Entrepreneurial Leadership in High Performing Social Enterprises: The Case of Diamond Cab

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This article describes a study of Diamond Cab, perhaps Hong Kong’s (China’s) first and most successful social enterprise, that has created a specialty taxi market from the ground up and quickly gained legitimacy in the new market. It demonstrates the entrepreneurial leadership by the founder and its co-owners in breaking the established profit-maximizing model of taxi business by designing a specialty taxi that serves a neglected market, i.e., the elderly, the disabled and wheelchair users, using an alternative compensation model, as well as balancing social and business goals. This article proposes several factors that explain the success of the social enterprise: a focused strategy, social design orientation, bricolage, and informal and formal advice networks, as well as biographical variables including personal values, traits, and distress. It highlights the opportunities for building the micro-foundations of social entrepreneurship (SE), particularly in understanding the role of the leader of social enterprises, their emotions, cognition, compassion and behavior, to complement extant research on the organization, processes, strategy, governance and impact measurement of SE. It concludes with implications for theory, practice and policy making.

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