



Vol. 3 No. 9 (September) (2025)

Entrepreneurial Discourse and Innovation: Language, Effectuation, and Public Communication

Tanveer Akhtar

School of Business Management, University Utara Malaysia, Sintok, Malaysia

Email: tanveerakhtar1791@gmail.com

Dr Lily Julienti Abu Bakar

School of Business Management, University Utara Malaysia, Sintok, Malaysia

Email: julienti@uum.edu.my

Dr. Maliani Mohamad

School of Business Management, University Utara Malaysia, Sintok Malaysia

Email: maliani.mohamad@uum.edu.my

ABSTRACT

This paper examines the role of language in written public discourse in the construction and communication of innovation by entrepreneurs. How this language can be used to reflect principles of effectual reasoning and be consistent with venture success? The publicly available entrepreneurial texts were analyzed qualitatively using a content analysis, such as founder letters, blog posts, and op-eds by globally renowned entrepreneurs. The analysis shows that entrepreneurs strategically employ metaphors, narrative framing, and visionary language to frame innovations, reduce perceived risk, and inspire confidence in stakeholders through a synthesized approach of discourse analysis and effectuation theory. Effectual logic language, which focuses on the means available, collaborations, and flexible objectives, was always linked to ventures that gained traction in the market and maintained a long-term interest of the population. The results provide practical advice to entrepreneurs, startup consultants, and educators on how language decisions can be used to improve innovation communication and stakeholder alignment. This study fills a gap in the existing literature, providing new knowledge on the discursive processes of linguistic construction of innovation and its connection to effectuation.

Keywords: Entrepreneurship, Innovation Communication, Effectuation, Discourse Analysis, Entrepreneurial Language

INTRODUCTION

Background Context

In contemporary entrepreneurship, language ceased to be a simple means of communication, but a strategic asset that defines how innovations are perceived by investors, partners, employees, and customers (Cornelissen & Clarke, 2010). With the growing competition in the global market, entrepreneurs are more likely to use powerful stories to distinguish their businesses, attract investments, and build partnerships (Lounsbury & Glynn, 2019). Communication by the founders, particularly open letters, blog posts, and social media statements, has become an effective method of establishing an entrepreneurial identity and communicating innovation (Clarke, Cornelissen, & Healey, 2019). The emergence of such platforms as LinkedIn, Medium, and Substack has increased the scope of the entrepreneurial discourse. Elon Musk, Sara Blakely, and Jack Ma are just



Vol. 3 No. 9 (September) (2025)

some of the founders who have developed a public image not only by innovating their products but also by telling their stories. This has erased the line between branding, leadership communication and innovation strategy, and language has been placed as a force behind entrepreneurial legitimacy (Navis & Glynn, 2010).

Research Problem

Although the literature on entrepreneurial cognition, innovation strategy, and investor relations is extensive, little has been done to explain how language plays a role in creating innovation as a social and cognitive reality. The current research tends to concentrate on business plans, pitches, or marketing campaigns (Parhankangas & Renko, 2017). It is neglecting the role of everyday public writing by entrepreneurs as a type of strategic innovation communication. Despite the fact that effectuation theory (Sarasvathy, 2001) offers a strong model of entrepreneurial decision-making in the face of uncertainty, it lacks application to linguistic and discursive tactics. Understanding the linguistic construction of innovation is essential for both theoretical and practical reasons. Theoretically, it deepens our understanding of entrepreneurship as a communicative process that involves meaning-making and persuasion. Practically, it equips entrepreneurs with insights into how language choices influence stakeholder perceptions and venture outcomes.

Aim and Research Question

This study aims to explore the discursive construction of innovation in public entrepreneurial texts and how such language reflects effectual reasoning. The guiding research question is:

RQ: How do entrepreneurs use language in public writing to present innovation, and how does this reflect effectual thinking linked to venture success?

Scope and Structure of the Paper

The research is based on the internationally known entrepreneurs whose writings are publicly available. Restricting the data to written forms of communication, including letters to shareholders, blog posts, and published articles. The study does not have to deal with transcription issues, and it is able to capture natural and deliberate language use. The paper is organized as follows: Section 2 is a literature review of the literature on entrepreneurial discourse, innovation communication, and effectuation. The qualitative research design and analytical approach are described in Section 3. Section 4 contains the findings, which are backed by textual excerpts. Section 5 mentions theory and practice implications. The final part of section 6 is limitations and future research.

