specific capabilities which have been extensively covered. For example, in a meta study of extant literature relating to dynamic capabilities and the natural resource-based view, McDougall et al. (2022) found 213 capabilities which could be assigned to the three stages of sensing, seizing, and transforming. Taking the view as stated by Teece (2007) that specific capabilities are hard to define and firm/context specific, this research contributes to the understanding of how firms develop their SSCM dynamic capabilities in creative clusters, rather than aiming to identify what the specific SSCM capabilities are.

### 6.3.4 Implications for practitioners

One of the core challenges that stimulated this research was the lack of evidence that cluster initiatives lead to business growth (Siepel, 2020). Given the prime ambition of the UK creative clusters initiative to contribute £150 billion gross value added and create 600,000 jobs by 2023 (GOV.UK, 2018 para. 8.) it is essential to understand why this may be.

This study provides empirical evidence of new conceptions of business purpose and evidences alternatives to the ‘dominant discourse’ of growth (Touboulcic and Walker, 2015b p.34). SEO firms do not see growth as binary, that is, it is not about scale for either profit or simply social value maximisation. Rather, growth is embraced only in so far as the pro-ecological purpose of the firm is not compromised. This could limit the impact of dynamic capabilities for social value
creation, for example, by limiting opportunities for training and development of fair and inclusive employment.

It also brings into scope the opportunity for a discourse regarding the construct of no growth or ‘de-growth’ as a new paradigm for sustainable business and SSCM. Government should therefore seek to measure cluster performance not just in terms of economic growth and employment, but also in helping sector innovation toward sustainability, with the opportunity to incorporate metrics aligned with the ambition of the UN SDGs, or climate goals.

MSEs with SEO seek sustainable opportunities for growth through a diverse set of purpose driven activities. Some MSEs develop their environmental and social impact through the development of their commercial activity and others in seeking to influence and develop communities of sustainable practice. Both represent specific opportunities for social value creation through research and business development policy.

Those SEO firms who desire to keep their business to a human scale and are community centric can be targeted for collaborative projects for open-source innovation. Their reputation, activism, and collaboration lead to them acting as local beacons and to communicate new sustainable resources, practices, and business models. Their co-creation of value is knowledge and community development based.

Those firms who desire to scale can benefit from targeted programmes to enable them to do this, whilst supporting the prioritisation of their sustainable, pro-ecological performance. These firms have the potential to create both larger scale socio-economic value from their direct activities as well as value co-creation through their pro-ecological purpose.

This study highlights an opportunity to track the impact of SEO firms over time. Firstly, mapping the enablers and barriers of purpose driven firms seeking growth would provide insights for policy and cluster initiatives. Equally, empirical studies evaluating the impact of MSEs focused on changing industry practice and policy over time would provide valuable insights into targeting and justifying investment in R&D and collaborative projects.

The findings from this study also have implications for two discrete types of industry practitioners choosing to locate or already located within regional clusters. Firstly, for the founders and supply chain managers in MSEs, it evidences the benefits of co-creation. Secondly, it evidences that collaborative research and exploring new initiatives that that are
not immediately focused on profit generation can be beneficial in accessing resources. For traditional firms, a more collaborative approach could give access to R&D, business system resources, and management mentoring which would enhance their ability to thrive in dynamic markets.

As Gruchmann et al. (2019) says, micro and small firms have the ability to drive innovation for sustainable change. This study extends understanding of the potential impact of SEO MSEs in clusters, where the ecosystem of relationships provides them with local resources and an agglomeration of like-minded organisations to develop innovative practice within the wider industry that reflects their ecological purpose. It is important for MSEs and other practitioners to realise the benefits of being located in a cluster are amplified if they engage in local collaboration and co-creation activities.

This perspective is supported by evidence from study one, where an established manufacturing firm reached out to an HE and local government funded R&D programme but was rejected on the basis that the research was not “about doing business,” it was about supporting sustainable ambition. Seeking R&D and business support in creative clusters requires a deeper understanding and reframing of opportunities. Benefits for the firm may be realised not in competition with others, but in collaboration.

Equally, however, for cluster institutions, the dominant focus on MSEs and SMEs with a sustainable and entrepreneurial orientation may only realise supply chain innovation, employment, and export growth so far. This leads to two further specific recommendations for cluster institutions and funding managers. There is an opportunity to leverage the skills and knowledge held by well-established and local businesses who may not present as seeking sustainable innovation.

It is not that these firms would not transform their supply chain capabilities to achieve a more sustainable performance given support and access to resources, rather their learned procedures have not historically embraced them. These firms do not appear to have the dynamic capabilities to respond to the changing landscape and may well struggle to respond to new market opportunities. There is an opportunity to retain and develop their making skills and grow local employment through a proactive programme of support. This would remove the closed loop of ‘sustainability funding’ to support broader opportunities for practice change and growth.
In addition, it is important for cluster institutions to acknowledge and develop a partnership with MSEs, not as the beneficiaries of initiatives, but as the co-creators of the ecosystem. Whilst medium and large organisations have the budget to fund research and challenge programmes, these programmes would not succeed without the entrepreneurial agility of MSEs.

The research therefore provides key insights into the cluster SEO MSEs’ positions, processes, and pathway choices around which specific programmes can be developed. That is harnessing the impact of beacon MSEs, leveraging their activism for social and environmental change and, understanding the two attitudes that have emerged to risk and scaling. It challenges the current government focus on metrics simply aligned with economic growth and employment, highlighting the opportunity for more ecological and social value related measures. Finally, it provides empirical evidence for practitioners of the benefits of cluster co-creation and collaborative innovation.

**In conclusion**

The thesis strengthens the link between the topic of supply chain management and social value creation to provide proper insight into strategic entrepreneurial activity in clusters and ecosystems. It builds on the management theories of value co-creation, entrepreneurial orientation, entrepreneurial ecosystems, dynamic capabilities, and non-market criteria to explore social value. In so doing it recognises that firms can be “considered as social and political beings, not just economic agents” (Bach and Allen, 2010) para 3.

In elaborating the SEO construct this research has evidenced how the trajectory of SSCM practice is integral to the social value creation of the firm. It is the means through which SEO firms seek to address environmental and social opportunities for value creation. In so doing, it promotes discourse around the purpose of the firm and the impact this has on SSCM innovation and the transformation of industry practice more widely. The conceptual framework, therefore, presents a new model of sustainable business for social value co-creation.

SEO+SSCM+DCF drive the transformation of industry sectors and improve the delivery of social value through co-creation. In seeing innovation in SSCM as an industry resource, rather than as a means of competitive advantage, SEO firms create social value in three ways. The creation of socio-economic value through good employment, sustainable supply chain knowledge creation
for enhanced environmental and social outcomes, and local community development and support of marginalised communities.

The conceptual framework re-presented from chapter 5

Finally, to reflect the empirical evidence from the cluster the definition of SSCM has been updated to include a consideration of the community and co-creation. Sustainable supply chain management practice in SEO firms is defined as: ‘The management of materials, knowledge and capital flows as well as collaboration and co-creation among companies, institutions, and communities to meet the goals of sustainable development prioritising the environmental, social, and economic needs of the firm and its ecosystem of stakeholders’ (adapted from Seuring and Müller, 2008 p. 1700).

**Validity and generalisability**

Like Pauwels and Matthyssens (2004 P. 3), this research’s epistemological stance is “context bound” and represents an “intersubjective reality”. Both phases of the research meet their ‘four pillars’ approach to the development of case studies. That is, theoretical sampling, triangulation between respondents and observed events, a pattern matching logic visually represented through the data structures, and juxtaposition between the cases and iteration between data and theory.

It is acknowledged in CR that generalisations may emerge, but these are contingent and limited given that they are formed by the effect of causal mechanisms within a specific set of contextual conditions (Easton, 2010). The benefit of the embedded design and focus on MSEs
was that the single context meant that the juxtaposition between the cases and respondents become more identifiable, which in turn lead to generalisations which are more accurate due given the shared context and conditions (van Bockhaven et al., 2015). Thus, the research provides deep insights into the social contexts and stakeholder relationships within fashion creative clusters.

This could lead to a limitation in the generalisability of the findings. However, for SSCM researchers and practitioners the findings of the research are generalisable in contexts of clusters and the creative industries more generally. This is important given the gap in SSCM knowledge about clusters. The UK Creative Clusters programme itself covers a range of industries including: broadcast and screen industries; data and design; animation and video games; digital storytelling; and creative audio visual (AHRC, 2018). This extends consideration of physical product supply chains to services and products as identified by (Carter et al., 2019). Additionally, the findings of the research would extend to other sectors such as artisan food clusters throughout the UK and the regeneration of the potteries and ceramics in Stoke, in the West Midlands.

Beyond the UK, the European commission identified that there were more than 1500 clusters in more than 200 EU regions, accounting for 25% of total employment (Europeancomission, n.d, para. 1). As with the UK, there are multiple funding opportunities for micro and SMEs in the creative industries within the EU cluster programmes. The specific contingencies around scale, clusters, and the creative industries therefore suggest that the findings of this study may be generalised within the EU. However, the specific impact of cultural differences may represent an additional contingency which would require exploration, both beyond London and the UK.

With regards to generalisability across scales of businesses the research has shown how the SEO construct and its relationship with SSCM + DCF extends to medium size enterprises through the presentation of Social Enterprise x. Equally, given the growth in movements like B Corp, where medium and large businesses position environmental and social outcomes as integral to their strategic objectives, the SEO construct could be generalisable beyond into some larger firms. This leads to the opportunity to test the replication logic, for further comparative case studies across business scale, geography, and sectors. Equally interesting, given the dominance social value studies within the BOP, would be to explore the SEO + SSCM + DCF construct in developing economies.
6.4 Further limitations and opportunities.

The previous section addressed the first limitation of study related to a single geographic and industry context. Each of the remaining limitations of this study leads to future opportunities which are set out below.

The second limitation relates to access to partners along the MSEs supply chain. Whilst a diverse set of both direct and extended supply chain stakeholders contributed to each case, the impact of the Covid 19 pandemic was that access to some of the supplier base of the MSEs was limited due to ‘lock-down’ closures and furlough. There is an opportunity to develop a more detailed mapping of the discrete supply chain and ecosystem relationships, to explore the extent of value co-creation activities and the impact on supply chain partners within the cluster and beyond.

