



New enterprise models: trial runs of “capitalism with a human face”

Federico Brunetti

Dipartimento di Economia Aziendale, University of Verona, Verona, Italy

Abstract

Purpose – The intent of this paper is to discover whether practical examples of new forms of business enterprise are to be found in the real world and what the peculiarities of any such experiments are.

Design/methodology/approach – The research conducted is of an eminently explorative nature. The research operations are fundamentally based on direct observation and use is also made of secondary sources – especially publications and the contributions of independent web-based agencies.

Findings – The number of companies that the research conducted made it possible to identify is not actually very high. Indeed, at present the list counts nine such firms. What should be underlined is that these are not enterprises that have decided to adopt a corporate social responsibility or corporate citizenship approach while still leaving their basic nature substantively unchanged. They are, rather, firms that can be termed “anomalous”, given that, in one way or another, they operate outside the conventional rules on the way business is conceived and practised.

Research limitations/implications – Research limitations are primarily in the short number of case studies considered, second in the lack of any contact with the firms examined and, by consequence, in the use of sole company web site information or secondary sources. Starting from the collection of firms which in turn show one or more peculiar features in their structure or behaviour, research implications stem from the opportunity to reason around a new firm’s model credibly enough, as such a reasoning relies on some empirical evidence.

Originality/value – The paper’s value lies in its effort of documenting the existence of firms going, one way or another, out of the box in their way of doing business and in focusing on some peculiar features far from “conventional managerial wisdom” but which do not compromise these firms’ competitiveness.

Keywords Business enterprise, Companies, Corporate strategy, Economic models

Paper type Research paper

1. Introduction

In recent years the pursuit of a new enterprise model has manifested itself in a powerful way and not just as an aspiration of individuals or groups ideologically opposed to business and capitalism or simply critical of it, but also as a need expressed within a large number of circles that are, to all effects and purposes, “integrated” in the system.

Powerful in that, as we shall see, the number, the intensity and, not least, the quality of the efforts made undoubtedly appear significant.

Within a large number of circles, since alternatives to the dominant enterprise model have been formulated and suggested by the academic community, by major consulting organizations and by entrepreneurs and managers.

In certain cases the route takes a macro-micro direction which, proceeding from the ambition to subject the capitalist system to revision, arrives at the profile of the agent to which goods and services production processes are assigned being redesigned.

In other cases the route follows a micro-macro direction which, starting from the idea of working out a reform of business, proceeds, by extension, to delineate different



forms of economic activity structures that, depending on the circumstances, are more or less distant from the capitalist model.

Regardless of the route chosen, what should, in any event, be stressed here is the practically general impetus for change that reaches rather deeply into one of the institutions having the greatest influence on the organization – not just in economic terms – of our society (Mintzberg, 1989).

There are clearly a large number of reasons at the root of this pursuit of change, which differ according to the specific problem or drawback in the current production set up on which each individual “reformer” focuses his attention. They are, however, fundamentally all united by an evaluation of the situation indicating an overall inability to meet people’s current needs and worry about the change of places in the means-to-an-end equation that has started to take place between production and consumption, economic and human spheres, organizations and individuals.

Starting with some of the new enterprise models variously suggested by scholars, consultants and/or business operators themselves, the intent of this study is to discover whether practical examples of new forms of business enterprise are to be found in the real world and what the peculiarities of any such experiments are.

Actually, it is appropriate to clearly state now that most of the initial theoretical approaches are of a normative nature and thus projected towards delineating an enterprise model for the quite distant future, rather than describing firms that are already up and running. It is therefore not very easy to find perfectly matching examples to refer to, but that is what the task to be performed requires.

This problem is also accentuated by the fact that the intent is not to investigate a certain aspect within a given set of enterprises, but to identify amongst the whole range of enterprises those that display certain characteristics. In other words, there is no database to refer to and nor are these firms operating in just one sector or recognizable *a priori* because they belong to a specific category. The research is, in essence, of an exploratory kind.

The object of this paper is thus to provide an account and an interpretation of the innovative forms of the expression of entrepreneurship encountered on the ground during the course of such inquiries. On the one hand, it can thereby be understood whether, to what extent and in what way there are signs of a “new” enterprise model in the real world. On the other hand, it will, if appropriate, be possible to group together some of their constitutional elements, with the prospect of delineating a profile of same. This will prove to be more credible when the examples uncovered appear not utopian but, albeit unusual, effective, and therefore replicable – within certain limits, at least.

2. Towards a reformulation of the conception of enterprise: a school of thought of vast proportion

In this section the intent is to refer to certain contributions that in recent times have indicated at theoretical level the advisability of proceeding with a reformulation of the conception of enterprise and of the principles that inform the decisions and the rules that determine how it works.

The contents are broken down into three sub-sections: an initial statement on the basic definition of the problem, taking the form of a brief but essential introduction; a central part in which an attempt is made at mapping out the fundamental threads of the ongoing debate on the need for and the direction of the change that business, in its

capacity of economic/social institution, should take; and a last part in which, for the sake of completeness, brief reference is made to a final step that is not, however, discussed further in this paper.

So, before entering into the main part of this section, it is considered useful to quote three authoritative scholars in order to emphasize the fact that “ideas matter. In a practical discipline like management, the normative influence of ideas can be powerful, as they manifest themselves as uniquely beneficial or uniquely dangerous” (Ghoshal *et al.*, 1999, p. 19).

Through what is known as the dual hermeneutic mechanism – the ability that social sciences possess to prove true – theories are not, in fact, without influence over their subject matter, but have a considerable impact on practice. This is an important concept that is argued in an abundant and conclusive fashion by the Authors.

Managerial disciplines are not, moreover, neutral, but are, on the contrary, imbued with assessments of value, even though the latter are often not made explicit or rendered clearly intelligible. Falling within the realm of social sciences, managerial disciplines are also not sheltered from subjective preferences, being protected by an aura of objectivity which is, in actual fact, only presumed (Myrdal, 1973). Even the best tradition of Italian business economics did, moreover, admit some time ago that the “supreme premises of value” cannot be disregarded (Ardemani, 1982).

