

# THE CONSCIOUS CORPORATE GROWTH PRACTICE (CCG). A QUALITATIVE RESEARCH AIMED TO VERIFY THE APPLICATION OF VIRTUE ETHICS IN BUSINESS

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## Abstract

Alienation at work is one of the most pervasive phenomenon of the post-industrial society and management in both the private and public sectors are engaged in a constant struggle against it. In this paper, we suggest that Reflective thinking can emphasize informal learning and personal vision through the investigation of the intentions that sustain both personal and company's actions and both individual and collective behaviours. This practice is suggested to enhance the degree of awareness in the organization and to shed light on the level of influence and on the mutual relationship with the environment. (Carrassi, 2013)

This is the product of the activation of a fruitful relationship between all the variables of the business environment, that lead to economic prosperity, satisfaction and simultaneous fulfilment of individuals, stakeholders, and the environment.

The present study, through a qualitative research approach, aims to examining the hypothesis of the Conscious Corporate Growth practice. Two companies were interviewed. The research focused on investigating issues related to virtue ethics as a practical approach to business management. To meet these objectives, seven major areas of inquiry were examined

A number of interesting patterns of results were revealed through the content analysis of the responses. Based on the results, the *worth* of the CCG practice has been confirmed in regards to its application to small family business. A series of propositions stimulate future research efforts.

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**Keywords:** Reflection, alienation, fulfilment, virtuous decision, behaviour

## Introduction

Whether a company should be treated as a person has been the subject of ongoing debate, often related to the nature of moral agency, but one cannot deny that companies are composed of people and people are fundamental for the existence of the company.

The human being is the element that gives birth to the company and that feeds its growth, through a combination of tangible and measurable inputs (investments, work time, work efforts) and intangible inputs (creativity, emotions, willingness). Human beings also define the culture, the orientation of the core strategy and the governance prerogatives of the company. Therefore, in order to investigate the manifestations of existence of a company, one must bring attention to the concept of a person and their life.

Traditional economics and management studies have based their theories on a abstract concept of individual, the rational economic man (*homo oeconomicus*). The man, considered as an individual, is closed in itself, atom between atoms, isolated and independent from others, with absolute freedom; he associates himself with others for the necessity to pursue his own interests.

The real person, by contrast, cannot find fulfilment in itself alone, regardless to his or her being “with” and “for” others. The person is unique and is open to the totality of relational and social reality. Being a “person” means to relate to others and to seek to be the bearer of

virtues and values, in order to realize the true and the good as an individual and in a community. A person is characterized by the quality of self-knowledge that can make virtues emerge and develop.

In this sense the company is based on interaction between people and can be considered an intimate expression of the will and the values of the people who have given birth, who operate and who gather around it. In other words, it is an inseparable whole with the overall context.

Therefore, although is fundamental to investigate on what the company does, why it does it, how it does it and what it should do, it is also essential to understand *what the company is*, which values are expressed by the people who compose it, what are the values of the stakeholders, and what is the degree of awareness by the organization of its influence on the mutual relationship with the environment.

### **Automatic and unconscious decision making**

Choosing to focus on what is the essence of the company means to start a process of self-knowledge that leads first to understand and then to accept to what extent the personal habits, the ideas and the beliefs of individuals guide the choices of the organization. By doing so, the persons within the organization become aware of a sense of unity and Integrity that foster cooperation and problem solving. This activates the progressive consolidation of the cohesion of the organization that takes form as corporate personality. As Chun says “Organizational virtues are ethical characters of organizations that can be operationalized using human personality traits validated as corporate personality”.

Therefore, at the organizational level, virtues are ethical character traits that are learnt from an accumulative perception of a firm’s behaviour in everyday business life. (Chismar, 2001)

Taking this analogy one step further, companies can be seen as systems where people are cells of a bigger entity and not just a cog wheels or nodes of a computer network. Stakeholders are more than just parts of a mechanism oriented towards the economic and financial growth mechanism: they are individuals whose qualities and competence redefine the form, the function and the results of the business system as they do in Beyers and Lagenberg’s description of a respect-driven stakeholder practice (Beyers and Lagenberg, 2010).

