

# Of course, trust is not the whole story

Collective narratives to question assumptions of trust in social entrepreneurship

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## abstract

Within the social entrepreneurship literature, trust is assumed as what holds together relations and based upon shared values [GHK 2005; Murdock 2005, 2012; Pharoah 2007]. The nature of the trusting relations is viewed as within and between organizations and between organizations and their clients/beneficiaries. The narrative rarely voices discontent in relations. Dey [2010] poses a problematic divide. What if practitioners do not share values or base their everyday actions upon moral views or ideologies? He finds researchers might bias towards their idealized views of social enterprise. Thus calling into question, might what is said in the social enterprise narrative distort the reality of everyday relations? Our title borrows from Steyaert [2007] and seeks to 'compexify' the simple story of trust told in the social entrepreneurship narrative.

Another story is also commonly told in the literature. It has long been posed that contractual legal frameworks lessen trusting relations [Fenton et al 1999]. Other literatures reflect this view of trust as in co-collaborative, non-contract based transactions [Welter 2012]. However, contractual agreements are the focus of many relations between social enterprise and the public sector. Pestoff and Brandsen [2009] say the changing nature of relationships is based upon long-term relations based upon trust and is replaced by short-term contract-based relations. Numerous theorists link this to power being held by public sector agencies [Reid and Griffith 2006; Murdock 2007; Somers 2007]. Nonetheless, there appears little research in the field as to how trust is enacted in everyday practices. This raises the issue of duality between trust and control. But is it simply the contractual agreements, which damage trust? The recurring narratives within government rhetoric promote competition and the need for social enterprises to become more business-like, which are viewed as potentially damaging to trust. This argument holds potentially important implications for better understanding what is meant by trust from the actual stories of those involved.

In this paper we examine the negotiations between trust and control. We examine stories told by practitioners to better understand these relations, how trust is enacted in these relations and to critique the academic literature. We take a critical narrative approach based upon three independent studies. These were undertaken between 2004-2010 with social enterprise practitioners in England working in social organizations and support agencies. Each utilized semi-structured interviews with those responsible for developing and delivering social enterprise activities. We argue that such research offers insights into how practitioners discuss trust in their everyday practices. Welter [2012:204] finds "Trust can be socially constructed" and links to "collective sensemaking and interpretation". We concur with those academics advocating the need to consider multiple interpretations, which has become increasingly recognized in entrepreneurship literature [Cope 2005; Down 2006; Steyaert and Hjorth 2006]. Dey and Steyaerts' [2012] theorizing of transgressive aspects of how practitioners make sense of everyday interactions is noteworthy for not only breaking boundaries and going off route from the literature.

Underlying these notions are deeper moral and ethical claims relating to assumed codes of conduct in social enterprise relations, particularly the stereotype of trust.

From examining collective narratives, we pose that trust is not the whole story. These collective narratives linked to issues of control, negotiation, and power. Participants spoke of a desire for equality in what are described as chaotic environments where negotiations are dependent upon the 'quality of dialogue'. We argue that more complexity of enacted trust and a questioning of assumed trust are required. The findings indicate that trusting relations were based upon establishing credibility, competence and friendliness and described the need for establishing 'good and trusting relations' in collaborative working. Good relations were perceived as important at all points in projects, as without trust, the relationship ended as a 'one-off experience'. The role of trust is not so much reducing transactional costs. Instead it appeared more to be associated with different phases of social enterprise from start-ups to established organizations. Whilst the phases were concerned with the benefits of trust in gaining public sector contractual agreements, there were also stories of distrust. Some participants said that under a grants situation there was a relationship of trust but this changed with the introduction of contracts. Others more commonly identified competition and 'competitive bidding rounds for the ever decreasing amounts of money', both grants and contracts, as linked to distrust between organizations and support agencies. As such we present the nature of trust as changing and fragile.

The contribution of this paper is to offer a more critical perspective of trust in social entrepreneurship in the third sector to show the fragile nature of this construct between those in social organizations and the public sector. This is important as it helps to conceptualize dialectics of trust and power. The conceptual contribution comprises pointing at the dialectics of trust, for instance by suggesting and also demonstrating that trust is never too far removed from control and power. Collective narratives offer a more nuanced perspective of trust from that often heard in the social enterprise academic narrative. Data was compared for contradictions, nuances, where in conflict and what omitted [Brown et al 2005]. We present everyday stories as "... local critiques have been made possible by the "return of knowledges;" the return of local knowledges that have not been systematized and that have resisted being incorporated into a system. Foucault describes these knowledges as "subjugated" and coming "from below." That is, they are "a whole series of knowledges that have been disqualified as nonconceptual knowledges, as insufficiently elaborated knowledges: naïve knowledges, hierarchically inferior knowledges, knowledges that are below the required level of erudition or scientificity." However, we do not present these stories as more true than others. As such, we seek to encourage space for debate within the literature.

Key words: Social entrepreneurship, trust, distrust, control, collective narratives, transgressive