Coming to the central part, the works mentioned here consist in a collection of, firstly, those that have addressed the problem from a broad perspective, regarding business enterprise as an institution, and, second, those that have much more explicitly gone so far as to affirm the need to proceed with a reform of the contemporary enterprise model. From among these, it is those considered most loaded, significant and authoritative that are taken into consideration.

The contributions discussed here hail from three different spheres: academia, consulting and operations. During their discussion below, the intent is not so much to summarize them but, rather, to simply pinpoint the underlying concept and/or lead idea at the heart of each of them.

University research – or some of it at least – has for some time been devoted to reflecting on the consequences of the development model followed heretofore: a prime example is John Kenneth Galbraith, who in the mid-1950s was already highlighting the negative aspects of American capitalism and the dangers of the affluent society (Galbraith, 1956, 1970).

From the more “partial” contributions through to the more radical ones, the most popular threads in Marketing Studies are “Quality of life marketing” and “Consumer well-being marketing” (Lee and Sirgy, 2004; Sirgy and Lee, 2006, 2008). They basically set themselves out as business philosophies – their antecedents being Societal Marketing, the Stakeholder Theory and business ethics – according to which enterprises should aspire to improve consumer well-being (marketing beneficence) and at the same time avoid damaging other stakeholders (marketing non-maleficence).

A second approach proposes, instead, taking a more definite distance from Marketing and embracing Societing (Badotet *al.*, 1993; Fabris, 2008). Societing means no longer thinking from the perspective of an individual enterprise and taking greater account of the wider view of society as a whole. An enterprise is not just an economic player, but a social player as well and as such must carry out a broad-spectrum assessment of the consequences of its actions. It is therefore not a matter of widening

the confines of marketing, but of thinking of the relationship between business and the market from a new angle. It is also emblematic in such sense that the word “marketing” is not changed, supplemented or “rectified” by a description of some kind, but simply removed and replaced by a totally different word.

Instead, what is depicted by the Support economy is not the renaissance or disappearance of a firm’s marketing function, but the transition to a new paradigm of capitalism *tout court* (Zuboff and Maxmin, 2002). According to the Authors, it is, in fact, a totally new economic order, based on new ways of existence and consumption by individuals, on the existence of new communications technologies and on the new entrepreneurial logic of distributed capitalism. Under this system, enterprises do not create value by producing goods and services, but realize the value already innate in individuals (Rossato, 2006).

Lastly, the root concept of serene degrowth is the denial of the dogma of economic growth, maintaining that it is, instead, possible and, rather, desirable to cut back development (Latouche, 2008). Latouche talks about an economization of the planet and a colonization of the imagination by the ideology of growth, leading to the economic sphere escaping its true confines. This brings about a subordination of the existential sphere – at both individual and social levels – to the economic sphere, which at this point has become the dominant force. On such a premise, slowing down the economy appears to be the completely logical and natural and, therefore, “serenely” acceptable solution of choice.

If, after all, the tendency of the theory, or of certain schools of thought, to criticise the negative effects of capitalism and its agent (business) is nothing new – even though the passage of time and the ensuing evolution of competitive strategies and policies provides ever new opportunities for self-examination – the approaches developed in consulting and operational circles appear particularly interesting.

Indeed, consultancy organizations operate according to a logic that is completely functional to business development and it is therefore very telling that they, too, feel the need to promote a change in the way enterprises – i.e. their clients and, as such, the source of their income and survival – exist and go about their business, and by so doing present themselves rather as active players on the front line for change.

Kevin Roberts, an advertising guru and business consultant, is the CEO Worldwide of Saatchi & Saatchi, one of the major communications agencies operating at international level. He is also a prolific writer on current affairs and speaker at conferences and meetings in various parts of the world. Roberts has earned a certain degree of notoriety thanks to the Lovemark concept and the techniques suggested for transforming simple brands into objects of respect and even love by customers (Roberts, 2004). Maybe less well known, albeit expressed with great clarity and conviction, are his opinions on the role of business and enterprises as an authentic and powerful factor in the progress of society and his heartfelt appeal for greater sustainability in business.

McKinsey is one of the biggest management consultancy firms in the world. Few players in this field appear able to so incisively direct managerial practices and underlying assumptions, ranging from big multinational corporations down to the smallest firms. McKinsey also engages in a large amount of research, relying on the outstanding database of firms in its possession as well as the spread of the knowledge it has gained through The McKinsey Quarterly journal. Once again, the role of business in society is one of the subjects to which great – if not the most – attention is devoted. In an article written in 2005 by its Worldwide Managing Director Ian Davis,

entitled “What **is** the business of business?”, it is actually suggested that Corporate Social Responsibility, perceived as being a defensive approach, should be superseded by efforts to arrive at an organic and stable incorporation of emerging social needs and forces at the highest levels of the strategic decision-making process (Davis, 2005). The political and civil dimension of business and the need for entrepreneurs and managers to adopt a corresponding mindset are strongly emphasized.

The Aspen Institute is a prestigious non-profit study and research centre that was founded in 1950 and whose mission is “to foster enlightened leadership, the appreciation of timeless ideas and values, and open-minded dialogue on contemporary issues”. It runs various training programmes and organizes meetings and seminars, not only in the field of economics and management, but also on political and social topics, and is one of the most influential American institutions of its kind. One of the more important issues recently addressed is that of the creation of long-term value and the values underpinning business. For example, in a document drafted in the course of the proceedings of a mixed working group with business managers and entitled “Long-Term Value Creation: Guiding Principles for Corporations and Investors”, emphasis is placed on the advisability of redirecting all company management policies towards the long term, with new and appropriate company measurement tools also being defined.

Lastly worthy of note are the motions for change raised by entrepreneurs and managers, not so much and not purely at a “private” level in the running of the organizations for which they are responsible (which is what constitutes the subject matter of this paper), but also and above all from a collective viewpoint, through organizations that set out to convey, from different angles, new visions of business. While the approaches previously discussed were mostly of foreign origin, in this case all three organizations considered are Italian.

Managerzen (www.managerzen.it/) is a non-profit-making cultural association that was established in 2001 and whose members are managers and members of the professions. It was created with the objective of “proposing an alternative approach to the corporate culture”. Inspired by the oriental Zen doctrine, the members of this group try to find a balance between the economic logic and a less stressful way of life. Managerzen’s focus is first and foremost on the individual, his existential needs and the pursuit of a work-life balance, and, second, on business and how it should be from a Zen perspective.