This does not imply some form of strict determinism, but the investigation of the extent to which the environment impacts on everyone’s behaviour and choices. By doing so one may discover that the level of influence is greater than we tend to recognize.

As Schön argues there are actions, recognitions, and judgements which we know how to carry out spontaneously; we do not have to think about them prior to or during their performance. We are often unaware of having learned to do these things; we simply find ourselves doing them. In some cases, we were once aware of the understandings which were subsequently internalized in our feeling for the stuff of action. In other cases, we may never have been aware of them. In both cases, however, we are usually unable to describe the knowing which our action reveals. (Schön, 1983)

Kahneman *and Tversky* discovered systematic errors in the thinking of normal people: errors arising not from the corrupting effects of emotion, but built into our evolved cognitive machinery. (Tversky and Kahneman, 1986)

He describes two different systems at work: System 1 and System 2. System 1, is our fast, automatic, intuitive and largely unconscious mode, System 2, by contrast is our slow, deliberate, analytical and consciously effortful mode of reasoning about the world.

Kahneman suggests that, by knowing how the two systems work together to shape our judgments and decisions, it is possible, to better understand the importance of properly framing risks, the effects of cognitive biases on how we view others, the dangers of

prediction, the right ways to develop skills, the pros and cons of fear and optimism, the difference between our experience and memory of events and the real components of happiness. (Kahneman, 2011)

This opens a new dimension of investigation that allows us to understand and recognize that the choices of a company are often driven by automatic and unconscious processes of action, supported by habits and by schemes of reaction and behaviour not aligned to any ideal value but simply oriented to face a morally sterile competitive game through an egoistic personality.

The more the process of self-knowledge is developed, the more the company can recognize its current situation to move harmoniously towards virtuous goals.

Based on the above consideration, through a self-reflective approach, people and therefore organizations, develops the capacity to behave in a virtuous way, enhancing integrity and improving the relationships and the contribution to society and the environment.

In present society is easy to observe a growing level of dissatisfaction.

Conscious Corporate Growth as a vehicle to nurture virtues in organizations

It was Karl Marx who first proposed that alienation at work represents a loss of individuality, and that such a loss is essentially an undesirable state for the individual and the society at large. Organizational conditions leading to the loss of individuality deprives the workers of self-fulfilment or the realization of who they are or what their essential nature is. Alienation is a form of sickness that can, and should, be avoided. The concept of alienation identifies a certain type of dysfunction that represents an “unnatural separation” between oneself and what one produces such that what one produces dominates it's maker. (Corlett, 1988)

The doctrine that everyone is a utility maximizer is usually stated in a way that makes it equivalent to psychological egoism. The noun “Ego” is derived from the equivalent Latin pronoun which means I, in the sense of one's identity, or rather the measure of the identification with a form (social role, job, status, goods and so on). According to this concept everyone is motivated to look after his or her own perceived best interest, supported by his or her conscious or unconscious will of separation from others and from the context.

People have almost everything but are not satisfied because spending choices are not making them happy and healthy as they could. (Frank, 1999)

People believe that the artificial world could satisfy every need, but the reality has shown that we made only one move on a higher need accompanied by a higher level of dissatisfaction. Furthermore, while living in a highly urbanized society characterized by an endless frenzy of real or potential interactions with other people, we often feel terribly alone, or closed in a few family relationships. The dissatisfaction is not therefore just concerned with the tangible result, compared to objects owned or possessed, but also and above all of relational nature.

This constant dissatisfaction affects human behaviour and, as a direct consequence, corporate conduct. Marx suggests that when workers feel alienated and powerless they do not fulfil themselves, but rather deny themselves at work. They have a feeling of misery rather than well being. Instead of developing their mental and physical energies, they feel physically exhausted and mentally debased. (Marx, 1932)

The improvement of the exchange of meanings and values among persons and organizations must be sought in a process of change that could strengthen human relations and create a valuable sense of unity.

