FROM SUCCESS TO FAILURE: A CASE STUDY OF AN AWARD WINNING SOCIAL ENTREPRENEUR (SUMMARY)

Robin Stevens  
*University College Ghent, Belgium, robin.stevens@hogent.be*

Nathalie Moray  
*University College Ghent, Belgium*

Yves Fassin  
*University Ghent, Belgium*

Recommended Citation  
Stevens, Robin; Moray, Nathalie; and Fassin, Yves (2009) "FROM SUCCESS TO FAILURE: A CASE STUDY OF AN AWARD WINNING SOCIAL ENTREPRENEUR (SUMMARY)," *Frontiers of Entrepreneurship Research*: Vol. 29: Iss. 21, Article 4. Available at: http://digitalknowledge.babson.edu/fer/vol29/iss21/4
SUMMARY

FROM SUCCESS TO FAILURE: A CASE STUDY OF AN AWARD WINNING SOCIAL ENTREPRENEUR

Robin Stevens, University College Ghent, Belgium
Nathalie Moray, University College Ghent, Belgium
Yves Fassin, University Ghent, Belgium

Principal topic

There is a general consensus that social entrepreneurship refers to those initiatives that primarily focus on the creation of social value. To date, academic interest in social entrepreneurship has focused on practitioner events and empirical work has focused on good practices and success stories of social entrepreneurs that act as ‘change makers’. This paper performs an in depth process analysis of an award-wining social entrepreneur that faced bankruptcy 2.5 years after its successful start-up.

Method

We perform an in depth historical process analysis in order to reconstruct the start-up and development of the social venture. Data come from multiple sources. First, we collected data through open-ended in-depth interviews with different stakeholders. Second, we used archival sources amounting to 250 pages of reports. Doing so, we (1) reconstruct the growth and subsequent decline of the firm through historical process analysis, and (2) perform a categorical analysis to identify first order terms and concepts and assign these under second-order theoretical labels (Van Maanen, 1979).

Results and implications

Early 2004 METALCON was founded by 2 entrepreneurs to make metal constructions for companies in the fiercely competitive environment of the building sector. The company was established with 425,000 Euro start-up capital and 13 people were employed at the start-up. After one and a half year the number of employees increased up to 50 people. Case data revealed that the social mission – embodied by the social entrepreneurs - was a driver behind the fast growth of the firm which led eventually to its bankruptcy. They were supported in their idealism by the ‘moral’ support of particular policy programs, early perceived success with special awards and press coverage, giving the firm visibility in the local community. METALCON developed cash flow problems and went into liquidation early 2006. Main contribution is the analysis of a ‘failure’, pointing to the challenges and pitfalls of social entrepreneurs, as opposed to the success-stories that dominate much of the literature, granting insight in the consequences of a single minded focus on the social mission, without taking into account the economic rationale of working in a competitive environment.

CONTACT: Robin Stevens; robin.stevens@hogent.be; (T): 0032 9 248 88 43; (F): 0032 9 242 42 09; Voskenslaan 270 – 9000 Ghent – Belgium.