A second opinion on the issue of the – what has become problematic – confine between economics and humanity is that voiced by the Convivio dello Humanistic Management (www.humanisticmanagement.it/). This movement basically maintains that business should abandon not just Scientific Management, but also more modern concepts such as Customer Satisfaction, and be driven purely to achieve the Human Satisfaction of both customers and workers. This is a management model imbued by humanism, that aspires to coexist with complexity, is able to help in the pursuit of a purpose, appreciates the value of doubt and is accepting of diversity and multiplicity.

The last, also in temporal terms, of these signs of change is the Planet Life Economy Foundation (www.plef.org/), a non-profit organization, established in 2003 by managers, entrepreneurs and members of the professions, “that is engaged in making the principles of Sustainable Development practicable within the market culture”. This group has also created a science – called Planomia or Planetary Economics – which “studies human behaviour with the objective of maintaining the vitality of the plant and, therefore, the healthy survival and development of all living species, by making

correct use of scarce, compatible and sustainable resources". Environmental issues appear central to this movement, although its final objective still seems to be arriving at a way of running the economic system differently to at present.

The last of the three parts, to which reference is made at the beginning of this section, regards the identification of the way to trigger the desired change. It is, in fact, quite clear that, without a reasoned discussion of the ways in which the desired objective is to be achieved, the entire foregoing conceptual part hereof risks being irrelevant.

There is no lack of alternatives from this point of view, ranging from the passing of legislation, through to the action of social regulation mechanisms and the internalization of social objectives by enterprises (Demattè, 2002). Nevertheless, the issue certainly does not appear to be resolved. Exactly because of its importance, however, it is a subject that merits specific consideration and which this paper shall accordingly discuss no further.

There is undoubtedly an entire body of rather varied and detailed, and, above all, qualified and credible approaches that point to the need for change and, in different ways, also suggest the direction and the final point of arrival of such a change. That is without considering, in addition, the recent appearance of a vast amount of published commentary, in which the breakdowns in the capitalist system, alternative forms of production and/or consumption and the relationship between wealth and happiness have become the popular subjects of the day and start to exert a certain influence – on a section of the public to say the least.

At a theoretical research level, and even more so in terms of common perception, the feeling of dissatisfaction towards a system that generates social inequalities and individual anxiety (Reich, 2001) and the ensuing questioning of its legitimacy (Ghoshal *et al.*, 1999; Demattè, 2002; Csikszentmihalyi, 2003) are increasingly less confined to niches and restricted circles and have, on the contrary, gradually become more widespread.

But, alongside these schools of thought, are there any concrete examples of actual firms that do, in practice, operate more or less in accordance with these approaches? What is to be found when one descends from the more rarefied world of conceptual perspectives and plunges into the practical experience of researching enterprises that, day after day, are fighting to the best of their abilities to carve themselves a place in the crowded and very tough arena of global competition? Do these enterprises possess particular characteristics? And what are those characteristics?

Before trying to give an answer to those questions, around which this entire paper rotates, the following section contains a brief explanation of the criteria employed, the choices made and the steps followed in terms of the methodology used.

3. Information on methodology

As previously mentioned, from a methodological point of view the research conducted was of an eminently explorative nature.

It does not involve phenomena to be measured, hypotheses to be verified or variables whose causal relationships and reciprocal performances are to be identified and quantified.

Its objective is purely to find the largest possible number of cases of enterprises – from which to select those to be presented – that can represent a practical application – albeit clearly not always rigorous – of the theoretical approaches referred to in the foregoing section hereof.

It does, in fact, appear hard to find perfect examples of firms that operate completely in line with the principles of the support economy, rather than those of societing or management by values. All things considered, these approaches are also more normative than descriptive in type. It is thus in their nature to indicate prospective guidelines on conduct rather than illustrating functioning organizations.

Indeed, what basically has to be seen is whether enterprises that in some way fit the theoretical contours discussed above can be found in the real world of business and then analyse their characteristics.

Given these objectives, the research operations were fundamentally based on direct observation and use was also made of secondary sources – especially publications and the contributions of independent web-based agencies.

Indeed, this kind of research involves, first and foremost, gaining knowledge of enterprises whose ways of doing business deviate from what are considered the “normal” codes of conduct of a business organization.

This means that, in the first instance at least, the only thing to be done is rely on information obtained first-hand: at seminars, by examining companies’ primary and/or secondary communications or in any other way that one enters into contact with a corporate entity that provokes interest.

Furthermore, no information concerning enterprises potentially relevant to the research that was gathered from scientific literature or secondary sources, covering a wide spectrum in terms of both their nature – specialist and generic commentary on current affairs – and form – traditional publications (Burlingham, 2005) rather than online documents – was disregarded.

News reports in newspapers and periodicals that are not technical or specialist publications (*i.e.* not strictly concerned with company and business-related matters) were thus also examined. Using sources of this type is, in fact, helpful in gaining knowledge in almost real time about corporate behaviour over a sufficiently wide spectrum – not limited to a particular type of enterprise or a specific sector – and of adequate significance.

Furthermore, two independent websites that are also closely connected with the business world, although not directly involved in it, Brandchannel (www.brandchannel.com/home/) and ChangeThis (www.changethis.com/), were kept under constant surveillance. The first, supported by the consultancy firm Interbrand, is “an online magazine committed to providing a global perspective on brands. (...) Brandchannel provides the opportunity for an open exchange on the subject of brands and branding from practitioners around the world”. The second is an independent online platform, available for the publication and circulation of “big ideas” having a general connection with business, personal improvement and the quality of life, by academics, essayists, consultants, bloggers, journalists or whoever thinks they have something important to say.

Finally, in view of the previously explained explorative nature of the research, rather than the adherence to strict criteria in deciding what resources to use, what proved most important was seeing whether enterprises possessing certain characteristics were to be found in the real world.

