

Self-Stigmatisation of Entrepreneurial Failure

Dr. Smita Singh

Waikato Management School, University of Waikato, Hamilton, New Zealand

Email: smita_singh2001@hotmail.com

Dr. Patricia (Trish) Corner

Faculty of Business and Law, Auckland University of Technology, Auckland, New Zealand

Email: trish.corner@aut.ac.nz

Dr. Kathryn Pavlovich

Waikato Management School, University of Waikato, Hamilton, New Zealand

Email: kpav@waikato.ac.nz

ABSTRACT

This article examines the research question “How do entrepreneurs experience self-stigma when their venture fails?” This question was addressed using a qualitative methodology with the aim of building theory. Rich descriptions from narratives of 12 New Zealand entrepreneurs illustrate self-stigmatisation in relation to entrepreneurial failure and its impact. The findings are grouped into two key patterns: “negative effects of self-stigmatisation” and “positive effects of self-stigmatisation”. Table 2 and 3 provided a detailed representation of these two patterns.

Keywords: Entrepreneurial failure, Entrepreneurs, Small and Medium Sized Enterprises

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Scholars have recognized failure as an important phenomenon in entrepreneurship, including both its causes and consequences for the entrepreneurs, ventures and nations. Entrepreneurial failure can be demoralizing but also crucial and invaluable for entrepreneurs as they can apply the capabilities and knowledge that they gain through this experience in subsequent ventures (Minniti & Bygrave 2001). For this reason, a growing number of studies have examined what entrepreneurial failure means for the entrepreneurs involved. Studies draw attention to the impact of failure on entrepreneurs (Shepherd 2003; Shepherd, Wiklund & Haynie 2009); examining how they make sense of it (Cope 2005; Cope & Watts 2000), respond to it (Singh Corner & Pavlovich, 2007) and identifying what they learn from it (Cope 2011; Huovinen & Tihula 2008).

More recently, scholars have discussed the notion of stigma (defined below) associated with entrepreneurial failure (Politis & Gabrielsson 2009; Cardon et al. 2011). Stigma of failure can trigger negative media hype and harsh criticism (Cardon, Stevens & Potter 2011). Such outcomes can deter entrepreneurs from starting up a venture again (Kirkwood 2007; Politis & Gabrielsson 2009). Since entrepreneurship is considered as the backbone of economic progress (McKeon, Johnston & Henry 2004; Warren 2004), reduced entrepreneurial activity due to stigma of failure is a significant cost to a society. The European Commission’s “Second Chance” policy is an example of governments’ efforts

to reduce the social stigma associated with entrepreneurial failure (European Commission Enterprise and Industry Group 2011).

To date, scholars predominantly have examined the stigma of entrepreneurial failure at the societal level. For example, entrepreneurial activity has been shown to vary according to cultural (Begley & Tan 2001; Vaillant & Lafuente 2007; Damaraju, Barney & Dess 2010) and policy (Lee, Yamakawa, Peng & Barney 2011) differences in the extent of stigmatisation of entrepreneurial failure. These findings are valuable in terms of highlighting that culture or policy can be modified in order to reduce the stigmatisation of entrepreneurial failure, thereby promoting entrepreneurial activity in a society. What remains to be understood is the repercussion of stigma of failure at the level of individual entrepreneurs. The stigma of failure may discourage entrepreneurs from founding subsequent ventures given that an entrepreneur's identity is closely intertwined with his/her venture (Cardon et al. 2005). This could ultimately decrease the venture start ups that economies rely on for job creation and innovation (World Bank 2001).

The purpose of this paper is to examine empirically stigma of entrepreneurial failure from the individual level perspective of entrepreneurs who have experienced it. Given the lack of research on stigma of entrepreneurial failure at an individual level, we implement an inductive study that addresses the research question 'How do entrepreneurs experience self-stigma when their venture fails?' By focusing on the entrepreneurs' experience of failure, this study will significantly extend knowledge of stigma to include self-stigma by individual entrepreneurs and the repercussions for entrepreneurs' decisions, and behaviours after venture failure. In the following sections, we present a background to the study, describe the research methods of the study, and present findings. Lastly, we discuss implications for the wider literature.