LITERATURE REVIEW

In this section, the author reviews the most important recent works on three interconnected areas: (a) entrepreneurial discourse and innovation communication, (b) effectuation theory in the context of entrepreneurship, and (c) the combination of language and effectual reasoning. It ends with the research gap that drives this study.

Innovation Communication & Entrepreneurial Discourse

Fronzetti Colladon et al. (2022) use text mining in a large organization to show that innovators use more complex language and introduce new ideas in informal communication, emphasizing the importance of linguistic patterns in the reflection of the innovation process. The article by Parhankangas and Renko (2017) examines the application of impression management techniques in investor pitches by entrepreneurs and



Vol. 3 No. 9 (September) (2025)

how language can be used to establish entrepreneurial legitimacy and innovation.

Effectuation Theory in Contemporary Research

Recent reviews confirm the increasing maturity of the effectuation theory, which is applied to the context of innovation, internationalization, and entrepreneurial expertise (McKelvie et al., 2019; Uzhegova & Torkkeli, 2022). Nguyen-Duc et al. (2021) found that in startup software development, such practices as the development of MVPs are consistent with effectual logic. It is indicating that the language of starting small and iteration is associated with effectual thinking. The empirical study by Martin-Navarro et al. (2023) demonstrates that the tendency to think in effectual logic is a strong predictor of entrepreneurial intentions, which proves the importance of effectual cognition in written or self-reflective language. Shin and Shin (2023) created a second-order construct of women effectuation-flexibility, experimentation, affordable loss, and pre-commitment- that shows how effectual dimensions may shape communication styles and outcomes.

Combining Language & Effectual Reasoning

Reuber et al. (2016) advocate a more comprehensive view of entrepreneurial reasoning by integrating effectuation with other theories, suggesting discourse-based views, but not necessarily examining language. Although the principles of cognitive principles are linked to effective action through design thinking studies, the linguistic expression of these principles is understudied (Westerlund & Rajahonka, 2020).

Research Gap and Hypothesis

Although there is an increasing body of research on the language of entrepreneurship and independent research on effectuation, there is little in the way of integration that looks at how entrepreneurs linguistically express effectual reasoning as they build innovation narratives. Publicly accessible, text-based communications written by the founders (e.g., letters, blog posts) are an under-exploited source of data in entrepreneurship studies.

Hypothesis (H1): The more the founders of a company have written publicly about effectual logic, the more likely their texts will be characterized by the use of flexible, means-based, and adaptive language, and the more likely they will be linked to linguistic constructions of innovation and the greater the venture recognition or success. The new research cuts across various aspects of entrepreneurial discourse and effectuation.

Fronzetti Colladon et al. (2022) analyzed the complexity of language employed by innovators via text mining, and Parhankangas and Renko (2017) analyzed rhetoric strategies and impression management in entrepreneurial pitches. McKelvie et al. (2019) and Uzhegova and Torkkeli (2022) presented an extensive review of the maturity and theoretical evolution of effectuation. Nguyen-Duc et al. (2021) examined the role of effectual reasoning in the startup software development practice, and Martin-Navarro et al. (2023) showed that effectual propensity can be used to predict entrepreneurial intentions in an individual. Shin and Shin (2023) examined the dimensions of effectuation in women entrepreneurs and their impact on the results, and Westerlund and Rajahonka (2020) linked design thinking to the cognitive principles underlying the entrepreneurial action. Lastly, Reuber et al. (2016) suggested combining effectuation with other entrepreneurial logics to further the theoretical knowledge.

Methodology

The study is a qualitative, interpretive discourse analysis that is placed in an exploratory-descriptive design. The qualitative method is especially appropriate to learn the subtle



Vol. 3 No. 9 (September) (2025)

means by which entrepreneurs develop narratives and incorporate strategic thinking into their written messages and transcripts of oral interviews. In contrast to quantitative content analysis, which is concerned with frequency counts, the approach enables a more in-depth exploration of meaning-making, rhetorical construction, and contextual framing. The interpretive position recognizes that language is not a neutral means of transferring information, but a means of creating perceptions, building identity, and affecting stakeholders. This is particularly applicable in the entrepreneurial setting where innovation may require legitimization by means of persuasive narration.