These are valuable for themselves, as internal goods, not solely as external goods contributing to reputation and profit. The improvement process enhances the degree of awareness in the organization and sheds light on the level of influence and on the mutual relationship with the environment. (McIntyre, 1985)

Such attention placed both on interpersonal relationships among the people who operate within and outside the company, and on the analysis of the various environments with which the company interacts, can become the continuous practice of Conscious Corporate Growth. (Carrassi, 2013)

Conscious Corporate Growth (CCG) is a *practice* (in the McIntyrian sense) that can facilitate the understanding of how the values expressed by the people who compose it can be recognised and oriented to virtuous outcomes.

Individual's choices have to emerge from well-developed reflective judgment. If we want corporations to act in ways that are morally, socially and ecologically sustainable, we need them to contain individuals who act with integrity on the basis of well-developed reflective judgment.

CCG introduces elements of reflective thinking that can emphasize informal learning and personal vision through the investigation of the intentions that sustain both individual and organizational actions and behaviours.

The starting point of the CCG practice is to recognize that our culture is based on a collection or body of abstract principles translated into our day-to-day behaviour. That is, we all have a set of almost instinctive "default behaviours", perhaps programmed into us from infancy, or developed during schooling, or based on religious convictions, or some other source, which represent accepted norms and modes within our local environment and in the organizations in which we operate. As Schön says, "when someone reflects in action, he becomes a researcher in the practice context. He is not dependent on the categories of established theory and technique, but constructs a new theory of the unique case". (Schön, 1983)

He becomes aware of his frames and of the alternative ways of framing the reality of his practice.

Commitment is needed from individual to enhance the collective effort that allows the company to operate profitably and virtuously, in order to contribute to the welfare of each part of the complex business system and society.

The main purpose is to awaken a great effort to provide a depth of meaning, so as to produce, permanent experiences that can balance profit oriented goals, and wellbeing oriented business activities, hence producing virtuous outcomes. As result from this process of change, CCG emphasises the development of moral character through the pursuit of excellence in a practice.

Here CCG makes a direct link to virtue ethics as a framework for responsible management, for virtue ethics is concerned with character rather than with what should be done so as to comply with rules or duty, or with how well the results of the company's actions contribute to the good of society.

CCG for a corporation is a vehicle to foster integrity and to encourage the development of that nature toward virtuous goals, so that not only are the virtues of individual members of the organization enhanced but the organization itself also comes to more clearly or more closely develop a capacity to contribute to society.

### **The compass of values for strategic decisions**

The company does not become good through a specific strategy but instead through finding the good that is already within the organization. This can happen only if there are some fundamental changes in the way the company perceives itself and its surrounding environment that allow this good to be manifested.

The distinctive element is to discover and develop a spirit of unity, which generates the growth of social capital and interpersonal relations rooted in the history and in the culture of the company, contributing, at the same time, to the general improvement of the environments that interact with the company. The result is a positive impact on business

strategies and practices, which extends to the stakeholder’s behavior and to the whole society. (Freeman, 2002)

The organization already potentially has everything needed to perform in a virtuous direction. What really drive sustainable actions are the intentions and the virtues linked to them. The process of Conscious Corporate Growth lets the virtues arise and develop their potential through the implementation of the best action possible, in accordance to what its members think that is worth to do. In this manner the action is performed with a high level of attention and responsibility and any mistakes that arise can be identified, understood and used to reorient the action. So as the virtues behind the actions inform the results, so the Conscious Corporate Growth can spontaneously bring to a virtuous behavior.

People can discover and manage how to work in an optimal state of enjoying the activity in itself while they are doing it. Therefore, people can find what they are doing completely motivating and aligned with their personal values, so they do not bother about the passing of time. They are completely immersed in the present because they find meaning in what they do, for the benefit of the overall organizational effectiveness. In other words people within the organization learn how to recognize themselves in their double role of actors and directors, so they start to interact in a most effective way within and outside the company, to build, as direct effect, virtuous relationships.

It can be suggested (Carrassi 2013) that to guide the strategic decisions towards virtuous goals, the individual within the company should set up a compass of values whose cardinal points are determined by the response to four questions related to the choices to be made:

What for?            Who benefits?            What pleases?            Whose needs are met?