The enterprises uncovered in such way were then examined on the basis of additional information about them that was gathered by consulting a wide range of sources: firstly, obviously, the very source from which news of the enterprise was

originally obtained, followed by scientific articles, press reports of various kinds and, above all, company documentation usually obtained in and via the company in question's own website.

It has to be said straight away with regard to the limitations of the methodology that, at present, it has not been possible to obtain information directly from the enterprises concerned by means of questionnaires, visits to firm premises or in-depth interviews with company and/or management representatives. That will be the object of a subsequent stage of the work, the purpose of which shall be to gain a better understanding of the management model applied, to assess its effective degree of innovation, to inquire into its antecedents and to examine its consequences from the perspective of economic/financial performance levels and in other terms.

Bowing to a logic of satisfaction, the information resulting from the aforementioned documentation has so far had to suffice. Nevertheless, it is held that also this kind of information is of considerable value in starting to become acquainted with these enterprises and their unusual features and it can therefore be profitably exploited, using due caution and with the appropriate reservations.

4. Evidence of enterprises with a human dimension

Attainment of the above-described objective obviously involved encountering a number of different circumstances dictated by the sector in which the enterprise concerned operates, its nationality, its size and various other factors. The number of enterprises that the research conducted made it possible to identify is not actually very high. Indeed, at present the list counts nine such firms, namely: Anchor Brewery, Bonotto, Camper, Clif Bar & Company, Howies, Jyske Bank, Lago, Marinella, Patagonia and Veja. What is interesting is that, despite being in the normal market circuit, they nevertheless display peculiarities considered to merit further examination. For reasons of space, this analysis shall focus on three of these enterprises: Camper, Clif Bar and Howies.

The description of each firm shall follow a broadly similar pattern, consisting, firstly, in some information on the identity of the enterprise; this is followed by information on the firm's organizational features, mainly in terms of its ownership structure and corporate philosophy; third, where possible, some comment is made on how the firm operates in the market. Lastly, the aspects which led to the enterprise in question being included in this list, i.e. the aspects considered most unusual and "discordant" compared to orthodox management practices, are clearly pointed out.

Camper (www.camper.com/) is a Spanish firm – located on the island of Majorca, to be exact – that was established in 1975 and operates in the footwear industry. In actual fact, its origins date back to the late nineteenth century, when Lorenzo Fluxà, a grandfather of its founder (of the same name), started making shoes, initially at artisan level and subsequently on an industrial scale; it is that business which went on to be transformed into the current company.

Indeed, in 1975 it adopted its new name and took a new direction that has made Camper one of the most interesting firms of its type, not only from a manufacturing point of view, but also from the perspective of communication and, consequently, the culture that an enterprise can express. Its chosen name indicates rootedness in its local area and *per se* implies a definite option on the side of simplicity, comfort and endurance. That is, however, just the starting point, from which the firm has been able to develop a very clear and, above all, unusual and original philosophy.

Camper's distinctive feature is undoubtedly to be found in the fact that it is a firm that has something to say. This need to communicate is expressed, on the one hand, through its products and retail outlets and, on the other hand, by secondary communication, which is not just that of a commercial nature, but also that transmitted in many different ways, not lastly in the form of an in-house magazine called *The Walking Society*.

On the subject of its product, while it is taken as read that its quality is of reasonably good standard, what has to be stressed is the key concept underlying Camper's manufacturing philosophy, which consists in the value attributed to diversity and the consequential integration of cultures that the firm champions. Diversity is construed as being a way to interpret freedom and respect for a person's individual identity. That is why the styles of its shoes do not follow rigid patterns to be adapted to, but offer various creative options within a vast range of products broken down into "concepts". Indeed, the firm systematically claims that "Camper will never be known as 'one' shoe or 'one' style".

Camper also plays on and plays with the contradictions between design and practicality, rural tradition and urban modernity, comfort and imagination. The latter is, in fact, one of its core values, seen in terms of both a company prerogative enabling the creation of footwear that is distinguished by its high degree of stylistic originality and a message to its customers, who are encouraged to give free rein to their imagination, "play" with the product and be inspired by such intentionally eccentric product designs.

The story of its retail outlets starts with the first one-brand shop it opened in Barcelona in 1981, that was fitted out in such a way as to allow customers completely unstructured access to all styles and available sizes of its shoes and for the full deployment of the company's capacity for communication. The expansion of its operations at an international level started in the 1990s – by 2002 it had over 150 retail outlets in more than 70 countries – and continued to be guided by the principle of the difference of its shops, in terms of both reiterating its preference for plurality and variety and reacting against the increasing uniformity of the high streets in so many cities throughout the world.

The "Walk in Progress" sales concept was, instead, conceived in 2000 as a shop to be opened and put into operation quickly, even before work on it is completely finished. Its fittings consist – at least temporarily – in recycled materials, and the shoe boxes themselves are used as display stands. Camper Together represents another diversification of its retail outlets, which in this case are created, in collaboration with architects, designers and artists, as spaces for experimenting new dialogues and new ways to integrate different cultures and build a unique brand identity. Lastly, ReCamper is the outlet through which the firm has decided to solve the problem of the "disposal" of shoes that, albeit fit for use, for various reasons (defects, stock leftover from previous collections, prototypes, samples for the press) cannot be sold through traditional channels. In this kind of outlet it is thus possible to buy said shoes at reduced prices, which is yet further confirmation of the highly creative approach taken by Camper.

Probably the best way to render Camper's lead idea with regard to secondary communication is to use the firm's own words: "When Camper launched our Spring/Summer 2001 advertising campaign, we were not thinking of another marketing tool for communicating a product: the idea was to establish a new way of communicating, a conceptual platform that would reflect the spirit of the company, that would add culture to the product and humanize the message. Thus, *The Walking*

Society (TWS) was born. TWS is a cultural declaration. Camper expresses that it is not simply shoes or a lifestyle. Camper is a way of thinking”.

The messages of subsequent campaigns continue to appear more like statements of principle, professions of values and affirmations of a world view than slogans apt to prompt consumers to buy its products. Camper is what can be described as a “values-driven brand”, i.e. a brand that has abandoned playing on performance levels, feelings or suggestion in order to raise its profile and relies, instead, on certain ideals, contents and meanings (Brunetti, 2002).