The third limitation was the timescales involved in the study. The data collection spanned a 12-month period that encompassed one of the most dramatic challenges to both society and commerce since the Second World War. It enabled an understanding of the application of dynamic capabilities during a period of dramatic change, however, the results are predicated on relatively short-term actions and relationships. Therefore, there is an opportunity to follow the cases in this research over an extended timeframe, to understand the true impact of SEO on SSCM dynamic capabilities and social value. This timeframe would also provide an opportunity to understand the long-term impact of cluster initiatives and the UK governments creative clusters policy on SSCM capability development, on industry transformation against sustainability targets such as the SDGs.

The final limitation considered here is the potential for bias when applying an abductive research design to a limited number of cases. The flexibility of the case study approach, sometimes described as opportunistic (Seuring and Müller, 2008), is one of its strengths but also a limitation. The sample for this study was selected from a relatively small community of MSEs interacting with cluster initiatives. Whilst the theoretical sampling ensured that MSEs were differentiated by their activity and type of cluster interaction, the SEO construct was identified through the high degree of invariance between a core of four cases. There is, therefore, an opportunity to deductively test the presence of the new SEO dimensions across a wider sample of firms. There is an opportunity for a quantitative study exploring the presence of the SEO and its antecedence to dynamic capabilities and social value creation.
The very dimensions of the SEO construct represent potential new fields of study for SSCM. Specifically, this research highlighted opportunities for researchers to embrace topics that are emerging from strategic management and other disciplines, such as the behavioural sciences, and which have been introduced in this research, namely:

- SSCM and the purpose of firms.
- SSCM and the activism of the firm for industry provocation.
- SSCM and inimitability versus imitability in the VRIN construct.
- The purpose of firms related to issues of growth and de-growth. Of social value creation through influence and/or scale.
- Dynamic capabilities to transform incumbent businesses towards SSCM capabilities for social value creation.

Finally, this thesis addresses the criticism of the field as insular and closed providing the potential to break away from the “paradigmatically homogenous body of work” (McCarthy et al., 2018 p. 609). In focusing on sustainable learning ecosystems in clusters and SSCM innovation this research provides an explanation of why and how enterprises can move beyond environmental and social-harm reduction to social value co-creation.

The role of dynamic SSCM capabilities in driving new sustainable markets and products represents a new direction for SSCM research. Social value maximisation becomes a necessary goal for both not-for-profit and for-profit enterprises and their supply chains ‘to meet the needs of the present without compromising the ability of people in the future to meet their needs’ (Brundtland, 1987).
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7 Appendices

7.1 Theoretical approaches in the SSCM systematic style review

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<td>Institutional theory</td>
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<td>Dynamic capabilities</td>
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<td>Stakeholder theory</td>
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<td>Resource dependency</td>
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<td>Organisational justice theory</td>
<td>1</td>
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<tr>
<td>Resource Based View</td>
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<tr>
<td>Ecology dominant logic</td>
<td>1</td>
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<tr>
<td>Bases of power</td>
<td>1</td>
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<tr>
<td>Social capital theory</td>
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<tr>
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<th>Authors/Year</th>
<th>Notes</th>
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<tbody>
<tr>
<td>Gruchmann et al. (2019)</td>
<td>Carbone et al. (2019) McDougall et al. (2022); sustainable value chain and dynamic capabilities de Moura and Saroli (2020)</td>
<td></td>
</tr>
<tr>
<td>Fischer et al. (2020)</td>
<td>Svensson et al. (2018), Busse (2016)</td>
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<td>Gold et al. (2015)</td>
<td>Silvestre et al. (2020)</td>
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<td>Anisul Huq et al. (2014)</td>
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<td>Pullman and Dillard (2010)</td>
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<tr>
<td>Alghababsheh et al. (2020)</td>
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<td>Longoni and Cagliano (2018)</td>
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<td>Montabon et al. (2016)</td>
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<tr>
<td>Alghababsheh and Gallear (2021)</td>
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</table>

Table 26: Theoretical approaches in the systematic style review of SSCM literature.

7.2 Observations and attendance at cluster events.

18/5/2018- Next steps for regional innovation policy - developing clusters, strengthening university-business collaboration and priorities for the Knowledge Exchange Framework. Role: attendee

14/6/2018- Transforming Designer Fashion with Immersive Technologies. Digital catapult event on immersive technologies R&D. Role: attendee

26/7/2018- Launch event and presentations. Trampery Fish Island studios. Role: attendee


5/6/2019- Define retail tech start-up and MSE business development bootcamp. Role: observer

20/6/2019- Future of Waltham Forest Fashion Thrive event: round table discussion with local businesses, government, and HE researchers. Role: observer

7.3 Study 1 population and sample mapping

It is to be noted that the 2 training/HE facilities were also manufacturing units, thus increasing the effective number of manufacturing units to 4. The percentages are rounded up or down to nearest whole number.

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</thead>
<tbody>
<tr>
<td>Manufacturing units</td>
<td>n.22 -32%</td>
<td>Some manufacturing units were also training units- included under training below</td>
<td>n.18- 24%</td>
<td>n.2- 10%</td>
</tr>
<tr>
<td>Design related atelier and sampling unit</td>
<td>n.6 - 9%</td>
<td>There is a fine line between ateliers and manufacturing unit’s dependent on scale &amp; growth</td>
<td>Included in the above</td>
<td>-</td>
</tr>
<tr>
<td>Training and FE facilities</td>
<td>n.6 - 9%</td>
<td></td>
<td>n.4- 5%</td>
<td>n.2 – 10%*1</td>
</tr>
<tr>
<td>HEI institutions -HE R&amp;D centres</td>
<td>n.6 - 9%</td>
<td>Several institutions had developed separate centres of activity – identified separately within the sample population</td>
<td>n.5 -7%</td>
<td>n.2*2 - 10%</td>
</tr>
<tr>
<td>Industry network/ trade body</td>
<td>n.4 -6%</td>
<td></td>
<td>n.4 – 5%</td>
<td>n.2 -10%</td>
</tr>
<tr>
<td>R&amp;D Lab</td>
<td>n.1 – 1%</td>
<td></td>
<td>n.3- 4%</td>
<td>n.1 -5%</td>
</tr>
<tr>
<td>Textile / fabrics accessories/ wholesale</td>
<td>n.11 – 16%</td>
<td>Most of these companies were very small units, several had closed, and many were also high street outlets.</td>
<td>n.4 -5%</td>
<td>N/A</td>
</tr>
<tr>
<td>Import/export/wholesale</td>
<td>n.3 – 4%</td>
<td>Tended to be garment traders</td>
<td>N/A</td>
<td>0</td>
</tr>
<tr>
<td>Distribution / logistics warehousing</td>
<td>n.2 – 3%</td>
<td></td>
<td>N/A</td>
<td>0</td>
</tr>
<tr>
<td>Service</td>
<td>Included Percentage</td>
<td>Description</td>
<td></td>
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<td></td>
<td></td>
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<tr>
<td>Space providers</td>
<td>n.5 – 7%</td>
<td>Space providers also provided incubators and/or financial support</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Business support</td>
<td>n.1 – 1%</td>
<td>Expanded to consider innovation/incubator investment labs – the number of which had expanded considerably.</td>
<td></td>
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<tr>
<td>Media support</td>
<td>n.2 – 3%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Designer Fashion brands</td>
<td>Not included</td>
<td>Whilst these were cited a key to the cluster, they were not identified in the report.</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>However, many were identified through the Fashion district/ BFTT website as participating partners and contributors</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fashion technology MSEs</td>
<td>Not included</td>
<td>As above</td>
<td></td>
<td></td>
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<tr>
<td>Local government</td>
<td>Not included</td>
<td>As above</td>
<td></td>
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<tr>
<td>Large retail commercial</td>
<td>Not included</td>
<td>As above</td>
<td></td>
<td></td>
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<tr>
<td>cluster sponsor</td>
<td></td>
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<td></td>
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<tr>
<td>Supply chain consultancy</td>
<td>Not included</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>n.69</td>
<td>n.75</td>
<td></td>
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</tbody>
</table>

Table 27: Study 1 population and sample mapping

*1 training provider also offered manufacturing (small and medium scale production 1-15,000 units per week).

*2 HE institutions provided cluster management/networking and financial business.

development support – listed under their main activity.

*3 Space providers also provided incubator/business development support.
7.4 Study 1: Topic guide: micro fashion businesses

Wording adapted for different respondent organisations and roles.

Introduction and warm up

- Introduction of the study and thank you for participating
- Stakeholder introduction
- Company, nature of their organisation and ‘value creation’, position and role of respondent

The East London fashion cluster overview

- How do you feel you about being in East London as a firm/ brand?
- Is this important
- Why did you choose to locate /engage with firms in East London?
- Explore cluster resources including- probe
  - customers, suppliers, marketing, creative, space, skilled staff, access to “knowledge”, resources & entrepreneurial resources
- Has this changed over time?
- What does the ELFD/ East London mean to you.
- Who would be identified as key stakeholders? How do they influence the cluster?
- Who are influential firms in the cluster (lead/ anchor etc) ...
- How innovative is the cluster?

The firms

- What is the vision for your business; who owns/ drives this...
- Importance of entrepreneurialism?
- Has this changed over time?
- How would you describe your (strategic) objectives?
- And business values?
- Economic, social, environmental, innovation- probe
- How important is the network in London/ being part of a local industry?
- What types of (fashion) firms are do you work with in the cluster area?
- What are they good at?
- What are the life-stages of firms? Small, start-ups, bigger firms you work with?
- Does that affect the relationship? How would you describe relationships?
- What do you consider to be your business network... suppliers/ other fashion firms/ stakeholders, HE colleges, media, industry groups etc...consumers etc.?
- Which are the key resources or capabilities that these firms have?
- And where else is your network located?
  - Does the relationship differ from that with ‘local’ firms?