BACKGROUND

Stigma is an "attribute that is deeply discrediting" that reduces the individual bearing the stigma "from a whole and usual person to a tainted, discounted one" (Goffman 1963, p. 3). More recently, Link

and Phelan (2001) have provided a more elaborate description of stigma as a concept that is made up of interrelated elements of “labeling, stereotyping, separation, status loss, and discrimination” (p. 377). Research on stigma is located mainly in the health and psychology literatures where studies have been conducted to examine the nature, impact and strategies to deal with stigma in a variety of life contexts (Roca 2010) such as physical (Fife & Wright, 2000) and mental (Kroska & Harkness 2006; Markowitz 1998) illness, sexual orientation (Hereck, Gillis & Cogan 2009) and criminality (Rasmussen1996; Schnittker & John 2007). Corrigan et al. (2010) have asserted that stigma can be of two types. The authors clarify that social stigma is the prejudice and discrimination as a result of endorsement of specific stereotypes from society. Self-stigma on the other hand is when a person agrees with and applies the negative beliefs held by the society to themselves (Corrigan et al. 2010). It is the reaction of a person to him/herself in the light of his/her own experience (Knights Wykes & Hayword 2003).

Social stigma

Social stigma can have a remarkable impact on many areas of a person’s life such as income, housing, and health (Link & Phelan 2001). Within management research, social stigma of failure has been examined in the corporate context. Wiesenfeld, Wurthmann & Hambrick (2008) state that stigma is the defamation of corporate executives because of their association with a failed company. For example, leaders of failed organisations can be viewed as unsuitable and unskilled (Sutton & Callahan 1987). Furthermore, the impact of this stigmatisation of failure on executives can go further than social disgrace (Semadeni et al. 2008) as they may also face the loss of economic and professional opportunities and get shunned from the corporate world (Wiesenfeld et al . 2008).

Two themes have surfaced from the studies conducted so far on stigma associated with entrepreneurial failure. The first theme in the literature is that scholars have mainly adopted a cultural perspective in examining stigma. These studies highlight that the extent of stigma in relation to entrepreneurial failure can vary from one culture to another. For example, Begley and Tan (2001) find that shame of entrepreneurial failure is more of a concern in East Asian countries as compared to Anglo

countries. Vaillant & Lafuente (2007) find that belief in the social stigma of entrepreneurial failure is a significant deterrent to entrepreneurial activity in Spain. Damaraju, Barney & Dess (2010) find that the effect of stigma on entrepreneurial risk taking in collectivist cultures significantly varies from that in individualistic cultures. Collectivist cultures are less tolerant and more stigmatizing of failure and so less favourable for entrepreneurial risk taking. The authors also find that environmental dynamism (the extent to which environments are fast changing, innovative and uncertain) has an important moderating effect on the link between culture, stigma and entrepreneurial risk taking.

The second theme in the literature is that studies have mainly focused on stigma related with bankruptcy due to entrepreneurial failure. Furthermore, such studies have commonly used the public policy perspective in examining bankruptcy related stigma. For example, Efrat's (2006) study examined the reasons behind the reduced stigma among the public of the USA towards personal bankruptcy. The author found that financial failure that was traditionally perceived as a result of overconsumption or fraud became more socially acceptable as the failure got commonly attributed to factors such as inflation, recession, lack of welfare and lender's performance. Moreover, the author found that the media, government and legal profession played a role in shaping the social perceptions about personal bankruptcy. As the media reported more bankruptcy cases, people began to perceive bankruptcy as common and became more tolerant to it. The public also began to perceive bankruptcies as common and tolerable as a result of a growing number advertisements placed by attorneys about bankruptcy services and the use of neutral labelling terms such as debt resettlement by legislators in some countries. Lee, Yamakawa, Peng and Barney (2011) examined whether bankruptcy laws have an impact on the extent of entrepreneurship development around the world. Using a cross country database from 29 countries, the authors found that more relaxed and "entrepreneur-friendly" bankruptcy laws were significantly correlated to the extent of entrepreneurship development that was measured by the level of entry of new firms (p. 505).