The slogan “Walk, don’t run”, used in conjunction with the images with which it has gradually become associated, expresses an invitation to slow down, observe the surrounding world more carefully and be open to reflection. This message is ironically integrated in the contrast between the high-speed lifestyle typical of contemporary society and the spirit of a brand that does not want to sever links with a slower, more peaceful and relaxed era. “Imagination walks” is, instead, a slogan that underlines the brand’s inspirational valence. The images of Camper shoe boxes – replacing the faces of the people pictured – releasing all kinds of symbols of imagination (coloured balloons, birds in flight, a bizarre vegetable shape) eloquently proclaim the capacity for imagination to be gained through the brand.

Camper has, lastly, been involved in sustainable development projects since 1998, focusing particularly on waste management at its headquarters in Majorca, and also in programmes of a social nature. The intent of the “Edible Gardens Project” is to spread a culture of respect for and protection of the environment among children by setting up vegetable plots in a number of state schools in large towns. Camper once again combines opposites, in this case by bringing an agricultural tradition into an urban setting.

Clif Bar (www.clifbar.com/) is an American firm, founded in Berkeley, California, in 1990 by Gary Erickson and Kit Crawford (who then went on to marry in 1994), that operates in the food industry in the sector of energy bars, snacks and drinks (with special ranges for women and children) and, in more general terms, nutritionally balanced food products containing an increasingly higher amount of organic raw materials (currently in the region of 70 per cent).

The firm, which was preceded by another business set up in the same industry by Gary Erickson in 1986, was inspired by a demand felt at personal level by its founders, both enthusiastic cyclists who were not at all impressed by the products for consumption during long cycling trips that were on sale at that time.

The firm’s name, the choice of which is, yet again, inevitably expressive of the sound values on which it is founded, comes from the name of the father (Clifford) of its founder, who intended thereby to pay tribute to his “childhood hero and companion on trips to the Sierra Nevada mountains”.

Clif Bar is still fully owned by its founders, who are involved in every aspect of its management. It is worth noting in this regard that in April 2000 they decided, at the last minute, to refuse an offer from Quaker Oats to buy out the firm for US\$ 120 million. “Staying private has given us the freedom to engage in new ways of business thinking and long-term focus” is the enlightening explanation given in such connection.

2002 saw the definition of what are called the Five Aspirations: Sustaining Our Business, Our Brands, Our People, Our Community and the Planet. This slogan encapsulates the essential elements that distinguish this enterprise and explain the decision to include it among the examples on which this paper focuses.

As resulting from the firm's 2007 All Aspirations Annual Report, Clif Bar really is effectively and strongly devoted to achieving results also in areas beyond the confines of its business in the strict sense, which are understood as not being interests incidental to and ensuing from its business operations, but an integral part of the company project.

In so far as concerns its employees/staff, who numbered 208 in 2007, the guiding principle is that of offering people a job that is fulfilling and fits in with their way of life in a balanced fashion. First, there is a long list of "conventional" benefits (that are not so widely offered really) that are provided as a result of specific inquiries made among the employees themselves. They include: time for taking exercise, a personal trainer, a massage parlour, nutritional advice, organic fruit, a laundry, a carwash, flexible working hours, sabbaticals, help for home buyers and more. There is also the express objective of creating an environment in which working is pleasant ("Upping the Fun Quotient") by making adequate provision for fun and humour. Lastly, it is significant that the aforementioned Annual Report contains, in its last two pages, a space devoted to short personal stories recounted by the firm's personnel ("Stories ... from our employees").

The firm supports the community, understood as being both the strictly local community and the geographically wider community, in various ways. Examples include the 2080 project, in which staff devote some of their working hours to assorted kinds of services of benefit to the community; in 2007 the level of staff participation reached 92 per cent and the total number of working hours donated was in excess of 4,600. The firm also sent 13 volunteers to help the flood victims in New Orleans and, last but not least, it also donates money and products to grassroots organizations, the total value of which exceeded US\$ 1.6 million in 2007.

Finally, Clif Bar is committed to saving the planet not just through its environmentally aware choices, but also by making considerable financial donations. The company's fleet uses non-fossil fuels to the extent possible; its employees are involved in a sort of competition to find ways to reduce the firm's carbon footprint; it supports organizations and projects working to save the planet by providing them with direct funding.

The aspects to be noted with regard to Clif Bar are the heavy personal involvement underlying its business idea, the decision to continue to be a private and relatively small company in a sector populated by increasingly large competitors, the corporate philosophy that perceives the business as being "a powerful force for change" and its attitude towards business that is very much in line with the Californian origin of the firm and can be described as somewhat "easy going".

Howies (www.howies.co.uk/) is a British firm operating in the sportswear sector that was established in 1995 by David and Clare Hieatt after David Hieatt had worked as a sportswear salesman in a mining area of South Wales that went into deep decline. In this particular instance there is no information available about the origin of the firm's name; what is, however, indicative of a certain tendency towards understatement is the specific instruction that it must always be written with a small (lower-case) letter "h".

This firm has intentionally grown slowly, following a process of natural development, also on the basis of a number of fortuitous encounters and acquaintances that developed into friendships and business relationships. During the early years its founders only worked in it part-time, partly because of the unsteady income they were earning from it

and partly due to a certain amount of “diffidence” and a business approach based on taking one step at a time and only after checking that the ground ahead is steady enough.

Also in this case, the owners are heavily involved in their capacity as users of their own products and, from the very outset, they have had a strong connection with the people who buy and use their products, namely: surfers, bikers, snowboarders and skateboarders. In practical terms, they are enthusiasts of the kind of new sporting activities – more individually challenging and less liable to rules and therefore very much in line with the post-modern ethos of individualism and freedom – in which there is, at the same time, a rather strong sense of identity and community amongst those who practise them.

Although the company’s website was very thoroughly examined, no mention was found of the fact that Howies was acquired by Timberland in 2006, as clearly resulting, instead, from the latter’s website. This circumstance is obviously of fundamental importance, not so much and not only due to the fact of the sale *per se*, as because it leads one to see many of the statements quoted below in a rather different light.