The supply chain/ business network

- Who supports you in your business development, and the wider business?
- How would you describe your supply chain?
- CMT, fully factored etc- probe
- How has this changed over time?
What’s the nature of the relationship?
mentor, transactional, learning, collaborative- probe
Trust and power?
What are your biggest challenges today, and how dealing with them?
How can the objectives of your customers/ network firms be described?
And their business values?
How do you make decisions between manufacturing firms/ who you deal with?
How do you manage the relationship?
How are these supported/ enabled by being in the cluster area?
What are the value/ supply chain gaps? How do you overcome these?
How can the types of relationships (supply chain and business development) in the cluster area be described?
Who are your customers?
How close are you to your customers; how important is access to innovative customers (in London)?
What network or relationship activities are firms / stakeholders involved in?
Within or beyond your supply/ value chain, industry sector?
If yes, why, and how are they beneficial? How?
How do (or could they in future) cluster activities better support fashion MSEs organisations strategic supply chain/ value chain development?
Who/ which are examples of active fashion firms or co-op/ collaboration in the cluster?

Wrap up

Thank you for a really useful and interesting discussion
Anything else you think might be important to consider?
How use the data, comfortable with participating.
close.

7.5 Study 2: Discussion guide

Wording adapted for different roles and organisations, as appropriate.
Study two discussion guide:
Nature of business

- industry, age, size, sales, number of employees?
- number of beneficiaries/customers, suppliers?
- geographical involvement (local, regional, national, global)?
- Stakeholders?
- ownership structure, governance, decision making (formal, informal)@
- entrepreneur’s/entrepreneurial team’s education and work experience?
- What are your sources of revenue & funding?

Objectives & performance

- What are your business goals, how do you measure these?
- What are your long-term objectives and why? To probe:
  - Growth strategy: what is your life-stage – how does this affect how you develop your capabilities?
  - business/revenue growth, new products/services/markets, internationalisation?
• income from new/different sources (e.g., donors, competitions research funding)
• environmental
• How far into the future do you plan or consider for strategic planning?
• What are your business values/priorities? To probe:
• Economic growth, profit, value creation business opportunity?
• Sustainability, Environmental sustainability / animal welfare; eco efficiency
• people – employee focus, social, ethics and transparency. Has this changed since the pandemic?

Business resources

• How would you describe the strengths or capabilities of your business? To probe:
  • Design, product quality, innovation
  • Production, supply chain, agility and speed, innovation
  • Collaboration, learning and skill development?
  • What do you consider your key resources?
  • Tangible, intangible- human, network, and social relationships?
  • Has this changed/ will it change because of the pandemic?

Supply chain or contribution to your customers extended supply chains.

• Can you describe your current operation?
• How would you describe your supplier / customer relationships? To probe:
  • Timescales, mutual growth, learning & innovation
  • Power and trust relationship
  • How competitive is the market, supply, and distribution relationships?
• Are you currently seeking new relationships, what, why & how?
• Do you contribute/ network with the wider supply chain of your customers or collaborators?
• Has this changed/ will it change because of the pandemic?

Cluster and geographic resources?

• Thinking about your location do you benefit from local resources/ skills? To probe:
  • Supply chain proximity and accessibility
  • Training a development of making and supply chain skills.
  • Entrepreneurial ecosystem, cluster co-creation, skills, and knowledge spill over
  • Has this changed/ will it change because of the pandemic?

Developing capabilities

• What resources or capabilities do you need to develop to meet your goals and values?
• How are you planning to go about this? To probe:
  • Time, financial resources, collaboration, R&D, skill building
  • information exchange, systems/ process co-ordination
  • How important is seeking new products/ processes/ new value creating opportunities?
• What’s your approach for looking for new opportunities and introducing new products?
• do you innovate in your supply chain and how do you or your partners see the value in this?
• How do you decide which projects and opportunities to invest time and money/ resources into?
• Has this changed/ will it change because of the pandemic?

Thinking about taking risk

• Do you enter into new projects without a degree of certainty around their success- can you explain?
• What are risks worth taking?
• What risks would you not consider?

Collaboration/ competitive aggressiveness

• Do you find your ‘market highly competitive?'
• If so, what are your competitive risks or opportunities now and in the future?
• Has this changed with the pandemic?
• Do you proactively seek out partners or collaborators?
• If so, how?
• What is the nature of the relationship, who with?
• Have you had to make hard decisions recently about your relationship activities?
• How does your set of values impact your wider network relationships and supply/ value chain relationships?

Wrap up: Thank you for such a rewarding conversation, is there anything we haven’t covered that you may wish to add?
7.6 Study one second order themes and Quotation evidence.

<table>
<thead>
<tr>
<th>Cluster Intangible resource codes</th>
<th>Selected additional evidence</th>
</tr>
</thead>
<tbody>
<tr>
<td>London: Intangible resources: A creative and collaborative learning ecosystem, place curation and relationship management</td>
<td></td>
</tr>
<tr>
<td>A creative collaborative ecosystem</td>
<td>“East London attracts fashion designers as loads of them are start-ups - and there’s loads happening. Which I find inspiring- for us I guess it’s because I mainly work in East London, that’s where I have my friends and I guess that’s where our audience is” R.5</td>
</tr>
<tr>
<td></td>
<td>“I see myself in East London. I guess it’s also a place for fashion start-ups as you get lots of inspiration and hang out together. Its social, I love that about London, you have the opportunity and it’s easy to set up a company. So, I set up with 3 friends of mine and we met here in London. We either worked together or friends of friends and we all have different skills”. R. 1.</td>
</tr>
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<td></td>
<td>“I think London to me feels like a heartbeat where there’s a melting pot of very credible fashion designers... who are more experimental...and I think we’ve got a very good ecosystem of start-ups in the tech-sphere. And I think what we’ve seen is people going to fash / tech meet ups with a willingness to share and collaborate- as everyone realises that they need to collaborate to be truly innovative. It’s like London definitely offers that opportunity for both sides to come together. And the feedback we have from the start-ups is that there’s a meeting point when they come here and that’s why they come” R. 15</td>
</tr>
<tr>
<td>Entreprenurial learning environment</td>
<td>“I made London my home with a high-end designer as their atelier coordinator, where I was working very closely with the design and garment tech team making things happen. I could actually see, there in that environment, how theory meets practical actual knowledge. So, in that I almost catapulted myself forward, I could see was that the basis of ‘xxx’ (business name). That’s where our USP is that is where we think forward for the designer” R. 3.</td>
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<td></td>
<td>“I have to say 10 years after coming from London, and it may be different for younger people with ‘Brexit’ and everything, but for me it was a welcoming culture. And always very encouraging, which I enjoyed. As I said I grew up in Austria where they don’t have this positive thinking about risk–and about everything. And that is something I really enjoyed about London. You are definitely encouraged to do something...” R. 5.</td>
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</table>
|  | “I think the fascinating part was that some did not know they were mentors, but definitely people I used to work with, my former boss, ..., she was incredible. I liked to listen to the way she speaks about the industry and how she approaches it in a commercial way. But I also have people outside – in tech for example, and I was very open minded about trying out innovations. I was lucky enough to work with them- these kinds of people really inspired
me. With the right kind of mindset, with vision, you can go with innovations, it doesn’t matter how big or small you are” R. 5.

“So, what we’re really interested in is getting industry to really think about what’s coming, so that they can prepare for it and so they’re not left behind by other industries who are adopting it”. R. 11.

“We’ve mainly been in East London; due to the support being here. We started in Dalston, with the support of Fashion East, and then the CFE [both fashion incubator/ accelerators] which provided business space and entrepreneurial support. We’ve grown quite quickly, first in the UK and Japan and then China through [our customer London based luxury multi- brand store] now we’re developing in the US.” R. 7.

Heritage and place curation

“The more we are meeting more old school makers, who have been down the road for 120 years. So, there’s a lot of history and culture and we started looking into how East London was built as the true manufacturing hub –and there’s not many left so, we wanted to align with that East London value. Here was organic and we didn’t want to move out of East London after we started... I would say we are very close to other manufacturers in London” R. 3.

“So yes, it’s about us creating spaces within existing London neighbourhoods...You know we wouldn’t take on a space if it didn’t have a previous history, about how creative it would be for the creative economy and how that new creative economy version that were going to create can support what’s already existing in terms of the neighbourhood. Businesses sharing our social values informs our (place) curation” (R. 16).

“Its historical that they were there, or their clients or contacts are there. So even the designers are based in Hackney as their fabric is bought there, on the other side their making and distribution is also there” R. 14.

“The overall values for the district I would say is to create the ecosystem required to have a successful fashion and technology sector based in London. So, all the elements, skills, space, funding & business support to nurture them... all of that. The values from that economic and social development for the area, global positioning of London as a leader in fashion innovation. It would be supporting manufacturing (made in Britain manufacturing) and support the revival of East London fashion (which is already happening)”. R. 11.

Relationship management

With the challenges we have a push -pull effect. We are having to be more proactive with the SME’s. If we get that right they co-create, and we get more proactive partners.... A large part of my job is to develop the network. I see them and to try and connect up the different members of the supply chain. Spaces, investment, innovation, connections, skills”. R. 11.

“I adore these designers, so I really want to work with them so even if they don’t take a space here or at Poplar, we take a really long-term approach to how we will work with these people- if we truly believe in their design
principle and their ethos- what they’re going to do socially then we will bring them into our business programme or our network and utilise our events to do what-ever we can because it is a long- term thing... [In] getting a really long project here we can think about what that knowledge will be, and we have never been a closed community in terms of how we operate. We will have events here, but the majority of the events will be external but it’s about opening up real life interactions. We are a very small team, very nimble team, but whenever anybody comes to us, we never say, ‘you’re not part of us’...and that’s the longer terms vision”. R. 16.