In sum, while this emerging research illuminates the influence of social stigma of failure on entrepreneurial activity at a societal level, it does not address the impact of stigma on the micro, individual level of the entrepreneur.

Self-stigma

We contend that the current understanding of stigma and how it impacts entrepreneurial activity can be deepened if the implications of stigma of failure at the individual level are also examined. It seems likely that entrepreneurial failure would create stigma with potential negative effects for entrepreneurs, extrapolating from the failure episodes experienced by managers in the corporate context (Paetzold, Dipboye & Elsbach 2008; Sutton & Callahan 1987; Wiesenfeld et al. 2008). Entrepreneurship scholars have acknowledged that an entrepreneur's identity is closely intertwined with his/her venture (Cardon et al. 2005). When failure happens, an entrepreneur may get caught up in the negative spiral of shame (Smith & McElwee 2011), may hesitate in taking risks or adopting new ideas, lack confidence in making venture related decisions and even decide to permanently give up on the idea of being involved in a venture again (Politis & Gabrielsson 2009). One of Cope's (2011) failed entrepreneurs, Gill, felt isolated and unable to seek help from others due to self imposed stigma of failure. We thus agree with Cope that there needs to be further research on stigma in relation to entrepreneurial failure. In particular, we suggest stigma research informed by the lived experiences of those who are stigmatized in order to prevent misconceptions of the experience and the "perpetuation of unsubstantiated assumptions" (Link & Phelan 2001 p. 365). Examining stigma of failure at the level of the entrepreneurs will help contribute to the limited understanding of the implications of identity management and psychological wellbeing on entrepreneurship (Shepherd & Haynie 2009). The purpose of this paper is to explore the research question of 'How do entrepreneurs experience self-stigma when their venture fails?'

RESEARCH METHODS

Research Design and Data Collection

A qualitative, narrative approach was used for this study. The purpose of this study is to induce theory from data. Qualitative research design is suitable when the aim is to inductively analyse the data by arranging the data into progressively more abstract categories of information and the focus is on the participants' meaning rather than one's own viewpoints or what is mentioned in the literature (Creswell 2009, pp. 175-176). A narrative is one of the many forms of qualitative research. This study uses 'analysis of narrative' approach, in which, the researcher collects stories and examines these stories to inductively develop common patterns (Polkinghorne 2003, pp. 5-24). Twelve entrepreneurs participated in this study and narrated stories of the failure of their small to medium sized ventures (See Table 1). For the purpose of this study an entrepreneur is defined as "an individual who establishes and manages a business, which is consistent with past entrepreneurship research" (Politis & Gabrielsson 2009, pp. 370). Therefore, those entrepreneurs who experienced venture failure and were willing to talk about their experiences were selected for the study. To identify participants, project information sheets were distributed to personal contacts on the first author's university campus and in public places such as the local church. Newspaper advertisements were also placed asking for volunteers for this project. To address ethical issues regarding this study, approval was obtained from the ethics committee at the University of Waikato as this is where the research was undertaken. Most interviews lasted for one and a half hours and they provided the main source of data. Other sources of data used were media articles, website information provided by the participants, observation notes during the research setting, and email communication with the participants (Creswell 2009). All participants were given false names for anonymity.