Even though one really needs to know the exact terms of the agreement entered into when the sale took place, the decision to relinquish control of the company and the ensuing substantive loss of its independence are, in fact, somewhat likely to not necessarily damage, but to reduce, to say the least, the capacity of Howies’ dream and utopian vision.

Apart from the considerations on the subject of Howies’ independence, what emerge in a glaring fashion from observing this enterprise are its decidedly unconventional attitude, its way of being and acting outside the norms and its capacity to propose eccentric points of view, give out puzzling messages and prompt a dialectic reaction from the consumer public.

A realization of what this involves comes from reading, for example, how it states its own mission: “Why are we in business? For us it is not as simple to make a profit [*sic*]. Like any company we require a profit to stay in business. But it is not the reason we are in business. The thing that has not changed from day one is the desire to make people think about the world we live in. This is, and always will be, why we are in business”.

In line with such an objective, a large number, if not all, of the principles to be found stated in its website certainly do make one think. If that can apply to people in general, for those whose job is to study business and management, the dissemination of doubts and the stimulus for reflection are very strong forces, not just with regard to the topics in themselves, but also in terms of the significance to be given to a firm that interprets its own role in such a way.

For example, in a section entitled “Fun” it is stated as follows: “We are trying to get the balance right between work and play. Whenever a real nice day comes along, it’d be a shame to waste it. So if you phone up and no-one answers, don’t worry. We are out there doing what we love. So leave a message and we’ll get back to you in a while”.

Finally, consideration should be given to the last of this firm’s eloquent beliefs, entitled “The rocking chair test”. “Every product we make has passed the ‘rocking chair test’. This is something we use to guide us along the path we are taking. So when we are old and grey and sitting in our rocking chairs, we can look back on the company we created with a smile. That’s why we go to the trouble of using the best quality materials to make sure our clothing lasts longer. The longer our products last the less impact they will have on the environment, and the bigger our smile will be”.

There is no denying that Howies is an enterprise that has something to say in terms of both its products (with regard to materials, techniques and design) and its ideas, concepts and beliefs. Proof of this is found in the fact that, at a certain point, it found itself embroiled in a dispute with the clothing industry giant Levi's over the position of a label on trousers. This dispute was brilliantly settled in Howies' favour, with Levi's granting Howies' requests in its anxiety to put an end to the negative whispering that had grown up around the case.

Furthermore, in 2008 Howies organized the first edition of the "Do Lectures" (www.dolectures.com/) in Cardigan Bay, the location of its headquarters. It is a sort of free festival at which speakers of various kinds debate with the public, with the intent of inspiring people to unleash their imaginations and creative energy and channel them towards a concrete attempt to realize their own existential aspirations. The second edition of this event will be held in September 2009.

It has to be concluded that Howies' entire range of particular characteristics is very broad and unusual. In such regard, being well aware that access to additional sources would undoubtedly make even better knowledge about this firm possible, this description is brought to a halt, trusting that it has managed, at least in part, to define the contours of such an unusual reality in the world of business.

As it can be noted, these are not enterprises that have decided to adopt a corporate social responsibility or corporate citizenship approach while still leaving their basic nature substantively unchanged. In other words, it does not seem that they are firms that, despite following a policy of greater care to the outside effects of their operations, nevertheless remain inside the confines within which such a player normally moves.

They are, rather, enterprises that can be termed "anomalous", given that, in one way or another, they operate outside the conventional rules on the way business is conceived and practised. Precisely due to that anomaly they nonetheless represent rather significant examples of their kind if the intent is to arrive at identifying an alternative enterprise model with respect to that currently prevailing.

Despite their common characteristics becoming quite evident, when each of such firms is examined more closely it proves to be "different" from traditional enterprises in its own way, displaying its peculiarities in a completely original fashion. What is, however, noticeable in each of them is a clear and vibrant sense of a radical renaissance of business as an economic and social institution.

To recapitulate, the particular features identified, case-by-case, in these enterprises are:

- ownership in the hands of natural persons/personal investment of capital;
- direct involvement of founder(s) in management;
- unconventional conception of business;
- management with long-term view;
- deliberately small size;
- message/vision of the world to be shared;
- out-of-business issues considered;
- founder(s) enthusiastic about and user(s) of the products;
- pursuit of excellence with an "artisan" imprint; and
- products that stand out from the average in their sector.

This list delineates the profile of a manufacturing organization that is hard to reconcile with the pattern of a managerial enterprise. In fact, due to its intrinsic structure it presents a dual problem of a lower sense of responsibility of an essentially psychological nature, felt, on the one hand, by the front-line decision-makers – i.e. professional managers – who can always justify their decisions on the basis of the fact that they act in the interest and on behalf of others, and, on the other hand, by the ultimate decision-makers – i.e. the owners – who can always feel that they are not directly involved, since in the end it is not they who take the decisions in person.

In conclusion, each of such characteristics has a certain value in and of itself, even though it might not necessarily appear to be an innovative characteristic in absolute terms. One only has to think, for example, of the founder's involvement in the management of the company, which is a characteristic to be found in many other cases. Each of such characteristics can, however, also be seen as a piece of a complex configuration which, in combination, provides the depiction of what can be understood as a new way of being and running a business.

It appears clear that further studies are necessary in order to arrive at a complete outline of the model. It is the reasoning, in particular, that should be expanded on, and not just according to an inductive logic, as it has been in this paper, but its examination should be supplemented also by drawing some conclusions. Nevertheless, the examples presented definitely can be of help in this ambitious task.

The presentation of the relevant corporate examples and their relating innovative characteristics being concluded, in the next section an attempt is made at discussing some last considerations on the interpretation that can be given to such examples and the possibility for their eventual replication.

5. The courage of virtue

The intent of this paper was clearly not to conduct a census of the new forms of enterprise existing in the real world, but to simply carry out a reconnaissance of a general nature in order to obtain some basic indications.

What is thus of prime importance is that the existence of at least a few “unorthodox” firms has been discovered and an initial assembly of the more significant characteristics of said anomalous examples of business organizations has also been started.

If the possibility of their replication was to be assessed, it would, however, be difficult to imagine a “conversion” of “normal” enterprises to these new forms. It is very likely that these atypical enterprises are destined to remain a more or less small minority.