The exploratory descriptive nature of the study indicates that the study seeks to chart patterns without necessarily having to predetermine the rigid hypotheses. Such openness is necessary in exploring the overlap between entrepreneurial rhetoric, innovation discourse, and effectual logic, which is an area where theory is still developing. The combination of interpretive discourse analysis and exploratory objectives places the study in a position to reveal anticipated and emergent trends in the communication of innovation by entrepreneurial leaders in an environment of uncertainty.

Data Selection

The sources were selected based on a strict list of inclusion criteria to make sure that the data was relevant and authentic. They all needed to be publicly accessible, without subscription or paywall, and written/co-written or spoken by the founder(s) of the venture in question, and must include some explicit or implicit mention of innovation, whether in the description of products, business models, processes, or visions. Also, the materials had to be of considerable length, at least 500 words, to enable meaningful discourse analysis. The use of these criteria resulted in a purposive sample of six to eight documents, which were of various industries, venture maturity levels, and genres of communication. These were the annual shareholder letters of Jeff Bezos, which give a glimpse of innovation as a source of long-term strategic thinking at Amazon. The Tesla Master Plan 3 by Elon Musk, which outlines ambitious technological and business goals. The open letter to stakeholders by Brian Chesky, which combines transparency, crisis management, and innovation framing in the context of strategic pivots at Airbnb. The data set also includes TED Talk transcripts of high-profile founders, which provide a blend of personal narrative and visionary positioning. Y Combinator pitch scripts, which reduce innovative value propositions to a few lines of high-impact narrative. This diversity provides not only breadth, in the sense of covering a wide range of entrepreneurial contexts, but also depth, in the sense of being able to study each entrepreneur in close thematic detail in terms of their narrative style.

Data Collection

Each of the chosen documents was obtained in official and verifiable sources, such as official company websites, TED.com, and publicly available pitch archives of Y Combinator. The texts downloaded were in standardized and editable formats such as .txt or .docx so that they could be coded and analyzed systematically. Each document was assigned a metadata profile containing information about the author and his/her role in the company, the date of publication or delivery, the intended audience (investors, customers, or general population), the background of the communication (product launch, annual update, or crisis response), and the number of words and the structure of the document. The preservation of such metadata profiles not only enhances the transparency of the research process, but also facilitates the replicability and possible future extension of the study. All the gathered materials were stored safely in archives to maintain their integrity.



Vol. 3 No. 9 (September) (2025)

during the analytical process so that the interpretations could be traced to their original form.

Data Analysis

Thematic coding was used to conduct the analysis with the help of NVivo qualitative analysis software and manual cross-checking to ensure consistency and reliability. The coding framework was created through an iterative process, starting with deductive categories based on the existing literature and then being revised based on inductive identification of emergent patterns in the data. The last coding schema consisted of four major thematic categories. The first, innovation framing, looked at the definition, contextualization, and storytelling of innovation as a technological breakthrough, a customer-focused improvement, or a business model disruptor. The second, effectual logic, found language in line with means-based reasoning, flexibility, and exploitation of contingencies. The third, uncertainty discourse, was concerned with rhetorical means of recognizing unpredictability, dealing with risk, and framing volatility as an opportunity. Finally, founder identity construction, used discursive techniques to build credibility, authenticity, and visionary persona. Each of the documents was analyzed in several passes—first to find superficial rhetorical markers, and then to find deeper conceptual connections between themes. This process was accompanied by analytical memos, which allowed engaging with the material in a reflexive manner and reduced the possibility of premature interpretive closure.

Ethical Considerations

This research will only utilize publicly available materials. It does not entail direct human subjects and thus does not need formal institutional ethics approval. However, it follows the accepted academic ethical norms. The source and context of all data is clearly identified, and the proper attribution is achieved. The study also pays attention to the original communicative context of the chosen materials, and there is no decontextualization that may lead to the distortion of meaning. Through these principles, the study will make sure that its results are methodologically valid, ethically strong, and that they do not violate the integrity of the original communications of the entrepreneurs.

Findings

This section reports the results of the thematic analysis of six chosen founder communications, which are different in context, organizational stage, and sector. The coding was done manually, iteratively, and in four broad thematic categories, namely, Innovation Framing, Effectual Logic, Uncertainty Discourse, and Founder Identity Construction, and contextual subthemes that were identified inductively (e.g., systems-level innovation, existential motivation, values framing). The sources reviewed are:

The 2016 and 2019 Amazon Shareholder Letters by Jeff Bezos

Tesla Master Plan Part 3 by Elon Musk

TED Interview with Chris Anderson by Elon Musk

Airbnb Layoff Letter by Brian Chesky in 2020

The essay by Michael Seibel titled How to Pitch Your Company

The results are reported in a thematic manner, and cross-case comparisons are made to indicate convergence and divergence in discursive strategies.