Insert Table 1

Data Analysis

Auerbach and Silverstein's approach to data analysis was used in this study (2003, p. 43). At the first stage, the research question of the study was used to sift the relevant data from irrelevant data in the transcripts of all the participants. Text that helped in illuminating the research question was considered relevant and was used for the remaining stages of data analysis. At the second stage, parts of relevant text were highlighted and labelled for deeper understanding of the text (Flick 2009, p. 309). At stage 3, text segments of each participant's transcript were checked again to spot those highlighted and labelled data incidents that occurred more than once. Such duplicated pieces of data identified in stage two for a single participant were now classified as similar ideas and any such similar ideas that occurred in more than one participant's list of similar ideas were now called sub-patterns. In the next stage, each sub-pattern was assigned to a pattern. A pattern was a cluster of two or more sub-patterns that were grouped on the basis of a common meaning or theoretical connection (Auerbach & Silverstein 2003). The two patterns of self-stigmatisation entrepreneurs evidenced were: "negative effects of self-stigmatisation" and "positive effects of self-stigmatisation" which are developed further in Tables 2 and 3.

FINDINGS

"Negative effects of self-stigmatisation", refers to the detrimental effects of the participants' beliefs about themselves and internalized social stigma related to entrepreneurial failure. This pattern includes four sub patterns of *lost confidence*, *negative feelings*, *fear of other's negative reaction/judgment*, and *perceived ostracism due to failure* (See Table 2, column 1). The outcomes of these internalized negative social stereotypes and beliefs had a detrimental effect on their personal and professional life and their sense of identity and wellbeing. For example, participant Nigella, felt lonely and frustrated. She felt no one would understand her circumstances so she did not even share the fate of her venture with her closest friends. She also stopped dating because she felt quite unattractive. The failed venture dented her confidence and this was evident in describing herself as a "procrastinator", that is, her hesitation in

making crucial decisions regarding her career and life in general. Participant Edward experienced greater financial losses as he tried to save his face by prolonging the life of his failing business through investing more money into it. Participant David lied to people as he feared about being harshly judged for having a failed business. This led to the breakdown in both his personal and professional relationships.

Insert Table 2

We expected negative reactions and stigma from entrepreneurial failure. However, this pattern only partially depicts the effects of entrepreneurial failure. “Positive effects of self-stigmatisation” is therefore the second pattern that gives an insight into the surprising constructive impact of self-stigmatisation. This pattern includes the following three sub patterns: *desire to be a change agent and make a contribution to society*, *desire to learn more about failure*, and *pride in hard but ethical decisions made in the midst of venture failure* (See Table 3, column 1). The effects of the entrepreneurs’ internalized social stigma of failure and their negative beliefs stimulated them to turn around the unpleasant feelings into proactively making positive changes in their life and in the society by using their experiences of venture failure. For example, participant Nigella described how she challenged the common stereotypes of failure by speaking up about her experience and sharing her knowledge from this experience in other peoples’ businesses. Moreover, the participants embraced failure as an inevitable part of an entrepreneurial process and therefore made efforts to learn more about this phenomenon and how to effectively cope if it happened again. For example, participant Caleb decided to study a business course and participant David went to a professional counselor to learn more about why his business failed. A positive finding was also the sense of pride regarding the ethical decisions that the entrepreneurs took in the midst of venture failure. Not filing for bankruptcy was an ethical decision that entrepreneurs Bob, Ken, Tania, Paula were proud to have taken. This pride enabled them to uphold their identities when dealing with the aftermath of failure. As participant Tania said, “If it wasn’t for me being the battler, we would

have been six foot under or would have been bankrupt. We didn't file for bankruptcy and kept trying so as to not let down the people we owed money to".

Insert Table 3

To recap, the findings make clear that self-stigmatisation of entrepreneurial failure can have both negative and positive implications on the entrepreneurs' career and personal life decisions, their relationships and wellbeing. Moreover, the repercussions of self-stigmatisation of failure shape entrepreneurial decisions and therefore potentially impact society overall. This was apparent in the participants' descriptions of the negative feelings and reactions to venture failure and the desire to draw on their own personal feeling of failure and perceived social stigma to bring a change in the society.