<table>
<thead>
<tr>
<th>Cluster</th>
<th>Tangible resource codes</th>
<th>Selected additional evidence</th>
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<tbody>
<tr>
<td><strong>Tangible infrastructure resources</strong></td>
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<tr>
<td>Incubator and Business support</td>
<td>“We’ve mainly been in East London due to the support being here. We started in Dalston, with the support of Fashion East, and then the 2 yrs. with (fashion incubator/ accelerator) which provided business space and entrepreneurial support. We’ve grown quite quickly, first in the UK and Japan and then East through (London based luxury multi-brand store) ...now we’re developing in the US”. R.7.</td>
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<td>“So, we work with them to understand the questions to ask of their factories, to truly get into the product development side. How that information feeds into a network of information is what the principle of this whole thing is about. So, for example a brand coming into the network in 5 years-time can access a data base either that will allow them to have informed conversations, to know how to cut corners to have a greener supply chain” R.16.</td>
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<td>“If they’re in the Blackhorse Lane creative enterprise zone they can be part of the forge creative enterprises programme which is all about how to grow. And then, I’m trying to use the Leyton green studios as a lever to find out the needs of the other fashion businesses. Because business support is an integral part of the fashion business, we should be able to plug them in somewhere. Forge is delivered by creative united. It came out of a creative workspace project, which we did with the GLA, so they contributed to some capital refurbishment costs and we agreed to deliver business support, to the businesses that were in those spaces”. R. 17.</td>
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<tr>
<td>Financial support and R&amp;D</td>
<td>“Our challenge is always resources and time so we can’t do those things which are all required when applying for funding. We know there are people who can help us. But we don’t have the time and the human resources to dedicate to filling in forms and making pitches and going to meetings. We’re really trying to make trousers and run our business”. R. 4.</td>
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<td>“we’re at the beginning of our activism and social impact and the aim is to create a long-lasting legacy within the community. So, there are 3 strands within the project... education, community, and manufacturing. So, it’s kind of ideation and networking. The council provided me with a list of over 40 manufacturers and we selected 3 who had more ambitious visions. And then</td>
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we activated three residencies 3 months tackling specifically sustainability challenges, which we identified in my scoping phase.” R. 12.

“Funding is an issue, there is money available, but if you talk about the politics of accessing that money it’s very difficult, because even internally there are lot of different departments, going for the same funding. I know a couple of other associates who were about to put in a bid and turns out another dept put in a bid and they had to cancel theirs and that damages relationships with who they were doing the bid with”. R. 11

Space

“People will move out due to cost. [We] have been offered Poplar fashion works space and we’re considering options at the moment. We are considering move to Southeast London as up to £200 per month cheaper for premises than in the [the] East.” R. 7.

“All of this [manufacturing space] will be housing at some point...they are looking for a space for us somewhere, but you can guarantee it will be smaller and more expensive! It is keeping, competitive the whole time- it’s being in London, paying minimum salary (and we pay much more than minimum). So, it’s about being able to treat our workers correctly with respect and all of that and also being able to have a business. And that’s really difficult. Because you can easily screw everyone around and make a profit.” R. 2.

“In Poplar we will we have some basic criteria for businesses to ensure that we are supporting the local economy and entrepreneurs in the best way possible. We businesses connection to the local community, entrepreneurial skills, sustainability, and creative talent.” R. 16.

| Tangible supply chain resources: agile, local, learning orientated supply chain; barriers and opportunities for growth |
| Supply chain proximity |
| “Our suppliers are definitely most of them based in East London, in a Stratford workshop actually. We have a good relationship with our manufacturers here. I am originally from Russia which is very useful as a lot of the people who have businesses are from Lithuania and I learn a lot from them. I go there and build the relationship- it’s a no brainer really. When you go there and you have a product and even you have thought of everything, they always have a better solution; from every trimming or finishing – such a great expertise its incredible. So, I really enjoy being so close to our product. R. 5.

“The best thing about London is that it copes with everything. It can turn out fast fashion, it can do couture, pretty much everything from tailoring and separates-10 years ago we didn’t do softs, but now were doing softs and silks...” R. 18.

“So, we have 3 areas of production, the factory, which is mainly [ large value retailers] and then we’ve got the couturier, which is the bit in the middle, although there is a bit of overlap with the factory- so they will make for [ mid- market high street retailer UK label]. So, then we have the studio which is no fabric no trims it’s just CM and we have about 70 different clients many of which show at LFW.” R. 2. |
“The feedback we are getting is (and we’ve converted some who were in Portugal, even in China or Italy) that they find it easier to nip out of their office to talk about a problem before 1000 hours/ steps were put into it and we have to undo it all. So, the feedback has been [about] proximity, low carbon footprint from their point of view, ease from their perspective in terms of we understand the product, we understand the process (I’ve worked for designers, so I know what they mean) and they want flexibility” (R.3).

“In the wider picture we need manufacturers, photographers, etc. to create a garment district in the true sense. If we can really shrink the supply chain down and inform/ influence a more sustainable supply chain... but in the short term, it’s about how much we can get within touching distance. We are planning a central space for making completely manned and managed [by us], and there are going to be other ateliers and manufacturers, we have lithograph printing, a facility for studios at the smaller end. 100 – 150 ft2, without capabilities” (R.16).

Supply chain learning and innovation

“So, I don’t see myself as an educator I’m a transient medium passing on what I learn. So, we work with a UKFT provided mentor and business coach and through them we have quite a network in the industry who may be mills, may be other manufacturers and designers of course”. R. 3.

“So, we can do those small productions and we do like doing it. It’s kind of a great way to connect with other people and other customers challenge you to improve your processes all the time. If we just were doing our own product it would be, not boring, but you need the external challenge. Often, we find that we form really strong partnerships with these brands. It is in our ethos to help young brands and designers to develop denim making, because they cannot do it anywhere else. We’ve worked with over 40 brands doing between 10-1000 pieces for the and seeing them grow; we’ve had a hand in that. We’re really keen to support the growth of denim making in the UK, so for us the more the better”. R. 2.

Our Innovation comes in the digital sense of fashion and our processes. Because we are a young company, we are quite digital savvy. And the feedback we get from our clients is that we are very organised. And the organisation comes from our online systems that we have created... R. 3.

We have been involved in the FD and we’re involved with professors from various universities and researchers, we work with them on their projects, one is working on how to make digital printing more environmentally friendly. So, we’ve got our fingers in a lot of pies...R. 2.

“I have heard factories talking about the initiatives- and saying why it’s not going to work and laughing about what some of these organisations are thinking. They are not talking to each other. I] You know bringing them into the 21st century. Giving them grants to invest in machinery. I mean they’re not in a position to compete with Europe. I recommend for people to sample here and manufacture somewhere else” R. 19.
<table>
<thead>
<tr>
<th>Topic</th>
<th>Description</th>
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<tbody>
<tr>
<td>Skills training and development</td>
<td>“So, the factory I mentioned have a workforce all of 55 plus, they haven’t employed a new person in years and don’t have interest in doing it as it would take 5 years to train, - he doesn’t care if it ends… there’s no one to pass it on to …If they just trained up one person- they’ve got over a 2 million £ business the…but…” R. 11</td>
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<td>“It is a huge problem for us. We have a really strong team at the moment, and we rely on the fact that people who work for us enjoy working here, they are paid properly, it’s a good place to work and were a nice team. Everyone gets holidays and they stay. But at the same time, sometimes people are not well, they retire, holidays etc. Being such a small team when you lose just 1 person you lose a person who can manage an operation.” R. 4.</td>
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<td>Xxxx is the main name of the company, xxx is the [mentoring/support] website with 32000 users. Half of it [the business] is making garments all the way from design, pattern cutting, so we’re not vertical but were as vertical as a UK factory can be. We don’t make our own fabric. And then we’ve got the training and development side which cuts across an awful lot. R.2.</td>
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<td>Lack of scale and verticality</td>
<td>“London is unique, in comparison to Portugal where the verticals are adjacent. Whereas here everything is bought in… so London is a CMT place. What there isn’t is the print facilities….one of the things I’m looking at is the option to get a digital printer here…so we can do 3-500 print runs and print our own sample runs… flexible. R. 8.</td>
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<td>“UK factories say that with Brexit their business will increase for us it’s the opposite, all our fabrics are from Europe” so would have tax on material to bring in. Actually, its simpler to source all abroad” So, I really enjoy being so close to our product. If we start growing, we may have to look abroad, the sad fact is that in the UK there are not many options. But I really enjoy doing as much as I can in the UK. R. 7.</td>
</tr>
<tr>
<td>MSEs resources and orientations</td>
<td>Selected additional evidence</td>
</tr>
<tr>
<td>Social capital: Business network relationship orientation</td>
<td>We went to a factory... it’s been in Bow for over 40 yrs. It’s massive. It does contracts for Burberry, Aquascutum. They do men’s outerwear. They have no website, they turn down business, they just don’t have the capacity, but you’d never know about it!” R.11.</td>
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<td>“There is a real issue behind designers and manufacturers, and no-one addresses it, no one talks about it, but educating the entrepreneurs coming into the industry- there’s a massive resistance and no money, and nobody wants to do the same kind of work on the manufacturing side. So, this perpetual wheel of you screw me and I’ll screw you”. R 19.</td>
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</table>
| Designer                                  | “And that’s one of the wonderful things about the designer fashion industry is that it’s not super competitive with each other…. coming up through the
| Proactive collaboration, a learning network | British fashion council system, which is incredibly supportive, the relationships we have with other brands are really strong. [Designer] went to university [in London] with other people that now are stakeholders within the industry and so has those relationships already and is able to draw on them for help and guidance” R. 7. 

“I don’t want 1 rule as we have at the moment. Let’s be honest you are seen as a successful designer when you show at fashion week. Where there are important people at the front row. Even if you are mentally broke and exhausted, that doesn’t matter to anyone. So, come on... that needs to change.” R. 5. 

“They talk [established LFW designer] will help [smaller brand]. [smaller brand] will help[start-up]... They will pass factories... Established business, don’t want you to know [their factories], but between themselves they will share and support. There is a community. They will support in each other’s fashion shows...they don’t stop helping, [when they grow, they] become a mentor.” R.14. 

“I’d say all of those tech start-ups, they’re going to all the same events and networking things. They’re part of a community. More so than the fashion designers who are definitely more closed. They may be more open within their own location, so if they’re all in the same building with their studies they might share ideas and help, but I feel with the tech side It’s not about that. It’s about putting themselves out there and wanting to meet up” R. 1. |

“The people who we engage with now are the proactive ones- i.e., xxx gets a load of benefit because she is super engaged, and she’ll always help us. So, if there are any opportunities, I’ll always send them her way. And it’s tricky as if people don’t reach out to me, I don’t have time to scope all people.” R. 11. 

