

**Failing in social and commercial entrepreneurship: a comparative verbal protocol analysis of decision-making and cognitive effort.**

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Abstract

Failure and exit are critical components of the venturing process in social entrepreneurship. Given the nature of this activity, it may present essential dissimilarities with their commercial counterpart in the way they face failing situations. Using Verbal Protocol Analysis, our study reveals that decisions of social and commercial entrepreneurs vary equally depending on the nature of the business they are managing, not on the kind of entrepreneur they are. While individual differences appear to matter more in the recognition of opportunities, the nature of venture seems to be responsible for shaping individual responses to potential failure and exit.