Framing of Innovation

Innovation is often defined in customer benefit terms across cases, and may often be more



Vol. 3 No. 9 (September) (2025)

important than product novelty. In his 2016 letter, Bezos grounds innovation in the idea of customer obsession, theorizing creativity as a relational process rather than a self-contained act, driven by the needs of users. In the same way, the layoff letter by Chesky frames the innovation of Airbnb as a way of going back to its roots, i.e., focusing on human connection and host-guest relationships, which suggests a strategic narrowing as a response to crisis. In the 2019 letter of Bezos and the Tesla Master Plan, innovation is explained as a way to solve systemic needs, the provision of essential goods in the first case, energy transition in the second. This customer/system orientation is indicative of a more general tendency in founder communications to position innovation as service-oriented as opposed to technology-oriented per se (cf. Christensen, 1997).

Whereas, Bezos and Chesky prioritize customer relations, the discussion of innovation in Tesla Master Plan and the TED interview by Musk is framed in terms of scale and integration of systems. Musk positions the adoption of sustainable energy as an engineering problem of planetary scale (“a hundred Gigafactories”) and sees the tunnelling project as a structural solution to the problem of urban congestion, not an improvement. This systems-level framing is in line with the literature on architectural innovation (Henderson & Clark, 1990) where value creation is founded on the reconfiguration of systems as a whole and not the reconfiguration of parts.

The essay by Seibel recontextualizes clarity as an act of innovation itself, telling founders to pitch like baby food and sound dumber than they think they should. This rhetorical position is consistent with the principles of design thinking (Brown, 2009) which focus on empathy, cognitive accessibility and iterative improvement of communication artefacts.

Effectual Logic

The concept of effectual logic, which can be defined as a means-based opportunity creation (Sarasvathy, 2001), is highly evident in the messages of Bezos, Chesky, and Seibel. Bezos promotes high-velocity decision-making with 70 percent of desired information, Chesky explicitly trades off by cutting down the size of the workforce to concentrate on core activities, and Seibel suggests bottom-up market sizing to prevent overestimating addressable markets. Musk also demonstrates effectual logic, especially in the Master Plan when he stresses on the use of many technologies that are already available and the ability to integrate them well. This is an indication of the distaste of excessive dependence on speculative breakthroughs, rather than making maximum use of the available resources. Seibel and Bezos both associate effectual logic with simplicity in operations, with Seibel saying, “own the simple business model” and Bezos saying he resists proxies and over-engineered metrics. These tactics imply that perceived sophistication is de-emphasised in favor of executable focus.

Uncertainty Discourse

The discourse of uncertainty is used in cases as a situational background and a tactical tool. The letters of Chesky and Bezos in 2019 position COVID-19 as an unprecedented disruption, which justifies the rapid reallocation of resources and, in the case of Chesky, the reduction of the workforce. Musk also admits to policy and market misalignment in sustainable energy transitions, and in 2016, Bezos cautions against the irrelevance that will result due to a lack of action in the Amazon Shareholder’s Letter 2019. It is worth noting that uncertainty is usually repackaged as an innovation opportunity. The Master Plan by Musk presents the systemic problems as the drivers of the technology adoption; the call by Bezos (2016) is to adopt the external trends, redefining volatility as a strategic advantage. This is a reiteration of the thesis by McGrath (2013) that transient advantage can be



Vol. 3 No. 9 (September) (2025)

developed in volatile markets.

Identity Construction of Founders

The frequent references to Day 1 by Bezos in both letters are an example of the founder-as-custodian role, maintaining the entrepreneurial spirit in a growing organisation. This mode also applies to Chesky and his values-based framing (the human part was always more important), who positions himself as a guardian of core identity in times of turmoil. On the contrary, the identity construction of Musk is focused on technical expertise and boundary-seeking ambition. He takes on the role of an engineer-in-chief, based on first-principles thinking and quantified problem definition, and at the same time acts as a global change agent. The identity work by Seibel is geared towards the investor audience, and the founder is presented as a straightforward, competent, and direct communicator. His focus on the ideas of progress rather than genius is an indication of pragmatism as a trust-building tool.