“So, I don’t see myself as an educator I’m a transient medium passing on what I learn. So, we work with a UKFT provided mentor and business coach and through them we have quite a network in the industry who may be mills, may be other manufacturers and designers of course. I’m a young businesswoman, I have a lot to learn, and I’m open to that learning ”. R.3. 

“For me it’s about nurturing and working together, and we can’t be expert in absolutely everything. We have to look to people to help us and guide us. And we’ve learnt- I didn’t start out with this, I started as a designer” R. 9. 

 “[We are] organising lunches with a principled question about social change or innovation for good. Yes, the classic supply chain is one where no one shares information or tells anyone what, that’s an anathema, we don’t need to have those conversations here”. R. 16. 

“We work on co-branded products- true collaboration with brands, we normally do one at a time, we only do one as it’s complicated or there may be conflicts of interest”. R. 4. |
### Social capital: long-term sustainable supply chain management learning orientation

<table>
<thead>
<tr>
<th>Investment in long term relationships, a mutual growth trajectory</th>
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<tr>
<td>“So, we can do those small productions and we do like doing it. It’s kind of a great way to connect with other people and other customers challenge you to improve your processes all the time. If we just were doing our own product, it would be, not boring, but you need the external challenge. Often, we find that we form really strong partnerships with these brands. It is in our ethos to help young brands and designers to develop denim making, because they cannot do it anywhere else. (R. 4). We’ve worked with over 40 brands doing between 10-1000 pieces for the and seeing them grow; we’ve had a hand in that. We’re really keen to support the growth of denim making in the UK, so for us the more the better”. R. 4</td>
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<tr>
<td>“...our first client is still our client now... our retention rate is very high. Most designers work in cycles as they sell in cycles, so most book us up in advance, that’s why our growth trajectory is linked to our designer’s trajectory. We’re quite open about people coming to our studio, we want them to see where they’re made and the relation of the making of the clothes to their brand... And, if we have more of those designers, we can create lines for each of designers to stay with us” R. 3.</td>
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<tr>
<th>Supply chain-based learning</th>
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<tr>
<td>“We look for partnerships that will really build a story and embed the process of well-being and health. That process of going out into the world and having something very tangible that the participants can develop. So, 4 years on we’ve connected with more designers, we’ve done more upcycling of products, because of the way in which the designers are demanding changes in their business model and because of what is happening in the world around us.” R. 9.</td>
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<td>“Developing manufacturing knowledge is (factory) network orientated, not just East London location. One recommends another etc ... not much supply chain [information] comes from CFE contacts (oh yes there was one) and there wasn’t much supply chain in the mentoring support from other sponsors...which was mainly about brand development and developing exposure/ sales. R. 7.</td>
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<td>“we’ve got [digital design-manufacturing system] and we’re trying to get a sew-bot- really trying and a body scanner but obviously it would have to be given for us.... we’ve been in talks with a company which may use us as a centre of excellence and a training provider.” R. 2.</td>
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<th>Sustainable innovation through collaboration</th>
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<td>“a lot of fintech or corporate firms want to pilot with fashion start-ups because its sexy, and you can always have a project which looks so big and has huge impact but is small with small costs. We won a fashion futures prize for that. We went up against Burberry and H&amp;M...and we won! For us it’s easier to make it happen. If you’re smaller there are less people involved and it happens that you don’t have to change so much.” R. 5</td>
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<td>“If you’re working with larger companies there are rules, there are so many people and decision points which make it difficult”. R. 5</td>
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<tr>
<td>“We have been involved in the FD and we’re involved with professors from various universities and researchers, we work with them on their projects,</td>
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one is working on how to make digital printing more environmentally friendly. So, we've got our fingers in a lot of pies.” R. 2.

“It [collaboration] feels like probably the most are medium and small business, especially because were working with innovation. For us it’s easier to make it happen. If you’re smaller there are less people involved and it happens that you don’t have to change so much. If you’re working with larger companies there are rules, there are so many people and decision points which make it difficult.” R. 5.

**Human capital; valuing the team and growing skills**

| Growth and skill development | “And then we are looking to recruit a team, an actual production team. I’d like to recruit a business development manager to really push what’s going on across the business. We feel that it would be best to have xxx as a sampling development unit, so they collaborate with our customers to create the best of everything” R.4 |
|                            | “Typically, they’ll free-lance out pattern cutting, as whilst many have done it as part of a course, not many of them want to do it so that tends to be one of the earlier hire or outsource. Then an army of interns for sample making, so that tends to be first stage…. Especially if you’ve come straight from college and then for production if they get bigger.” R. 14. |
|                            | “We do run workshops on how to make jeans and also repair workshops and things like that – but a big thing of mine is I would like to be able to incorporate internships into what I do. As I always have so much to do, I could give that to someone, who would love the experience, and at the same time as a small company we are always fighting against our financial situation. And, because we believe in paid work, we would only want to take someone on unless we can pay them. And at the moment we can only take someone on if they can produce.’ R. 4. |
|                            | “And it aches me aches me that after all these years someone is asking them what they want, it’s not about what I want –I say, ‘you are a part of this growth’. And they would ask me who is paying for this hour, I say I’m paying for this hour, I want to get to know you, it’s not just a job and I want to make it worthwhile for you... an amazing environment for them to grow professionally and personally.” (R. 3). |

| Valuing the team | “It is a huge problem for us. We have a really strong team at the moment, and we rely on the fact that people who work for us enjoy working here, they are paid properly, it’s a good place to work and were a nice team. Everyone gets holidays and they stay. But at the same time, sometimes people are not well, they retire, holidays etc. and. As, being such a small team when you lose just 1 person you lose a person who can manage an operation.” R. 4. |
|                 | “For me it is important to pay everyone -if you talk about transparency and supply chain and responsibility then, you need to put the right working
conditions in for a business in London. So, we try to be as good as we can. We have three full-time, two-part time and six freelancers.” R. 5.

“What’s interesting is seeing how this gen z company works ... they have young people sat round and they’re collaborating; there’s no hierarchy... it’s all about the ideas generating- we were inhibited, and they are not... very collaborative in their mindsets...they come from it in a different way ...” R.18.

“Our biggest stakeholder is our team and we put a lot of weightage to their wellbeing. And we are hoping that the message we send out via them and by talking about them is that we take care of the people. We are trying to get some apprentice program and graduate programme and we don’t want people graduating out of fashion and working in a pub or a café with massive debt and we don’t want that. We’re trying to develop graduate placements so they can choose if this is an industry, they want to be part of. Trying to touch at grass root level, of implementing manufacturing and garment making in UK.” R. 3.

Set in traditional ways

“I think might be a historical thing about fashion roles and fear of failure. It’s like you know what you’re supposed to do, a hierarchy of decisions with less cross over. So, I feel that some of those decisions in tech start-ups want to understand how everything works and it’s a flat structure- and that’s how it works.” R. 18.

[some fashion firms] are very set in their ways and very stretched about what they can deliver. And, reliant on people doing favours and that is how the industry have moved along. If you ask them to put their hands in their pockets- unless they can really -- you know we always get asked by the big companies- what’s the ROI, they want to see an immediate result. R. 19.

Social and sustainable orientation

Supporting the community

“So, when [the founder] set up the company just over 5 yrs. ago he really founded it on the core values of community, connectivity, and collectivity and, so when-ever we are approach by universities, studies, other makers or people, we always come back to our values and that really drives our business and our brand. Rather than our actions being a reaction to market demands or people. We like to think about how can we (not be ahead of the game) but how can we be better how can we stay true to those values.” R. 4.

“We were at a life stage with good jobs and savings and we either could buy a house and mortgage or good jobs for the rest of our lives or do something together...to make a bigger impact, not only our lives but to those around us...and get to talk about it more passionately. We’re both passionate about it in our own ways but didn’t have the chance to do that. [Our business] has given us that.” R. 3.

Widening participation, diversity, and inclusivity

“We are teaching people to stitch who have never stitched before and were teaching people to make patterns and a lot of these people, not exclusively but a lot of them are long term unemployed and hard to reach, mental and physical disabilities so were trying to give them confidence which is half the battle in itself and the other half is retraining so that they can have some
value, get a job or start a business, to have some value. To get them off benefit and give them some self-worth.” R. 9.

“What I try and say is there are many sub skills or job roles which may give a good (may give a better) professional life other than a designer. So, that’s a key message and we hope to see through that key message is that more young people going into the trade of making clothes, and that will of course help industry grow, brings UK manufacturing and craft into the limelight.” R. 3.

“But when [the founder] set up the business she wanted to help people... So, we employ differently abled staff. She really helps the young designers and the people who go on our courses she helps them onto their next steps.” R. 2.

“What we’re trying to do is build widening diversity and inclusion in fashion through the creation of London living wage paid internships. As if you don’t offer them paid that cuts access for the disadvantaged.” R. 11.

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<tr>
<th>Sustainable decision making over profit</th>
<th>“And she could easily have gone off on her own and made big bucks, and she’s really not about that.” R. 2.</th>
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<td>“I guess the strength is how much everyone believes in what we’re doing, and I very grateful for that. Because I would never be here without that. Obviously when you start its very difficult to convince people, you constantly have to show you are achieving milestones. And now we all really believe in that mission fashion is about so much more and especially pushing for the empowerment agenda, we are a female driven team and its incredible to see how much can change, by doing little things and by doing a lot of them you can have impact.” R. 5.</td>
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<td>“Staying true to our values, although some of the projects we contribute to we don’t get anything out of them. I mean we say that, but we meet great people, we continue to grow our network, so to say we don’t get anything from it isn’t right. But we don’t necessarily see a money reward in it.” R. 4.</td>
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<tr>
<td></td>
<td>“We were at a life stage with good jobs and savings and we either could buy a house and mortgage or good jobs for the rest of our lives or do something together...to make a bigger impact, not only our lives but to those around us...and get to talk about it more passionately. We’re both passionate about it in our own ways but didn’t have the chance to do that. It [our business] has given us that.” R. 3.</td>
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<td>“Definitely, I feel that fashion is just the tool. Of course, it’s great to make beautiful clothes but for me it’s how fashion can do good. I would love to show that it’s possible to design a business and not harm anyone- not just improving the lives of those that are involved but you know – your work is a big part of your life to have great experiences day in day out. I would like to set an example, some people like that, others do not.” R. 5.</td>
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<tr>
<th>Sustainable networks/</th>
<th>“So, we work with them to understand the questions to ask of their factories, to truly get into the product development side. How that information feeds</th>
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ecosystems into a network of information is what the principle of this whole thing is about. So, for example a brand coming into the network in 5 years-time can access a data base, either an IOL or URL that will allow them to have a greener supply chain to have informed conversations to know how to cut corners to have a greener supply chain” R. 16.

