Understanding 'healthy' growth processes in organic food businesses and values-based chains

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Abstract

Growing small and medium enterprises face specific challenges, in particular when they aim to maintain added value of products and processes. During growth, they tend to converge either towards niche markets or towards conventionalization with a loss of organic and other core values. With this paper, we aim to learn more about enabling factors for 'healthy' growth processes of values-based food businesses and the related supply chains. The analysis shows that some enterprises' development paths show discontinuities in their economic performance with phases of stagnation or even downsizing. Growth is not only getting bigger but also improving management capabilities encompassingly. Professionalisation of organizational, financial and business strategy processes is a precondition of a 'healthy' growth of values-based agri-food enterprises, including cooperation along the supply chain.

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