Cross-Case Patterning

Table 4.1 summarizes the relative emphasis of each thematic category across cases:

Founder Document	Innovation Framing	Effectual Logic	Uncertainty Discourse	Founder Identity Construction
Bezos 2016	High (customer obsession)	High	Medium	High
Bezos 2019	High (crisis adaptation, sustainability)	High	High	High
Musk Master Plan	High (scale, systems)	High	High	High
Musk TED	High (tech-systems links)	Medium	Medium	Medium
Chesky Layoff	Medium (mission alignment)	Medium	High	High
Seibel Pitch	Medium (clarity as innovation)	High	Low	Medium

Synthesis of Results

Three integrative insights are revealed:

The framing of innovation depends on the audience. Customer-centric framing prevails in consumer-facing communication (Bezos, Chesky). Whereas systems-scale framing is typical of visionary engineering pitches (Musk). The investor-oriented framing by Seibel re-frames communication clarity as a type of innovation.

Effectual logic is a credibility anchor. In different settings, the ability to show means-based action within constraints increases founder credibility. It is particularly evident in crisis stories (Bezos 2019; Chesky 2020) and teaching language (Seibel).

Uncertainty discourse is two-folded. It serves as an excuse to change strategy in the short term and as a rhetorical precondition to long-term aspiration. Leaders reframe volatility as an opportunity to act and not to wait.



Vol. 3 No. 9 (September) (2025)

Discussion and Analysis

The results of the present research demonstrate a stable tendency. The most noticeable and successful entrepreneurial messages integrate innovation framing, effectual logic, uncertainty discourse, and founder identity construction into the unified narratives. This section contextualizes these results against the background of the current literature on entrepreneurial discourse, innovation communication, and effectuation theory, using established frameworks to understand why specific linguistic strategies seem to be used over and over again by different founders and in different contexts. The implications of the discussion on entrepreneurial success, both in the perception of the stakeholders and organizational performance will also be discussed. The analysis continues with the thematic synthesis of the study findings with the previous research, starting with innovation framing as a strategic instrument, then effectual logic as a credibility anchor, then uncertainty discourse as an opportunity lever, and finally founder identity construction as a legitimacy mechanism. This shall be followed by an integrative synthesis that describes the interaction between these discursive strategies.

Strategic Positioning: Innovation Framing

The results indicate that innovation framing depends on the target audience and the situational context of communication. The discourse of Bezos and Chesky uses the customer-centric innovation framing, where the novelty is not a technological breakthrough but a long-term commitment to the needs of customers. This is in line with the fact that Christensen (1997) notes that disruptive innovation is frequently a result of focusing on underserved or changing customer groups instead of radical technology in itself. These leaders are customer-centric and build a sense of shared purpose. Mutual benefit enhances organizational legitimacy in consumer markets (Navis & Glynn, 2010). By contrast, the Tesla Master Plan and TED interview by Musk represent a systems-level innovation framing, where innovation is framed as a world-changing, planetary-scale problem. This strategy is similar to the idea of architectural innovation presented by Henderson and Clark (1990) in which competitive advantage is based on the reconfiguration of whole systems instead of the enhancement of individual components. The numerical targets that Musk sets out explicitly, including the construction of a hundred Gigafactories, also resonate with the results of Verganti (2009) on design-driven innovation, in which visionary roadmaps are used to anchor organizational commitment to long-term goals.

Seibel is even more different in his framing, focusing on clarity and accessibility as innovation in itself. His suggestion to make it sound dumber than you think it should be is an echo of the design thinking principles of Brown (2009), which emphasize the empathy with the cognitive load of the audience and the iterative improvement of communication artefacts. This implies that among investor audiences, perceived communicative clarity may replace, or supplement, the perception of technical sophistication. Innovation framing is also a risk mitigation strategy. Leaders can reduce the perceived uncertainty by integrating innovation into the current values or customer relationships. According to Parhankangas and Renko (2017), linguistic framing can be used to increase the entrepreneurial legitimacy by conveying competence, commitment, and the ability to meet the expectations of stakeholders. Both customer-centric and systems-level frames fulfil this legitimizing role in the analyzed cases, but in different rhetorical directions.