“But in terms of the community thing we’re on the right track really. It feels like there is a momentum and there is a movement, When I speak with a lot of young people who come from the university visits that they are so engaged and switched on and knowledgeable and they are so aware of their consumer choices and the impact choices can have.” R. 4.

“The people who are doing the doing, the sustainability managers involved the groups are knowledgeable and care deeply and know what is happening and are totally pre-competitive, so you get very good discussion going on in those groups.” R. 21.

“So, if the industry is closed to that we see it as an opportunity. If we develop skills and processes for the circular economy, then we have designers who want to use those processes to grow. The next stage is to do research around technology as well as upskilling”. R. 9.

Sustainability activism

The brief for my post-doc was fashion activism, so how can we use activism to create content narratives towards sustainability in fashion? I am also representing [a]change network which is part of the committee for the move to Stratford... Actually, we are at the beginning of our activism and social impact, and sometimes it’s hard to capture it. R. 12.

“I would like to set an example, some people like that, others do not”. R. 5.

“One of the things were working on is this white paper to ensure stores have to buy a % of environmental product…. if there’s a legal thing then there’s a level playing field... Our researcher has a background in politics, she is working on policy recommendations for sustainable manufacturing.” R. 8.

Entrepreneurial orientation

Proactivity

“Fashion is changing so much as the moment... we have optitex [digital design to production system] ... with systems like Optitex I think in ten years time we’ll be making bespoke garments, but not at Saville Row proces...we’re also trying to get a sew bot [robotic stitching system]really trying, but it would have to be given to us.... we’ve been in talks with a company which may use us as a centre of excellence and a training provider.” R. 2.

“So, if the industry is closed to that as an opportunity- we see it as an opportunity. If we develop our skills and out processes around upcycling and the circular economy, then we have the designer who want to use those processes to grow their businesses then I believe it can grow.” R. 9.

Innovation

“Our next stage is to start to do research around, perhaps technology, what technology we will need to develop as well as upskilling. Because, yes, the upskilling is important, but actually the knowledge around increasing
Productivity is also very important. I’ve recently been in contact with someone at Boras university. “R. 9.

“I was very open minded about trying out innovations... I was lucky enough to work with these kinds of people really inspired me. With the right kind of mindset, with vision, you can go with innovations, it doesn’t matter how big or small you are.” R. 5.

“We have been involved in the FD and we’re involved with professors from various universities and researchers, we work with them on their projects, one is working on how to make digital printing more environmentally friendly. So, we’ve got our fingers in a lot of pies.” R. 2.

“All of the brands have some degree of innovation in regard to how they retail, advances in that – be it blockchain/ QR. Etc. I think there is an aversion to textiles innovation.” R. 16.

“Setting up sustainable washing facilities here in the UK. Either here .... or in partnership with the university, it’s still not clear how that could best work for everyone. The idea that it would function on various levels. First of all, for production for our brand and for other brands. For sampling service for larger brands who produce offshore but could develop their sampling and washing recipes here. And also, for students to open our doors like we do with our factory to understand washing innovation.” R. 4.

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<tr>
<th>Attitude to growth and scaling</th>
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<tr>
<td>“Growth is an interesting one. We love what we do at the moment, and we think we are at the capacity we can be with the space that we have and bearing in mind the skill shortage, cash flow ups and downs. We want to stick to this... the more you grow the further you may get from the core... and we don’t want to do that. So, there are other ways that we could grow, so one of the things we talk about is setting up a similar business but somewhere else, in a similar way to us in the UK or abroad we love the idea that a ...sister factory could be opened in Germany or Bristol” R. 4.</td>
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<tr>
<td>“And then we are looking to recruit a team, an actual production team. I’d like to recruit a business development manager to really push what’s going on across the business. We feel that it would be best to have the [unit name] as a sampling development unit, so they collaborate with our customers to create the best of everything and then hand it over to the production team. We want to create the income more in and through [the] Poplar [production unit].” R. 9.</td>
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7.7 Study two: second order themes and quotation evidence.

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<tr>
<th>Second order code</th>
<th>Selected additional evidence</th>
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<tbody>
<tr>
<td>Aggregate dimension: pro-ecological purpose</td>
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<tr>
<td>Pro-ecological decision making</td>
<td>“I think as a business because we’ve always done it and are strict with the 3R’s ethos (reduce, re-use, re-make) ... it’s built into everything we do, and the decisions we make.... So, B Corp is a good way of measuring that... It doesn’t make it any less challenging - but we think that’s our responsibility. Our responsible design in the first place does that heavy lifting... So, everything we do as a brand is driven by our strong and strict ethos... All decisions we make as a business fit into that.” COO case 2.</td>
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<td>“I think they’re connected; I don’t think you should look at them as separate things. I think when you start out you know what your values are, and you should stick with them. And if you don’t then this is when you start to sell your soul to the devil. And I see this a lot, it is so tempting believe me - I speak with the devil a lot. When I look at fabrics, there’s a beautiful polyester, but no there’s just no way that I could... or of course it’s tempting if someone says to you that you can grow your business in just a year by just not paying everyone. Wouldn’t that be amazing to be this huge business. Because you know what you stand for, you have these values, you can say no to them.” Founder case 5.</td>
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<td>“I don’t see it as a separate thing as everything we do stems from my (designer / collaborator) beliefs, there may be difficult decisions when a business asks us to do something that is right or moral. But I don’t think there’s conflict within what we do.” Collaborator / customer Case 1</td>
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<td>“I’m human first - and that’s the problem we have. People are so detached from the fact that the normal thing to be is a decent human being, right? Being human first it’s not cool, so people started to devise business as social or harm free. This is a problem in itself, as we divide things into economically viable or socially viable.” Founder Case 5.</td>
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<td>“Our utmost aim is personal sustainability first, and then with that second is social and environmental sustainability. So, we divide into three categories; we look at everything holistically, and as individuals we have that centre core. If we are happy with our jobs and our values, we create a better place to work, a community....and one day I determined to be a zero-waste business” Founder Case 4.</td>
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<td>“So, the important thing is - do we want to align with these people and how would the community benefit from it? And if the community will not benefit then of course we would not do it... So long as we don’t lose money from it, that is important, then we will still donate our time and our effort to it.” Founder case 4.</td>
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<td>“I’m not doing it because I want to make money but if I can do it and it supports me and my team and we can grow and we’re positively helping and showing a different way of working...then I’m really happy” Collaborator / customer case 1.</td>
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<tr>
<td>Valuing the craft, the makers a, and the product</td>
<td>“Hand craft is booming at the moment, its therapeutic, it feels like the only certain thing you have of doing something with your own hands and you are in control of the result. So, there is a lot we can do as a sustainable brand that is producing locally and has built a direct to community approach that values craft” Founder Case 5.</td>
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<tr>
<td>Supporting the local community and society</td>
<td>“We merge fashion and function...We [also] offer collaboration and consultancy services. And then over and above the collaboration we do a lot with Uni and education, and local communities. We have a transparent approach, we do tours... We work with the BFC and the centre for fashion enterprise. We’ve hosted young designers in our space when we’ve talked about what it takes to run and build a fashion business as responsibly as possible” COO Case 2.</td>
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<td>“That for us creates accountability, when you are in a community automatically accountability starts and that for us is very important. You know – we work with huge companies where they are not connected to the community, so there is no accountability for their values. Whereas when you are a small company in a small community, immediately that creates, accountability- you need to connect” Founder Case 4.</td>
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<td>“We’ve always been associated with marginalised communities so therefore the focus of the work and the messaging has been directed to support that community. So, the brand has really had a natural gravitation towards philanthropy, that is just through creating a world where you can feel accepted or doing a project with Topshop where we did a t shirt project for pride that raised funds.” Founder case 3.</td>
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<td>“…and we’re learning through this. We’ve set up a mentoring program so for 1 hour each month we give a mentoring tutorial for free, just because we don’t do unpaid internship. And we’ve maintained those relationships and we work with other social projects now...factories and manufacturing.” Collaborator/ customer of case 1.</td>
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<td>“So, I guess the idea of beautiful comes from what the idea of a brand that stand for something that is inclusive that is celebratory that is diverse, just all the good stuff.” Founder case 3.</td>
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<td>“We mean the community who will be making the clothes- were talking with xxx about who that community might be, for example she worked with a group of Bangladeshi women, developing qualifications. So were thinking about whether that is a community we could help by being part of the process.” Customer of case 1.</td>
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<td>Aggregate dimension: Agency for sustainability</td>
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<tr>
<td>Visionary leadership</td>
<td>“[The Founder] has so much knowledge of the alchemy of things, the networks, and the exposure to things that the fun is being in the making of something or taking the plunge on the project, rather than the return” COO case 2.</td>
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<td>“We’ve been working together for three years... I love her, she’s great and I value our relationship. What she does and who she is... It’s about finding...” Collaborator/ customer of case 1.</td>
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like-minded people who value making... we’re about valuing making and not making it exploitative” Collaborator/custome of case 1.

“But that is how the business is going to develop more and more because brands are going to demand that. So, if the industry is closed down to that (upcycling) as an opportunity- we see it as an opportunity. What we’re trying to achieve is something that will actually start a new model and will embed the training as part of the model. We don’t yet have all the skills.” Director case 1.

“She doesn’t only say things, she does then and that relates the values the brand has, whether its sustainability or paying all of your workers- she doesn’t just say it she does it. That’s very rare and what I’ve noticed is that in a sustainable industry that people like to talk and use big words and there are no actions... and she is the opposite, she goes through with it. I don’t think she could lie to herself because that not the kind of person she is.” Employee case 5.

So, I think we will need stores, but they will be about the experience. For example, we did not open a normal store, where created, we run workshops there- we don’t display product in our windows for example, because we don’t want to be that kind of shop.” Founder case 4.