DISCUSSION AND FUTURE RESEARCH RECOMMENDATIONS

The purpose of this article was to explore the research question of 'How do entrepreneurs experience self-stigma when their venture fails?' Findings present two key patterns: negative effects of self- stigmatisation and positive effects of self-stigmatisation. Negative effects of self- stigmatisation findings were expected as entrepreneurial scholars have argued on the basis of anecdotal evidence that failure can result in entrepreneurs generating negative labels for themselves (Politis & Gabrielsson, 2009; Smith and McElwee 2011). The empirical evidence of this study reinforces these arguments but elaborates them by illustrating specific negative labels that entrepreneurs did apply to themselves and how those labels affected their behavior. Given the empirical evidence that this study provides of how stigmatisation of failure can affect the mental health of entrepreneurs, further research can examine what strategies and factors can enable the entrepreneurs to successfully ward off or at least minimize the negative consequences of stigma.

Importantly, this study revealed unexpected positive effects of self-stigmatisation of entrepreneurial failure. These findings were surprising because scholars have tended to mostly focus on the negative effects of stigmatisation (Paetzold et al.2008). Findings of this study highlight that future research should further explore the implications of positive effects of stigmatisation for the individuals and subsequent ventures. For example, does stigmatisation lead to founding additional ventures? Does stigmatisation lead to entrepreneurs being more sensitive and vigilant in subsequent situations involving setback, humiliation and discrimination? How does stigmatisation of failure impact relationships in new ventures? For example, does it lead the entrepreneurs to become more suspicious, tactful, selective or tolerant in developing and maintaining new business relationships? Longitudinal studies can be conducted in future to examine these questions.

A limitation of this study is the retrospective nature of the data. However, this constraint is ameliorated by the fact that when people experience a significant, life altering event like venture failure they usually have a good memory of it (Cope 2011). In conclusion, this study has taken an initial step towards examining the stigma of entrepreneurial failure from the individual point of view of those who have experienced it and, we hope, has opened up avenues for further research into implications of self-stigmatisation for the founding and management of future ventures.

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Table 1 Description of Cases

Case	Experience before the venture	Motivation behind starting up the venture	Nature of the venture	Fate of the venture	Duration of the venture
Bob	- Worked as an apprentice in carpet layering	- Interest in self employment - To become wealthy	- Carpet retail	- Sold assets to pay back debts - The venture was closed down	- Five years
Caleb	- Worked in the police force	- Interest in self employment - To lead a financially comfortable life	- Truck transport	- Irrecoverable financial losses - The venture was closed down	- Three years
David	- Tertiary student	- To pay off existing debts - To earn a living	- Construction and property management business	- Bankruptcy	- Four years
Edward	- Had started the tyre recycling business that was expanded to incorporate the processing of recycled tyre	- Keen interest in environment issues - Financial motivation	- Tyre processing	- Inadequate funding - Sold assets to pay back debts and avoid bankruptcy. - The venture was closed down	- Four years
Ian	- Worked in the banking industry	- Interest in self employment	- Sports retail	- Accumulation of heavy debts - The venture was closed down	- Five years
Jana	- Spiritual counsellor	- Keen interest in the idea of helping people experiencing grief	- Gift retail	- Inadequate funding - The venture was closed down	- Less than one year
Ken	- Tertiary student (course involved studying about mushrooms)	- Keen interest in mushrooms	- Mushroom retail	- Heavy financial losses due to disease spread - The venture was closed down	- Five years
Larry	- Work experience in computer industry	- Desire to be self employed	- Software distribution and sales business	- Heavy financial losses - Receivership	- Six years
Matt	- Apprentice in door and window making business	- Desire to be self employed	- Worked as an apprentice and sales person for door and window making business	- Partnership issues led to losses - The venture was closed down - Sold assets to pay back debts	- One year
Nigella	- Tertiary student	- Desire to arrange a tidy deposit to buy a home	- Sun tan boutique	- Financial losses led to bankruptcy	- Six years
Paula	- Artist	- To earn a living	- Kite retail	- Inadequate funds led to losses and	- Ten years