Table 1. *The four questions of the compass of value*

<i>sphere of simple answers</i>	What for?	Who benefit?
<i>sphere of reflective thinking</i>	What pleases?	Whose needs are met?

Although at first sight the four questions may seem similar, a closer examination makes it possible to capture some subtle but significant differences. Two of the four questions in the compass of values consider immediate circumstances, and two require reflective thinking on deeper issues.

In particular, the questions in the sphere of simple answers refer to a structured deterministic model of reasoning, while the questions in the sphere of reflective thinking imply a thoughtful critical analysis that leads to take more informed decisions on the basis of an increased awareness.

In other words, the first group of questions produce answers that are likely to reflect an ego-based approach in which the subject is often separated from the decision to be taken, while the second group produces answers that require a deeper analysis of the reasons behind a decision and can more likely lead to virtuous results.

The use of the compass of values aims to enforce the commitment in achieving sustainable goals revitalizes the company’s vision and strengthens the courage of implementing proactive change. Harris suggests a modified definition of courage in the business world as “success in achieving the desired outcome and effort by the agent”. (Harris, 2001)

The two-stage response process can generate a favourable experience that can become established in individual decision making and gradually extend at the organizational level, producing a positive transformation of corporate behaviour.

Following this perspective, a fruitful relationship between all the variables of the system would be spontaneously activated, ensuring practices of excellence that lead to economic prosperity, satisfaction and simultaneous fulfillment for individuals, companies and the environment considered as an inseparable whole.

## Qualitative research

The cardinal human virtues inherited from Aristotele have shaped the most common approaches of virtue ethics used in business context, without being modified or empirically investigated in an organizational context. Researchers encounter difficulties in applying the human personality scale in an organizational dimension. (Dyck and Kleysen, 2001)

The absence of a validated measure of virtue ethical character at the organizational level is probably the most critical reason why virtue ethics has not been able to generate strategic implication for a firm, and its practical implication will not just be limited to human behaviour, but also to others aspect as emotional attachment, willingness to take risks, financial performance and stakeholders satisfaction. (Chun, 2005). This paper presents the results of a qualitative research that has been conducted to verify the truthfulness of GCC hypothesis. Qualitative research produces more in-depth, comprehensive information to understand the reasons that govern human and organizational behaviours, as well as the interactions of the different variables in the context.

The research was conducted collecting data from two small companies, one based in Australia and the second based in Italy, which operate in different business sectors.

The two companies included in the sample were chosen on the respect of three specific aspects dependent on the formulation of the main survey objectives:

- *Common start-up experience*: the companies are both the result of a process of change that has led the current owners to leave their previous job and set up a family business. The choice of small size companies is related to the need to start the validation of the CCG practice on a minor scale where the effect of a reflective approach in business management can be more evident. The common process of change that occurred in the two companies is an important condition as we assumed that critical decision are often accompanied with a framework of formal or informal reflective judgment.

These requirements of the sample are important conditions to find answers to the following questions:

Is it possible that some form of GCC practice is already implemented in some companies?

If so, what are the implications of the use of these practices in identifying a strategic role of GCC that may enhance the link between virtue ethical character and business outcome?

- *International prospective*: the two companies operate in two different countries in order to understand if the CCG practice is affected by different cultural orientations.

- *Cross sectorial prospective*: the two companies belong to two different business sectors in order to understand if the CCG practice is influenced by the company belonging to a specific business sector.

The main assumptions of the research are summarized in the following paragraphs:

Conscious Corporate Growth (CCG) is a continuous practice that can nurtures virtue orientation of the company.

CCG enhances the degree of awareness in the organization and sheds light on the level of influence and on the mutual relationship with the environment.

CCG introduces elements of reflective thinking that can emphasize informal learning and personal vision through the investigation of the intentions that sustain both personal and company's actions and both individual and collective behaviours.

CCG promotes personification analogy of the company and fosters the alignment of personal values with virtuous behaviours of the organization.