Autonomy

“Autonomy and ownership are really important to me. I think a lot of brands, especially who are direct to consumer and those who are built in the same way that we are, they are quite keen to get investment as soon as they can and grow, grow, grow. I didn’t start this business to sell it. I didn’t start this business to outgrow it. I don’t want that. That is not the plan, I want to do the job that I love as long as I can. And I want to have full control of how it develops” Founder Case 5.

“We’ve seen incremental growth for the last 11 years aside from one...We have our ethos, and we recognise that this is not binary. It is a dynamic state so we will always think forward about what we can do [ with no external investment] and make the best decisions we can now. How might we lead and pioneer some processes and help transition the industry to more circular models. We recognise we’re not perfect, we do have a long way to go... but we’ll always be striving for improvements.” COO Case 2.

“1 do see that it’s difficult to achieve a lot on your own... but...we are looking to expand so that we can continue to do what we can- It seems that growth is one that you can control.” Founder case 3

“Growth is an interesting one. We love what we do at the moment, and we think we are at the capacity we can be with the space that we have and bearing in mind the skill shortage, cash flow ups and downs. It we want to stick to... the more you grow the further you may get from the core... and we don’t want to do that. So, one of the things we talk about is setting up a similar business but somewhere else, in the UK or abroad we love the idea that a [brand name] could be opened in Germany or Bristol” Production director case 4.
Growth is an interesting one. We love what we do at the moment, and we think we are at the capacity we can be with the space that we have and bearing in mind the skill shortage, cash flow ups and downs. If we want to stick to it... the more you grow, the further you may get from the core... and we don’t want to do that. So, there are other ways that we could grow, (yes, like a supportive co-operative). (Craft manufacturing brand)

“’Define’, was the first time we tried to get support from someone else. We try and keep very independent because ... often with software, if you take investment or you get acquired, yeh, or whatever happens in those cycles often the product changes. And we are a product company and are in the process of finding out how wanted our product is. And that is what guides us, product quality as manifesting itself from feedback related to our standards of what we think is a quality product.” Co-founder case 6.

**Activism**

“You have to contribute to the future – you have a responsibility to contribute. If people are looking to you as a cultural voice, you do have a duty ... [that is] on all that you stand for politically not just creatively.” Founder case 2.

“For me it’s such a great space that we occupy as it means that we have the opportunity to kind of contribute towards changing perceptions around the industry” Director case 1.

“Our ambition is that we want to make a change in society- the way it functions. For the past 40 years- for my adult life, I would say, we have seen that the bigger the company is worse in terms of community level relationships. When the companies are big, the shareholders sales are the decision makers- but sometimes they make the decision, which is against the community” Founder case 4.

“Something I learnt in the last month is that the activist is only good if they are healthy. I can’t pick all the fights and battles, it was exhausting. It’s a whole separate conversation with the BLM, elections the pandemic happening across the world and politics being divided across the world and climate not being so important because people have to survive.” Founder case 5.

**Aggregate dimension: Managing risk**

**Risk as losing control**

“I think it’s important not to have anyone else who could profit from us not being sustainable anymore or doing things in the way that they used to be.” Founder case 5.

“Then in a wider scale I think there is a risk in this idea about expanding, risks about taking on a partners or investment, or something like that. There is a risk about what that says about your brand and what that says about the work... you have less control... So, for me the two risks are not being able to do something provocative, for design sake, and then also this idea of founding and not having control.”

(See also autonomy quotations).
| Embracing risk as an opportunity | “I kind of think everything were doing, right from the beginning has been a massive risk on every level. For me when I look at risks it might be about resourcing, employment. I kind of do see opportunity first and then try and mitigate it. I sometimes think my job is to convince people there’s no or limited risk and plenty of opportunity, that we can develop the most amazing collaborative opportunity.” Director case 1.  
So, I really understand that when you know something so much, when you are in a place where everything is so clear and crystal clear- sometimes it’s difficult to move forward- sometimes the unknown...well, ignorance [can be] bliss. So, it will be challenging but I hope we will achieve it! I’m a full-time optimist so it’s going to be ok.” Founder Case 4.  
“I take one risk at a time, and you need to understand if you don’t take risk you cannot move on. So, I’m not really just talking about scaling up, even if you want to maintain a certain size means extra work and extra risks.” Founder case 5.  
“The rewards aren’t always the traditional measures. The balance between provocative and exciting ideas are aligned to a business plan. We don’t have a traditional finance director- which might make it different. Its educated risk.” COO case 2. |
| --- | --- |
| Risk management through collaborative projects | “But as I said because we are a small team, we are also an agile team. So were keen to try things- to take the risk initially. We are lucky we have some core supporters who will support if things go wrong, and so let’s do this, let’s try this and make it work on a small scale for our collection. It was and still is a risk but feel the reward will be worth it. And also, the impact. Not only supporting (case 2) but we’re dreaming about, and I think it’s just such a great opportunity, to add to the social story we tell. Customer/ collaborator case 1.  
“This whole enterprise is still imbied with risk throughout, but it’s balanced by other projects,” he says. “The good news is that we’ve seen incremental growth in the last 11 years aside from one year. It’s measured growth,” says (founder). “We’re small but very robust.” press interview Founder/ CEO case 2.  
“We need to make money to keep everyone employed and if we want to grow the team that creates big risks. It is the big thing about being able to diversify. So were looking at the space to diversify skills, so people can come in to buy that expertise really so we may build on the consultancy... were always looking at grants until we get to the point where the business is doing that against the grant.” Director case 1.  
And the [consultancy part of the business] means that we connect with much bigger businesses who have big budgets and part of that is a learning process on the job- we try and work both ways.” COO case 4. |
| Aggregate dimension: Sustainable ecosystem; co-creating value through innovation |  |
| Beacon firms | “Feeling connected to the community that I live in, and I work with it feels much more, rewarding and of course with that slowly gradually, without |
Knowing you create a community who you follow - or they follow you. Gradually you get friends from this community.” Founder case 4.

“The Lab is both a creative call to arms and a springboard for future generations – we hope that all who visit the space will be empowered to make positive changes towards a circular economy... a collaborative six-month programme of exhibitions, events and experiences – bringing together emerging, local and global innovators.” Website Case 2.

“So really driving a movement of people, seeing business as a force for good - so not just looking at profit as a measurable but also people and planet. Etc...In short that’s what we do... and we’re looking into more accreditations converting what we do into measurables. We actively want to be more involved in education and community... “COO Case 2.

<table>
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<tr>
<th>Multiple upstream and downstream collaborations</th>
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<tbody>
<tr>
<td>“So, they kind of create a little eco system. But their vision for this residency was to establish a smart wash lab, an innovation hub in Walthamstow, well, we are still deciding where to go.” HE researcher case 4.</td>
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“So ideally, we will project lead to work with the local authority as well as the architect... So that is one stage, the building, and the other is the right machinery and the right partners... we want the space to be open space for students as well as designers... so how do you create a structure for that because it needs to be a business, as well as open source.” Founder case 4.

“I think that is a really key point- the ability to scale- making 1-30-100, and 10000. We can scale grow and transition [with our tech stack and production partners] across those scales and it’s the same for events- i.e., experience us online- come to store, a workshop for a day or corporate for 3-day workshops. So, we have ideas of flexibility to experiment, but also with our eyes firmly on how we can grow and scale [through] an experience, a product, and our collaborations.” COO case 2.

“Before the pandemic we already had some major changes that we prepared for... Before all our machine knitting was done in Leicester and we decided to shift it and take it to Portugal for two reasons, [more ethical unit and vertical yarn/ knitting] ...and we are working on this project called the fabric of reality with the FIA and with horizon and riot- that’s a production company media co from the US. They paired us with 3 AR artists, and we are creating an experience for fashion with VR and AR in the digital space.” Founder case 5.

“We do get a lot of approaches and they’re all very different. And what’s really interesting with the ethos is they’re not all accessory and apparel based. We’ve looked at a furniture project last summer. We’ve looked at spaces and experiences- applying the ethos into these areas. As fashion is slightly behind things- but actually that nimbleness that we have could be applied into longer lead time sectors like architecture for example.” Technical director case 2.
“So, it [R&D bid] may be through [a commercial partner] but the other thing I’ve been trying to get into is in xxx university who have been doing a lot of work around this with [global retail brand] and I haven’t got there yet, but I will. I just think if there is research being done already, I understand they may not want everyone to jump on board, but it is really about finding that space. I know that’s what they’ve been developing. The other thing is working directly with the manufacturer and see if they will support us” Director case 1.

We are looking at some of these things that stop digital technology... So, we are undergoing a formal project that looks at how we can improve accessibility and the utilisation of these tools and transition between these spaces. . . . Its currently internal facing, but it will be published. It’s part of a network we’re part of as part of the creative clusters”. Technical director Case 2.

Creating innovative case studies.

“Participating in something like that I find it more exciting with people who just don’t have anything to lose because they just want to see what can happen next, what can be possible. We are creating case studies that will be very valuable for the industry”. Founder Case 5.

“...the business or the model of what’s happening is a two-fold. A model that shows that community project could be the alternative to a prison sentence and a model in the prison, but also a way in which universities can work within the community and create a source of income and create progression” Director case 1.

“Its kind as if I’m trying to do multi-faceted thing- but they’re all the same in that (we) can empower so many different people .... to think about how they can help and develop their businesses and we all come together and contribute to this much bigger voice” Director case 1.

“It was incredible big or small we can help.... but by partnering, because there were three of us, and it was just a six-month project...and after that [winning against Burberry and H&M] we were asked to talk about fashion and technology and our project, so the impact was huge” (case 5)

Aggregate dimension: Impact of Covid 19

Long term relationships, mutual support, and agility

“If we stick with a factory or a supplier, we build a long-term relationship because they are capable of doing things that are somewhat outside of the norm...I think our success in the last few months, it’s not my credit, but it’s down to the fact that our supply chain is so strong and so reliable. People in every step along the way trims, fabric, or factory, have been really, really, pushing to do everything they can to get the garments made” Employee case 3.