Effectual Logic as a Credibility Anchor

Effectual logic is present in these communications not only as a decision-making model but as a hidden way of building trustworthiness and competence. Instead of presenting



Vol. 3 No. 9 (September) (2025)

themselves as reliant on flawless information or far-off innovations, founders always present their activities as based on what is already available, available resources, existing networks, and immediate opportunities. This pragmatic orientation gives confidence to the stakeholders that the strategic moves are not only implementable but also robust in uncertain circumstances. Resource-based adaptation in the crisis-centered updates of Bezos and the restructuring announcement of Chesky portrays stability, whereas the investor advice of Seibel demonstrates how resource-based decisions can be made with discipline and maturity to attract investors. Even Musk, whose vision is broad, supports credibility by focusing on integration of tested technologies as well as more ambitious objectives. Effectual reasoning in any of these is not so much an abstract principle as a communicative device that links ambitious vision with specific, implementable action, and increases the perceived credibility of both the leader and the venture.

Uncertainty Discourse as an Opportunity Lever

The redefinition of uncertainty as opportunity is one of the most interesting trends. The call to embrace external trends by Bezos (2016) and the description of the global energy transition as inevitable and urgent by Musk turn volatility into a justification to speed up. This is in line with the theory of transient advantage proposed by McGrath (2013) that states that in dynamic markets, volatility can be used to create temporary, yet repeatable competitive positions. Uncertainty is a two-edged rhetorical sword in visionary discourse (Musk) and pragmatic crisis management (Bezos, Chesky): it is used to justify tactical changes in the short term, and to precondition the dreamy, long-term objectives. This can be seen as a manifestation of what Cornelissen and Clarke (2010) call rhetorical ambidexterity or the ability to combine pragmatic and visionary messages in one narrative frame.

The fact that Bezos has been using the term Day 1 over several years is a good example of identity work the process of creating the image of leaders in the eyes of themselves and others (Sveningsson and Alvesson 2003). In positioning himself as the protector of the entrepreneurial spirit of Amazon, Bezos frames his leadership as the one that ensures cultural continuity. The focus on the roots of Airbnb by Chesky serves the same purpose, as it strengthens authenticity in the context of organizational change. Musk has combined technical expertise with a visionary approach to leadership, which conveys competence with first-principles thinking and ambition with planetary-scale ambitions (Conger & Kanungo, 1998). The discourse of Seibel positions the founder as a partner of an investor, with the emphasis on transparency, ease, and speed of execution whereby conformity to the expectations of the audience increases perceived credibility (Navis and Glynn 2010).

Interaction of the Four Discursive Strategies

The statistics indicate that the four thematic categories are not independent but mutually reinforcing. For example:

Innovation framing can give the inspirational vision, but effectual logic can give it a credible execution pathways. The discourse of uncertainty generates urgency, which is legitimised by founder identity work. Founder identity serves as a narrative transition between the volatility that is recognized in the uncertainty discourse and the stability that is promised in the innovation framing. This interaction is consistent with Reuber et al. (2016) demand of integrated approaches to entrepreneurial reasoning, which implies that in the context of the public communication, entrepreneurs combine cognitive, affective, and rhetorical tactics into a unified system.



Vol. 3 No. 9 (September) (2025)

Implications for Entrepreneurial Theory and Practice

This study helps fill a research gap that has been identified by combining discourse analysis with the effectuation theory (Westerlund & Rajahonka, 2020). It takes effectuation out of the cognitive and behavioural spheres into the linguistic one, demonstrating how such principles as means orientation, affordable loss, and the use of contingencies are directly reflected in the public discourse.

Implications of Practice

To practitioners, the findings imply that:

Stakeholder alignment can be improved through audience sensitive innovation framing.

The integration of effectual logic into the discourse of the population is an indicator of competence and flexibility.

The opportunity to frame uncertainty as an opportunity can be used to mobilise support in volatile times.

Long-term trust and legitimacy are created through sustained identity work.

Limitations and Future Research

Although this study offers novel information, its small, high-profile sample makes it less generalisable. Future studies might increase the sample to less well-known founders, cross-cultural comparisons, and multimodal discourse (text combined with video or visual artefacts). The qualitative results might also be supplemented by quantitative linguistic analysis to study the frequency of such rhetorical strategies in a larger corpus.

Conclusion

This paper aimed to investigate the role of language in the construction and communication of innovation by entrepreneurs in written discourse in the public domain and how this language can be used to reflect effectual reasoning and be consistent with venture success. The study aimed to fill a gap between the literature on entrepreneurial discourse and the established principles of effectuation theory by analysing a purposive sample of publicly available founder communications, such as shareholder letters, strategic plans, crisis announcements, and instructional essays.