The practice enforces the commitment in achieving sustainable goals, revitalizes the company's vision and strengthens the courage of implementing proactive change.

### Self-generation of sustainability

Activation of a fruitful relationship between all the variables of the business environment, that leads to economic prosperity, satisfaction and simultaneous fulfilment of stakeholders, individuals, and the environment.

As CCG introduces elements of reflective thinking, that can sustain both personal and company's actions, the research also aims to validate the compass of value as a tool to foster the reflective thinking abilities.

Table 2. CCG questionnaire

GOODIESON BREWERY	TERRA SESSANA COUNTRY RESORT				
1. Business story and emotional implication					
Briefly tell your business story					
<p>I am a trained brewer. I have studied four years at the university and I am specialized in malting and brewing.</p> <p>I have spent twelve years working in one of the largest brewery in Australia. I worked in marketing, developing new beers. I learned about costs and savings, efficiency, cost of production, "screwing the suppliers". I really disliked the company's orientation of saving on ingredients and other cost elements to gain more profits, without giving enough consideration to the quality of its product or to the relationship with its stakeholders.</p> <p>We (me and my wife) have always played with the idea of starting our own business in the brewery sector, but we needed two ingredients: education (university) and experience in the brewery sector. I was happy to work for a large company as long as they gave me challenges and opportunities.</p>	<p>I have worked for 7 years for a company of the integrated water sector (water provider). After a few years I was already tired of my job and I thought with anguish of all the years that were still missing until my retirement.</p> <p>I worked 8 hours a day and punched (badge) entry and exit from work and I have 25 days of holidays per year.</p> <p>Often my work seemed pointless and boring. I felt like a slave.</p> <p>One day I had the opportunity to buy an historic property in the countryside in a touristic area of southern Italy and so, after a period of renovation, I went to live with my family there and I used a part of the property to set up a country resort.</p> <p>Today I have three cottages with private garden and private pools that I rent as holiday homes. By the time I have also started a wine tasting area and I offer traditional dinner with folkloristic live music. I also organize a music festival for my guests and for other people. I like to give to this place an original rural live style touch.</p>				
What are your emotions right now?					
Mixed emotion, because I met good people there, but I often thought: "God, if I just do this things in the way that they ask, rather than in a more balanced way this could be a much better place for everybody to work at". I was feeling anger because I couldn't change the environment according with my personal values. I consider the value of the person within the company fundamental to built mutual respect and this was not a shared idea in that working environment.	Relief and Tranquillity. I feel reassured when I look back and I am able to tell the success of my experience.				
Can you identify a specific situation that led to your decision to change?					
Around eighteen months before I left, I had a bad accident at work and I was Hospitalized for four months. The company did not consider that event properly and the accident was never investigated. Despite the fact that I could have died in that accident, they didn't show any emotional involvement - <i>I was considered a number not a person.</i>	Yes. It is the moment when I saw the advertising for that property and so, with my husband, I was tempted to create my own business in order to change my job and my lifestyle.				
What emotions did you feel in that situation?					
Big anger	On one side joy for the opportunity to change, on the other hand I was afraid to chase pipe dreams with no rationality.				
How	do	you	rate	your	decision?