On the other hand, it would be naïve to imagine that this could happen in the absence of a compulsory obligation to change and it is unknown at present what nature such an obligation could have or by what authority it could be issued.

Either change is made by voluntary decision from the very outset – as in the case of the firms discussed in this paper – or, neither social conditioning, “gentle nudging” (Thaler and Sunstein, 2008) or other strategies, no matter how creative they are, appear able to shift the foundations of a paradigm and a way of thinking based and reliant on motives that are deeply ingrained in human nature.

Enterprises could perhaps be responsive to a “catastrophic” event capable of prompting an inevitable change. However, once again, it is not known what form such an event could take. Neither environmental warnings – which have become a regular

event and thus go unheeded – or the recent economic crisis – and the rhetoric it has spawned – appear, in fact, to have reached the risk threshold considered necessary to set processes of real change in motion (Hickman, 2009; White, 2009).

In the last analysis, the only impetus to which most enterprises should prove responsive is legal imposition. In that case it is, however, the issuing of the future law that becomes problematic. Indeed, firms – and especially the larger ones – often try to condition the drafting of laws and to prevent the introduction of unfavourable legislation. Even if, on deeper reflection, a change of the rules would appear the only way forward if the intent really is to achieve a certain result, it still does not appear immediately accessible or unhindered by obstacles.

Focusing, in any event, on the eccentric examples of business enterprises that have been revealed, it can be noted how they play the positive role of adding variety, prompting some healthy doubts and, at the most, causing some creative chaos within an almost over-stereotyped pattern of entrepreneurial behaviour.

Camper, Clif Bar and Howies – just like the other cases observed but not reported on in this paper – do, in actual fact, represent important signals, because they put a consolidated paradigm into question. They could, at the most, be considered “black swans”, conveyors of a view according to which a business is not (just) an economic operator driven towards profit, but primarily a project generative of meaning for its protagonists, its customers and the public in more general terms.

On the issue of their rarity, in the last analysis it could be maintained that every society gets the business enterprises it deserves, that “normal” firms are nothing other than the mirror in which all or almost all members of society are quite content to see their own reflection and that the principle of the symmetry of reality and humanity – on the basis of which the subjective condition tends to conform to and reflect its external environment (Borgmann, 2000) – is at work in this context too.

And perhaps it is that an alternative manufacturing organization model struggles to assert itself exactly because most people are quite happy with the existing model and, rather, that business as a tool for personal enrichment represents a reference model?

Besides, the more evolved conceptions of business are also those that require individuals who are more disinterested in the material aspects of life and maybe live a little outside the box and display a slight degree of unreasonableness (Elkington and Hartigan, 2008). Unfortunately, however, the great majority of individuals – and especially those who devote themselves to an entrepreneurial activity – are rarely those more inclined towards a view of life less centred on possession and consumption and less guided by the rationality of financial calculation.

In essence, anomalous enterprises reflect the minority group composed of dreamers in this world. Indeed, the number of these enterprises is probably proportionally lower than the number of such individuals, because it is likely that dreamers express their abilities in fields other than business, such as art, teaching, sport or, in any event, in hobbies and interests cultivated outside a working life into which they do not channel all their existential forces.

Turning away from the entrepreneurial class to look, instead, at those who could exert a certain power to effect change in the way business is run, *i.e.* customers, it cannot be said that the situation is much better. Most people do not, in fact, appear to possess the will, have the time or care enough to shrewdly choose their suppliers on the basis of their “virtuousness”.

It is quite true that, especially in recent times, we have seen a revival of consumer awareness and conscience. “Solidal” Buying Groups, Voluntary Simplicity, Consumer Resistance and other movements have captured a growing sense of intolerance towards business and “traditional” enterprises and rewarded unconventional traders or have even gone outside the market as such.

It is, however, also true that, when subjected to closer and objective scrutiny, these groups do not appear to have really managed to assert themselves as a force capable of influencing the behaviour of the majority of people. All things considered, they appear to continue to be a minority phenomenon and, under certain aspects, almost an expression of snobbery.

It is, primarily, the potent force of convenience that makes it hard to change our habits (apparently) for the worse, even when we know that they are harmful. In this case, moreover, the negative effects of the status quo are not so direct and visible as to demand a response. Even if, from the perspective of attitude, there is agreement, it does not mean that there will be consistency in terms of behaviour – a fact that is, moreover, well known in the marketing literature on critical consumption (Carrigan and Attalla, 2001).

We have become so used to impersonal, routine, hurried and mechanical commercial transactions that there does not seem to be any possibility of doing otherwise. This means that people tend to not invest the energy needed to choose in a reasoned fashion those firms from which they make their purchases.

Despite the fact that the value and the force of ideas is emphasised and effectively argued at theoretical level (Solnit, 2008), this attitude taken by the majority may also contain a certain degree of learned helplessness (Seligman, 2005), a certain lack of confidence in the possibility of altering the state of things, a certain sense of any effort being pointless.

An unexpected reversion of this tendency could possibly be triggered by it becoming more widely known that not all business enterprises fall into a single category and can be channelled *en masse* to follow the well-worn pattern of maximizing profit or creating some kind of value.

The appearance of “virtue” – in the form of enterprises that privilege craftsmanship, slowing down, relationships, the concept of service, the pursuit of meaning (Sennett, 2008) – could upset the weary inertia into which the markets are plunged these days. It is, moreover, an inertia barely concealed by the exaggerated speed with which a succession of proposals are made, offers are launched and novelties are introduced, leaving consumers with an unpleasant impression of relentless and pointless pursuit.

The problem is that “virtuous” enterprises are often also “diffident”. It may well be that the latter is a natural characteristic of their “virtuousness”, without which they probably would not be quite so attractive. There is also a problem of communication, since in the unceasing flow of the information overload it is hard for “virtuous” enterprises to stand out and, indeed, they rather tend to stay hidden. Ultimately, the problem is also that, just like beauty, virtue is “in the eyes of the beholder”, not in the sense of the relativity of its perception, but to the effect of the propensity to take a different view.

This means that greater courage is needed: on the part of “virtuous” entrepreneurs, in pushing themselves forward, albeit without overstepping the mark; on the part of the media, intellectuals and exponents of culture, to restore and appreciate virtues that

have somewhat fallen into disuse; on the part of customers – who must also no longer shirk their duty – in abandoning consumption models that developments have rendered definitively obsolete.