		- Interest in kite making		accumulation of debts - The venture was closed down	
Tania	- Administration	- Desire to be self employed - Financial motivation	- Dry-cleaning	- Heavy financial losses due to firm relocation and sickness - The venture was sold to prevent bankruptcy and pay back debts	- Four years

Table 2 Negative Effects of Self-Stigmatisation

Negative Outcome Sub - Pattern	Instances of Sub -Pattern	Outcomes of Sub Pattern	Evidence (Quotes)
Lost confidence	<ul style="list-style-type: none"> - Developing anxiety and fear - Doubting self ability in making decisions in business and personal life 	<ul style="list-style-type: none"> - Questioned ability to make good decisions that would lead to success - Delayed/avoided crucial decisions 	<p>My confidence took a real hit and I started to have self-doubts about my ability to be successful. I doubt that I will ever go into business again. I am very wary about being responsible for myself and my family through self-employment in a competitive market – Ian</p> <p>You are killing your own head, you doubt yourself, and you murder your self-confidence. . . I have business ideas but even if I won Lotto, I am not going to go there because of what has happened with this business. I am a worrying person and I can always think about the worst possible scenario. I think I have a predisposition for it because things didn't come right at the time; I am conditioned to think how it is all going to go into crap – Tania</p> <p>I have become such a procrastinator and I need to get rid of this habit. I am not confident about my decision making ability. It's because I don't trust my judgment and my choices weren't great – Nigella.</p> <p>It took many years to rebuild my confidence that was lost because of this experience. – Matt</p>
Negative feelings	<ul style="list-style-type: none"> - Feeling guilty - Labelling self as a failure - Castigating self for the financial difficulties faced by family - Feeling less than others due to financial difficulties and reduced status resulting from venture failure -Negative self image -Depression/ psychological stress -Loneliness 	<ul style="list-style-type: none"> - Avoided socializing with friends and family - Moved to a new location 	<p>I still get thoughts about how I should have tried harder. Since bankruptcy, I feel quite guilty when I am buying something new because I feel it is not my money. I have stopped dating because I don't have anything to offer anyone and don't feel attractive anymore. – Nigella.</p> <p>Failure is a bad thing because there hasn't been much failure in my family. I was the first person that had failed. The fact that I started something and could not make it work means that I was a failure. I have a lot of guilt about it because we are still living with the consequences. I blame myself because I didn't have any business ownership or management experience. It is my fault because I wasn't business savvy... I am dumb and stupid because I don't know what I am doing. – Tania</p> <p>I was depressed and was beginning to feel like a loser- like I failed ... I am not living here because I am not doing this business. I am moving away for a fresh start somewhere else.– Ken</p> <p>I have been a bad boy. Mum lost a lot of money because of me. I have been stupid. I stopped going to church because people there knew about me– David.</p> <p>Sometimes I think whether I have done enough. I felt responsible for my wife and kids</p>