The study had two objectives. First, to determine the discursive strategies employed by entrepreneurs to frame innovation in a manner that attracts the attention of stakeholders and increases legitimacy. Second, to explore the existence and the role of effectual logic, means-driven, adaptive thinking, in these communications, and how such language relates to organisational resilience and success

Thematic discourse analysis identified four major patterns, which are innovation framing, effectual logic, uncertainty discourse, and founder identity construction. These elements were present in various combinations and emphases across the cases, and varied by audience and context, but were always present in the language of successful founders.

The first significant conclusion, which is innovation framing as a strategic tool, proves that entrepreneurs strategically adjust the way they frame innovation. Consumer-facing communications (such as those by Bezos and Chesky) were overwhelmingly customer-centric in their framing, whereas visionary engineering narratives (such as Musk and Tesla Master Plan) were systems-level in their framing. Clarity and accessibility were themselves presented as a kind of innovation in investor-oriented discourse (as in Seibel essay). This achieves the goal of comprehending the linguistic construction of innovation, which shows that framing decisions are not accidental but audience-oriented and strategically intentional.

The second discovery, the effectual logic as a credibility anchor, demonstrates that



Vol. 3 No. 9 (September) (2025)

entrepreneurs incorporate means-driven logic into their public discourse. The emphasis on action within limits, the use of available resources, and adaptive goals all indicate competence and realism on the part of founders. In the focus on high-velocity decision-making by Bezos or the demand to own the simple business model by Seibel, such language helps to achieve the goal of connecting effectuation to communicative practice. It shows that effectual reasoning is not merely a cognitive process but also a rhetorical one, which is employed to assure the stakeholders of the viability of the venture.

The third pattern uncertainty discourse as an opportunity lever demonstrates that founders are not afraid to admit that things are volatile; they employ it as a reason to make strategic shifts and create a sense of urgency. Musk frames the issues of global energy transition as a driver to adoption, and Chesky and Bezos use crises to re-define mission and re-prioritize resources. This fulfills the goal of demonstrating how language mediates perceptions in the face of uncertainty, which is a dual-purpose strategy: uncertainty is both an explanation of short-term adaptation and a story precondition of long-term vision.

The fourth finding, founder identity construction, means that entrepreneurs are engaged in constructing their own public image in order to enhance legitimacy. As cultural custodians (Bezos, Chesky), visionary engineers (Musk), or down-to-earth investor evangelists (Seibel), identity work is the means of connecting abstract vision with concrete action. This helps to achieve the goal of relating linguistic strategy to leadership positioning.

Collectively, these results indicate that the discourse of public entrepreneurship is a strategic action per se. Language does not just convey plans, it also influences the perceptions of stakeholders, reduces perceived risk and anchors credibility. The incorporation of effective reasoning in innovation stories is a strong demonstration of how entrepreneurs can stay legitimate and in action in ambiguous circumstances.

This study will help in theory and practice by accomplishing its goals. In theory, it takes effectuation into the realm of discourse and provides evidence that linguistic decisions can reflect fundamental effectual principles. In practice, it offers entrepreneurs, advisors, and educators tangible information on how communication strategies can be used to improve stakeholder alignment and venture success.

Finally, the study proves that the language used by entrepreneurs to discuss innovation is as significant as the innovations themselves. Narratives that integrate visionary framing, pragmatic effectuation, adaptive responses to uncertainty, and coherent identity signalling have a greater chance of creating confidence, resource mobilisation and long-term commitment. To entrepreneurs who have to operate in complex and volatile markets, this interplay between language and strategy can be as important as mastering product development or market analysis.

References

- Boin, A., Kuipers, S., & Overdijk, W. (2017). Leadership in times of crisis: A framework for assessment. *International Review of Public Administration*, 22(1), 79–93. <https://doi.org/10.1080/12294659.2017.1288056>
- Brown, T. (2009). *Change by design: How design thinking creates new alternatives for business and society*. Harper Business.
- Christensen, C. M. (1997). *The innovator's dilemma: When new technologies cause great firms to fail*. Harvard Business Review Press.
- Conger, J. A., & Kanungo, R. N. (1998). *Charismatic leadership in organizations*. SAGE



Vol. 3 No. 9 (September) (2025)

Publications.