“Well, the biggest thing that springs to mind is our emergency collection which is the name that I coined for our next collection. Because we are in an emergency situation... We need a lifeboat for keeping for making sure the creativity we apply and the garments we make are trustable that we know we can meet minimums, that we can do with our supply chain. And have done well before. They represent a strong practical collection where we
knew in the time of Covid, we didn’t really take a risk, we just needed to do what we know can keep us afloat.” Founder case 3.

“[We had no] cancellations and that is because we have strong relationships. Galerie Lafayette, for example, I know we’re the only [emerging designer] brand from the UK, they’ve got in the whole of the store” (Brand customer of case 1).

“So, I divided everyone into groups, those who would be more affected as there is less work .... And by doing that it helped me build a framework to identify those who would be fine and would have the same amount of money available from us... and those where it would be more tricky, I had the conversations of how is it with everyone. So, it’s not my factory, so I’m not the only one producing there...so I made sure [to help with how] they handle other orders, how other customers are behaving.” Founder case 5.

“As we transition to get more quantitative data to evaluate the impact and track things which are positive to do... but the reality is we don’t have much data on what is the way to move forward. We’re trying to get more structure around the ethos. That’s the nature of being a small business and growing” COO case 2.

**Innovation and project development**

“So, we got really busy in lockdown, as people are becoming more ‘woke’ during this time. We’ve been asked to do more projects, but at the same time we’ve been locked out of our studio and have only just got our new space in Poplar” (customer social enterprise case 1).

“And then the pandemic forced us to speed some of the projects up and also to risk more than we were planning to do, because there was nothing to lose. We are still all about conscious products in combination with experiences so that didn’t change, but obviously the experiences had to adjust. So, we are now really focusing on demand.” Founder case 5.

“We’re in the initial stages at the moment, and running some “proof of concept” work, where it’s positive and certainly there’s a lot of learning going... on as were quite unique in what we do and sample in house... factories are not familiar with this concept of integration- so there’s a lot of learning on both sides...but its positive so far...So, it starts with design and builds through integrated systems all with ‘one version of the truth!’” We’re all looking at the same systems the same version – which is a very collaborative system” Technical director case 2.

**Reflexive response to SC and business model**

“You know when society is going through such difficult times, I didn’t feel we needed to sell something [they ceased online sales as well in the first three months of the pandemic] but I believe our role as a local manufacturer is so important now... I was sat reflecting, thinking about how we can be even more sustainable, and I remembered our ‘waste collaboration... maybe this is the time to go forwards and so I called him, this is what I’m thinking would you like to be part of this project? .... gradually now we are prototyping some samples.” Founder case 4.

“We have actually done a 5-year business plan. Well, we did this before the pandemic, but I do think we needed a period of reflection... the pandemic
gave us that time... to plan who we would hire to plan out as the company grows, what areas need supporting” Founder case 3.

“We took the opportunity with Covid, we were meeting every day- crisis planning. We took the position that this was an opportunity for us... not the doom and gloom that everyone else was talking about. So, we took the opportunity to move our website for one platform to another to make us digital first and creating an online offline experience. COO case 2.

Mobilisation of local ecosystem for social good.

“And we’ve also developed a reusable gown for surgery... We were looking for a non-single use product. So, we got patterns from an Italian factory who make through Europe where they have reusable. We worked with a company... who’s a supplier here and is certified for it and we want to get that made here, and that would be our legacy for it [the pandemic]” (customer/ collaborator case 1).

“They (the NHS trusts) sent us their PPE we got them patterned and made and sent to the Royal Free (hospital)...Then, I sourced PPE grade materials in Lancaster and then we sourced a cutting facility in Nottingham that would cut. So [we] developed a tech pack. We had donated materials and reached out to [case 4] for specialist machinery. Matches and Net a porter gave us a driver from each for distribution and we started fundraising... But we didn’t just want to work with big guys, so we set up a logistics operation... Yes, just knowing all these different makers was amazing... We [collaborative network] produced over 40,000 pieces of PPE [gowns] to 40 trusts, we were working with 150 makers, and now the hospitals are asking again.” Customer/ collaborator, case 1 and case 4.

“But, as we have seen from Covid, when you have smaller companies, smaller companies for the health of society it is much better. So, if you have a crisis they could help- imagine a family firm can make faster and better decisions. So as [brand name], we want to be examples, to set an example and be pioneers, to be better makers and work with the community and with the local partners create another workshop there and create with that local community- rather than making the business bigger or moving somewhere else” Founder case 4.
7.8 Tracking the case innovation in relation to SSCM and social value.

<table>
<thead>
<tr>
<th>Case / Innovation</th>
<th>Relation to SSCM</th>
<th>Social value</th>
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<tbody>
<tr>
<td>Case 1</td>
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<tr>
<td>1. New circular business model- upcycling production</td>
<td>New practices: Innovation in SC relationships. Resourcing materials/ products for upcycling- often customer is also the materials supplier. New capabilities: Innovation in practices and technology to de-construct/ construct garments. “A new model for the industry” (Director).</td>
<td>Sustainable knowledge creation for enhanced environmental and social outcomes: Proof of concept and industry knowledge creation in an area ‘traditional’ manufacturer were closed to. Socio-economic value and community development: New business model leading to MSE growth providing training and good employment to local and minority groups with launch of second production unit.</td>
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<td>2. New model of ‘social production’</td>
<td>Resource development: Social supply chain development. Training in manufacturing, accredited schemes leading to industry qualifications. Developing capabilities where skill shortages exist.</td>
<td>Community development and support of marginalised communities: a training and production unit inside the justice system to enhance skills and sense of worth. New model of social collaboration between the justice system, universities, and fashion brands.</td>
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<tr>
<td>3. Co-creation of ‘social community based’ fashion business spaces.</td>
<td>Resource development: Co-location of production, design, and services in one community- based ecosystem Proximity based supply chain development.</td>
<td>Socio economic value and community development: Location regeneration of dis-used industrial buildings. Support for 39 micro and start up enterprises. Local employment and entrepreneurial ecosystem support. Space provision predicated on MSEs contribution to the local community.</td>
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</tbody>
</table>
4. Co-creation of a reusable PPE gown for surgery

| New practices: Adoption of innovative cloth finishing, development, and co-creation of product between international and local manufacturers, local designers, and NHS trusts | Community support and sustainable knowledge creation: Supporting the NHS during the Pandemic as part of a social enterprise and creating a product innovation legacy post Covid. |

Case 2

1. Development of an integrated ERP systems in three levels of production

| New practices: Integration of three tiers of production with multiple partners working with the same operation management systems. | Sustainable knowledge creation: Management system providing operational data, supporting analysis of environmental and social impact of operational decisions (working towards B Corp accreditation). Enhancing the ecological performance of the MSE and influencing industry practices through performance data. |

2. Proof of concept R&D into digital design systems integrated with their factory base

| New capabilities: Implementation of digital design systems with integrated manufacturing partners. Generating and sharing knowledge (open source) on sustainable materials and manufacturing. Enhancing agility within the supply chain to respond to market needs. | Sustainable knowledge creation: Open-source R&D into the integration and adoption of flexible and digital design systems. Generating industry knowledge for more sustainable production practices. “How might we lead and pioneer some processes and help transition the industry”. |

3. Co-creation of a “35000ft² for community-led co-creation with a focus on positive fashion, climate action and the circular economy”

| New Resources: Development of the firms sustainable SSCM outreach programme for the creative industries and local community. | Community development and knowledge co-creation: Developing the East London ecosystem. “We hope that all who visit the space will be empowered to make positive changes towards a circular economy” (COO). Socio economic value through local development |

Case 4

1. An innovation hub

| New capabilities: Supporting the development of new production and supply chain practices within the fashion and wider creative industries | Socio-economic value, Knowledge creation, and community development: Acting as a beacon firm within the East London community, hosting and supporting entrepreneurial businesses working and collaborating within the community. Community regeneration. |
2. **Wash dye lab open-source innovation**

| New capabilities: Co-creation of new production resource for the more sustainable manufacture of denim goods. Open access for designers and students alike. |
| Socio-economic value and sustainable knowledge creation: Open source for the industry, and access for students. Development of local environmental manufacturing capabilities. |

3. **New business collaboration - furniture materials from denim waste**

| Circular supply chain development |
| Socio-economic value through new business development. Knowledge creation through material R&D |

**Case 5**

1. **Relocation of knitwear manufacture to Portugal.**

| New practices: Social sustainability driven supply chain decisions. Better working practices and less carbon emissions due to a more vertical production system. Development of digital systems for enhanced remote communication |
| Prioritising social outcomes: focus on social working conditions and fair pay in supply chain decisions. Risk management is not having “anyone who could profit from us not being sustainable anymore” (Founder). |

2. **Fully recyclable garment development.**

| New practices: Co-creation of new product with factory to ensure all materials, trims and packaging were fully recyclable. |
| Sustainable knowledge creation: Reducing the environmental impact of design and production practices. |

3. **Collaborative digital proof of concept projects - multiple**

<p>| New practices: Developing new sustainable practices for product communication and fashion related experiences |
| Sustainable knowledge creation: Creating new knowledge of proof-of-concept case studies. Downstream sustainability through digital adoption. |</p>
<table>
<thead>
<tr>
<th>Case 3</th>
<th>New practices: Collaboration and co-creation with ecosystem and supply chain partners to improve SSCM practice within an entrepreneurial network</th>
<th>Knowledge creation and ecosystem/community development.</th>
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<tbody>
<tr>
<td>New capabilities: Restructuring distribution capability</td>
<td>New sustainable supply chain practices and services</td>
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<tr>
<td>Increasing range to include homeware/collectables</td>
<td>New capabilities: New re-sources developed for increased product categories</td>
<td>Reduction in product obsolescence to enhance ecological performance.</td>
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<tr>
<td>Enhancing global distribution capability</td>
<td>Collaboration with logistics partners and relationship development with collaborative partner for consumer events in China</td>
<td>N/A</td>
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<tr>
<td>Case 6</td>
<td>New digital product development software</td>
<td>Workplace wellbeing through more effective and efficient communication – to reduce employee burnout. New knowledge for non-digital SMEs</td>
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<tr>
<td>New capabilities: Developing more designer intuitive product development software platform</td>
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Table 28: Case study innovation, SSCM, and social value tracking