The intent of this paper was to show how – until the time that each of those components in the equation finds the required courage – when there is the will, business organizations with a human dimension can be found, even though they are definitely a restricted élite. They currently form an aristocracy of enterprises conceived not as technical/productive organizations or “machines” for the generation of wealth, but as authentic projects for improving the world and fertile undertakings furthering progress, not just in economic terms, but primarily at a social and civil level.

It is logical and acceptable that not all businesses can, want or manage to conform to such a conception, for all the reasons stated previously.

It is, however, equally logical that the purity of the ideals that distinguish such enterprises, the rays of generosity that they emit and the edifying inspiration that they give by example will not remain without consequences in those who are susceptible to the appeal exerted by the expression of entrepreneurship in its highest forms.

References

- Ardemani, E. (1982), *L'impresa. Economia Controllo Bilancio*, Giuffrè, Milano.
- Badot, O., Bucci, A. and Cova, B. (1993), “Societing: managerial response to european aestheticization”, *European Management Journal* (Special issue EAP 20th Anniversary), pp. 48-55.
- Borgmann, A. (2000), “The moral complexion of consumption”, *Journal of Consumer Research*, Vol. 26 No. 4, pp. 418-22.
- Brunetti, F. (2002), “La marca tra creazione di valore ed interferenze nei valori”, paper presented at III Annual Conference Industria and Distribuzione Journal Le Politiche di Branding, Pisa, 13-14 December.
- Burlingham, B. (2005), *Small Giants. Companies that Choose to Be Great Instead of Big*, Portfolio, New York, NY.
- Carrigan, M. and Attalla, A. (2001), “The myth of the ethical consumer – do ethics matter in purchase behavior?”, *Journal of Consumer Marketing*, Vol. 18 No. 7, pp. 560-77.
- Csikszentmihalyi, M. (2003), *Good Business. Leadership, Flow, and the Making of Meaning*, Hodder & Stoughton, London.
- Davis, I. (2005), “What is the business of business?”, *The McKinsey Quarterly*, No. 3, available at: www.mckinseyquarterly.com/home.aspx
- Demattè, C. (2002), “L'impresa schiacciata fra la pressione dei mercati e la responsabilità sociale”, *Economia & Management*, No. 4, pp. 5-19.
- Elkington, J. and Hartigan, P. (2008), *The Power of Unreasonable People. How Social Entrepreneurs Create Markets that Change the World*, Harvard Business School Press, Boston, MA.
- Fabris, G. (2008), *Societing. Il marketing nella società postmoderna*, Egea, Milano.
- Galbraith, J.K. (1956), *American Capitalism. The Concept of Countervailing Power*, Penguin, London.
- Galbraith, J.K. (1970), *The Affluent Society*, Penguin, London.
- Ghoshal, S., Bartlett, C.A. and Moran, P. (1999), “A new manifesto for management”, *Sloan Management Review*, Spring, pp. 9-20.

- Hickman, L. (2009), "Come parlare del clima", *Internazionale*, No. 791.
- Latouche, S. (2008), *Breve trattato sulla decrescita serena*, Bollati Boringhieri, Torino.
- Lee, D.J. and Sirgy, D.M. (2004), "Quality-of-Life (QOL) marketing: proposed antecedents and consequences", *Journal of Macromarketing*, Vol. 24 No. 44, pp. 44-58.
- Mintzberg, H. (1989), *Mintzberg on Management. Inside Our Strange World of Organizations*, The Free Press, New York, NY.
- Myrdal, G. (1973), *L'obiettività nelle scienze sociali*, Einaudi, Torino.
- Reich, R.B. (2001), *The Future of Success*, Heinemann, London.
- Roberts, K. (2004), *Lovemarks: il futuro oltre i brands*, Mondadori, Milano.
- Rossato, C. (2006), "The support economy: profezia o utopia?", *Sinergie*, No. 72, pp. 295-315.
- Seligman, M.E.P. (2005), *Imparare l'ottimismo: come cambiare la vita cambiando il pensiero*, Giunti, Milano.
- Sennett, R. (2008), *L'uomo artigiano*, Feltrinelli, Milano.
- Sirgy, D.M. and Lee, D.J. (2006), "Macro measures of consumer well-being (CWB): a critical analysis and a research agenda", *Journal of Macromarketing*, Vol. 26, pp. 27-44.
- Sirgy, D.M. and Lee, D.J. (2008), "Well-being marketing: an ethical business philosophy for consumer goods firms", *Journal of Business Ethics*, Vol. 77, pp. 377-403.
- Solnit, R. (2008), "Our storied future", *Orion Magazine*, January/February, available at: www.orionmagazine.org/.
- Thaler, R.H. and Sunstein, C.R. (2008), *Nudge: Improving Decisions about Health, Wealth, and Happiness*, Yale University Press, London.
- White, C. (2009), "The barbaric heart", *Orion Magazine*, May/June, available at: www.orionmagazine.org/.
- Zuboff, S. and Maxmin, J. (2002), *The Support Economy: Why Corporations Are Failing Individuals and the Next Episode of Capitalism*, Penguin, New York, NY.

About the author

Federico Brunetti holds a degree in Economics from Verona University and a PhD in Business Administration from Venice University. He serves in the Department of Business Administration of Verona University as Full Professor of Business Management. He teaches degree and postgraduate courses in Business, Retail and Tourism Management. He is the coordinator of the postgraduate course in Marketing and Business Communication at Verona University and vice-director of the Business Administration Department. Together with Professor Claudio Baccarani, in 2002 he received an award at the 13th International Conference on College Teaching and Learning for their innovative teaching methods. He has published in journals such as *TQM Journal*, *Total Quality Management*, *Sinergie* and other national (Italian) journals. He is the author of a book on quality in tourism and on firm's pervasiveness in society. He is member of the Editorial Board of *Sinergie* and acts as a reviewer for international conferences (Marketing Trends, Toulon-Verona Conference, QMOD). Federico Brunetti can be contacted at: federico.brunetti@univr.it

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.