			<p>and that was hard to live with because one tried to perform in order to protect others. So failure put a lot of psychological stress on me – Caleb</p> <p>Going out of business is a major loss and you experience grief. We are not very good in talking about grief. It takes time to admit your own vulnerability and then be prepared to open up to the idea of seeking help. But then there was a stigmatism about going to go to a counsellor. Grief does have stigmatism about it because one of the dynamics of grief is that sometimes it can change you and your behaviour.- Matt</p> <p>That feeling of loneliness can be quite hard to deal with and make you feel most frustrated and close to tears –Nigella</p>
Fear of others' negative reaction/judgement	<ul style="list-style-type: none"> - Delayed exit from business - Lied about the declining health of the business - Maintained secrecy about business failure - Avoided socializing 	<ul style="list-style-type: none"> - Incurred greater financial losses - Experienced a breakdown or strain in personal and professional relationships - Did not seek help - Experienced loneliness 	<p>We poured money into the business for saving our face and lost about \$450,000. We could have come out of it probably losing only about \$150,000 but we kept the business going because we were worried about what people would think. – Edward.</p> <p>We should have given up three years before we did. But we were perceived to be successful and got so much recognition internationally. We lost the house, the car, everything. – Paula.</p> <p>I lied to people and deceived them. The little bubble protected me. When things went wrong with the business, people still latched on because I brought people over in the bubble and won them with my lies. I had tentacles of deceit running through all my relationships and I lost many relationships as a result of this. – David.</p> <p>When you go penniless, not only do you lose money but also pride. There is a stigma about it. I kept it as a secret from everyone for two reasons. My friends did not have any idea that I was in this situation. It is a small town and if my friends knew I was broke then they would say ‘Poor Bob’. If I had shared, it might have been easier. I had kept secrets from my wife as well. Ninety-nine percent of the information was kept a secret. The second reason is that you have to try to get back on your feet. In this small town, you want to be able to go and shop if you like and get credit and do something again within the same town. You try your utmost to keep a secret. – Bob.</p> <p>People see that you change, they don't know how to cope with grief and so they don't want to get involved. – Matt.</p>
Perceived ostracism due to failure	<ul style="list-style-type: none"> - Felt being harshly judged by the business community and banks - Felt abandoned by family and 	<ul style="list-style-type: none"> - Did not seek help or share problems - Experienced isolation 	<p>It is the people in the wider community, the business people, and the banks I need to ask credit from who don't understand and that is where the problem of social stigma exists – David.</p> <p>There is stigma around bankruptcy and there is stigma around failure. We as a nation</p>

	friends		<p>tend to recognize success and failure means you didn't get it right and you weren't good enough. The banks consider their own selfish objectives and need to be more lenient and understanding of the industry – Caleb.</p> <p>People who haven't owned their business, who have financial backing and have always had money will never understand. Those who had nothing then done something and gone back to nothing are the kind of people who will understand . . . I didn't tell my friends for ages that I couldn't do Christmas dinners anymore. The hardest thing is when things are going wrong and you feel that you can't talk to anybody about it. You don't want to worry other people. - Nigella.</p> <p>It [venture failure] is very much a stigma within the family – let alone the rest of the community. People often say once you have lost something then you find out who your real friends are and that's something I experienced when the venture failed. – Matt</p>
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Table 3 Positive Effects of Self-Stigmatisation

Positive Outcome Sub -Pattern	Instances of sub -Pattern	Outcomes of sub Pattern	Evidence (Quotes)
Desire to be a change agent and make a contribution to society	<ul style="list-style-type: none"> - Challenging stereotypes about failure - Passing on knowledge about strategies to avoid venture failure - Educating people about ways to deal with venture failure and similar challenging life setbacks 	<ul style="list-style-type: none"> - Taking part in research project to impart knowledge gained through failure - Disclosing positive aspects of personal experience of venture failure to others - Started a business to mentor entrepreneurs in creative business - Shared experience and lessons with business students and people considering venture start-up - Mentored small businesses to set up processes and pay bills on time (tripled growth of some companies) - Became a successful change management consultant and helped failing businesses achieve success. - Developed a depression management program 	<p>I now don't mind telling people. People who have been bankrupt tell me to not go telling everybody. When I can't afford something then I don't want people hassling me and I don't feel like I should have to make excuses. It is a real life experience. It is not OK to hush it up and it's better to talk about it. I am about breaking stereotypes. I have helped two businesses triple in growth. It is all about processes and paying bills on time. I had my experience to tell them when to say 'No', or 'You just have to be careful there'. I know what can go wrong when you do not pay. – Nigella.</p> <p>Through this bankruptcy I wanted to give something back and that is why I wanted to give you this interview. It's been an awful experience for me and I think it does not have to be this bad. There are things that can be done to stop failure and if you do fail there are things that help you get back on feet. I shared crisis management lessons that came out of this experience with companies in financial strain and on the brink of bankruptcy – David.</p> <p>I am sharing my life experience and in this way supporting, connecting with, and walking alongside people who are travelling a similar and often traumatic path. I hope that someone reads something in it and that creates the thought that 'If he can do it so can I'. Now my work is in the mental health support area and this is about peer support, empowerment, and self-determination both for me and others. I have developed a recovery plan which is being increasingly used by people with mental illness. – Ian.</p> <p>Part of the big value that I bring to my business relationships today came out of the lessons I learnt from going through that experience. I learnt 'There is always something better waiting around the corner so I must carry on and do what I plan to do'. I am a very good transformational agent. After the loss of my business, a friend of mine took over a business that was losing half a million dollars each year. I helped build it into a successful multimillion dollar business. Then I took over divisions of organizations that were struggling, turned those around and made them successful. I don't go and work on the business side but I work on things such as getting people to talk about their own spiritual well being. – Matt.</p> <p>I am offering business mentoring/coaching for people in the creative industry as I think they have a particular set of challenges and they are different to other businesspeople. – Paula.</p>
Desire to learn more about failure	<ul style="list-style-type: none"> - Seeking understanding about what mistakes were made in the business 	<ul style="list-style-type: none"> - Took professional courses led to new understanding about different aspects of 	<p>I picked up MYOB really quickly and used this when helping other businesses – Nigella</p>