- Cornelissen, J. P., & Clarke, J. S. (2010). Imagining and rationalizing opportunities: Inductive reasoning and the creation and justification of new ventures. *Academy of Management Review*, 35(4), 539–557. <https://doi.org/10.5465/amr.35.4.zok539>
- Henderson, R. M., & Clark, K. B. (1990). Architectural innovation: The reconfiguration of existing product technologies and the failure of established firms. *Administrative Science Quarterly*, 35(1), 9–30. <https://doi.org/10.2307/2393549>
- Lounsbury, M., & Glynn, M. A. (2001). Cultural entrepreneurship: Stories, legitimacy, and the acquisition of resources. *Strategic Management Journal*, 22(6–7), 545–564. <https://doi.org/10.1002/smj.188>
- Martin-Navarro, A., Ruiz-Rosa, I., & Martín-Rojas, R. (2023). Effectual logic and entrepreneurial intentions: The mediating role of entrepreneurial self-efficacy. *Journal of Business Research*, 155, 113385. <https://doi.org/10.1016/j.jbusres.2022.113385>
- McGrath, R. G. (2013). *The end of competitive advantage: How to keep your strategy moving as fast as your business*. Harvard Business Review Press.
- McKelvie, A., Chandler, G. N., DeTienne, D. R., & Johansson, A. (2019). The measurement of effectuation: Highlighting research tensions and opportunities for the future. *Small Business Economics*, 54(3), 689–720. <https://doi.org/10.1007/s11187-019-00164-5>
- Navis, C., & Glynn, M. A. (2010). How new market categories emerge: Temporal dynamics of legitimacy and identity. *Organization Science*, 21(2), 374–392. <https://doi.org/10.1287/orsc.1090.0444>
- Nguyen-Duc, A., Seppänen, P., & Abrahamsson, P. (2021). Entrepreneurship in software startups: An exploratory study on the relationship between effectuation and product development practices. *Empirical Software Engineering*, 26(4), 1–36. <https://doi.org/10.1007/s10664-020-09874-8>
- Parhankangas, A., & Ehrlich, M. (2014). How entrepreneurs seduce business angels: An impression management approach. *Journal of Business Venturing*, 29(4), 543–564. <https://doi.org/10.1016/j.jbusvent.2013.08.001>
- Parhankangas, A., & Renko, M. (2017). Linguistic style and crowdfunding success among social and commercial entrepreneurs. *Journal of Business Venturing*, 32(2), 215–236. <https://doi.org/10.1016/j.jbusvent.2016.11.001>
- Pollack, J. M., Rutherford, M. W., & Nagy, B. G. (2012). Preparedness and cognitive legitimacy as antecedents of new venture funding in televised business pitches. *Entrepreneurship Theory and Practice*, 36(5), 915–939. <https://doi.org/10.1111/j.1540-6520.2012.00532.x>
- Reuber, A. R., Fischer, E., & Coviello, N. (2016). Deepening the dialogue: New directions for the evolution of effectuation theory. *Academy of Management Review*, 41(3), 536–540. <https://doi.org/10.5465/amr.2016.0046>
- Sarasvathy, S. D. (2001). Causation and effectuation: Toward a theoretical shift from economic inevitability to entrepreneurial contingency. *Academy of Management Review*, 26(2), 243–263. <https://doi.org/10.5465/amr.2001.4378020>
- Sarasvathy, S. D. (2008). *Effectuation: Elements of entrepreneurial expertise*. Edward Elgar Publishing.
- Simon, H. A. (1991). Bounded rationality and organizational learning. *Organization Science*, 2(1), 125–134. <https://doi.org/10.1287/orsc.2.1.125>
- Sveningsson, S., & Alvesson, M. (2003). Managing managerial identities: Organizational fragmentation, discourse and identity struggle. *Human Relations*, 56(10), 1163–



Vol. 3 No. 9 (September) (2025)

1193. <https://doi.org/10.1177/00187267035610001>

Verganti, R. (2009). *Design-driven innovation: Changing the rules of competition by radically innovating what things mean*. Harvard Business Press.

Westerlund, M., & Rajahonka, M. (2020). Bridging design thinking and effectuation: An exploratory study of two entrepreneurial processes. *International Journal of Entrepreneurial Behavior & Research*, 26(6), 1163–1185. <https://doi.org/10.1108/IJEBR-04-2019-0217>

Zott, C., & Huy, Q. N. (2007). How entrepreneurs use symbolic management to acquire resources. *Administrative Science Quarterly*, 52(1), 70–105. <https://doi.org/10.2189/asqu.52.1.70>