	<ul style="list-style-type: none"> - Seeking understanding about different processes and systems in business that can minimize chances of failure - Seeking understanding on how to cope with the aftermath of business failure 	<ul style="list-style-type: none"> starting up and managing a business - Collaborated with researchers to develop new technology - Met professional consultants and counsellors led to new understanding on how to deal with different problems and understanding of how one's decisions contributed to the fate of the business 	<p>We have collaborated with researchers to develop this new technology that will help us re-start this business - Edward</p> <p>I am a person who likes to analyse everything. See where I have gone wrong, why I have gone wrong and how I can do better. This business has made me far more determined which is why I am here to study. What I am learning in this business course will help me in what I am going to do – Caleb.</p> <p>I wanted to know why I went bankrupt. I went for counselling and I got the answer in the last session that the reason for bankruptcy was that I was deceptive about the way I did things. I lied under pressure and that was a wrong strategy. No one told me any other way of coping. Now I am totally honest and if anyone asks me a specific question I give an honest answer no matter how hard it is to do so. – David.</p>
Pride in hard but ethical decisions made in the midst of venture failure.	<ul style="list-style-type: none"> - Deciding not to declare bankruptcy because entrepreneurs saw it as dishonest or unethical to get out of paying back debts - Braving the stigma - Differentiating between people who have gone bankrupt due to debts accumulated for business purposes and those who accumulated debt due to extravagant lifestyles (helicopters, vacation homes, yachts) 	<ul style="list-style-type: none"> - Entrepreneurs upheld their identities by distancing themselves from other entrepreneurs who engage in behaviour they perceived as unethical 	<p>I could have gone bankrupt and it would have been the easy option because there would have been many bills for which I was not liable. – Bob.</p> <p>I had no intention of declaring myself bankrupt as I have got no intention of walking away with people's money. – Ken.</p> <p>If it wasn't me for just being a battler, we would have been six foot under or would have been bankrupt. We didn't file for bankruptcy and kept trying so as to not let down the people we owed money to – Tania</p> <p>Our values are to behave in an ethical way. We decided we wouldn't go bankrupt and that's why we lost the house. – Paula.</p> <p>Why are all bankrupts put together? For some people it is their personal spending that causes bankruptcy and for others it is purely business reasons. It is not fair to differentiate people and because of that, you do find yourself feeling guilty . . . Going bankrupt is very brave as it takes a lot of courage, it's a big decision and it gets bigger every day. I don't imagine everybody could cope with it. – Nigella.</p>