Very easy / Easy / Difficult / Very difficult	
Very difficult as our financial situation was very good before we started compared with the actual situation	Difficult
2. Level of personal satisfaction before and after the change	
What made your previous work activities before that situation satisfying?	
To work with fantastic people and to do what I like to do (brewery). To test my skill and to make new experiences.	In my previous job I have established friendly relations with my colleagues with whom I was pleased to spend my time. I liked to be able to relate with them and to learn how to interact in different situations.
What made your previous work activities before that situation not satisfying?	
The valuation system of the HR department that did not take consideration of people values, but was more focused on numbers and results. This was a reason of emotional detachment from the company objectives.	A combination of factors. The tedious work, the short holidays spent with the idea of having to return to the office, the fixed work schedules, the idea of depending on others. I didn't like to spend half of my life in the office and I couldn't have the peace of mind to dedicate time to myself and to my personal interests.
In your previous work activity were you able to change your work environment?	
Not really.	Only a small part because my decisions were dependent on others.
What has changed today?	
We have bigger freedom to shape our lives, especially related to our children with whom we can now spend more quality time.	I feel more independent. I can now evaluate and decide by myself what and how to change. I have more freedom and time to take my decisions and I do not have to be accountable to any boss.
Are you satisfied now?	
Yes	Yes
What still makes you unsatisfied in your work environment?	
Our bank account is still not as good as we expected it to be at this stage compared to our efforts. This is not frustration, we are aware that our business is still young and that it can grow to a certain stage.	Nothing, I feel satisfied and sustained by my positive experience. I also think that my actual approach to business can generate further improvements
Do you think that there is possibility for change in your actual work environment in order to be more satisfied?	
Yes. There are two factors that we can improve in our life: time and money. At the moment, we are very absorbed in the brewery and we would like to dedicate more time to our children. Compared to the past the time we spend with them is quality time, but we want to be more present in their growing up. Therefore we are planning to buy a new bottle filler that will reduce our bottling process from three days to three hours. This will improve our efficiency and reduce our costs, giving us extra time to spend with our children.	Yes, I think I can still improve. I feel that my experience constitutes a kind of living lab that is useful not only for my job, but also to improve my approach to problem solving in general life.
How does the time pressure influence your decisions now? And how was it before your work change?	
Before, I worked a lot of hours and for very long days. I am not the kind of person that make half a job. I felt forced to work to a tight schedule. Now our company still absorbs a lot of time and it is very hard to leave it, because we consider that "me and my wife are Goodieson brewery". We are trying to figure out how to reduce our time commitment as we have realised that we cannot be here at work all of our time. Although our job is still very absorbing we feel really motivated and happy to continue our commitment in the community.	Today I do not feel particularly pressured. Before changing I was living my working time in boredom, in the free time I often felt anxious because I thought that I had to make the most of the limited time available to look after my own interests.
Has any change occurred in the time perception compared to the situation before the change?	
We have realised that time is ours and that we are free	Compared to the past, I find that my approach to the



to organize our days. This gives us freedom to manage our business. Before, the time belonged to the company, “ <i>I was owned by them</i> ”.	time is slowed down. It looks expanded, I feel calmer and I am free to manage my time as best as I think. I definitely have more free time.
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3. Changes in the scale of values and virtues	
Before starting your new business, in what order were the following values placed in your individual sphere?	
Money Family Social position Friends	Environment Leisure Security
Family Security Money Friends Leisure time Environment Social Position	Security Family Friends Money Leisure time Environment Social Position
There is any value missing in the list?	
Internal happiness	No
What is now the order of the above list of values?	
Family Leisure Friends Money Environment Social position Security	Family Friends Leisure Environment Security Money Social Position
To what factors do you attribute this change in your values' scale?	
That accident at work. I could have died and lose everything. That was like a wake-up call. I also saw my children grow fast and I have the desire to be a part of their life.	The changes in my job and in my lifestyle have been determinant. I think that I can now appreciate some values that previously I could not feel fundamental. I believe that this change in my values scale and in my lifestyle have occurred simultaneously.
Choose three of following virtues that today you believe are more present in your life, compared to the situation before the change.	
Justice Wisdom Cooperativeness Patience Moderation	Happiness Fairness Generosity Courage Prudence
Generosity Happiness Courage	Courage Wisdom Happiness.
To what factors do you attribute this difference?	
<i>Generosity:</i> I believe that, if we contribute to the wellbeing of the environment and the community, we will receive benefits for our business and for ourselves. <i>Happiness:</i> we are doing what we love to do. I personally feel free. <i>Courage:</i> Freedom is scary, there are a lot more responsibilities, but we really feel that we are more courageous in overcoming difficulties.	<i>Courage:</i> Because I was able to face and overcome many difficulties. <i>Wisdom:</i> Because I have understood and partially realized my true potential. I now have more knowledge of myself and of what surrounds me. I believe that changing is like a movement that, in contrast to a stagnant and static situation, allows to experience the real world and to be more in touch with myself, with

	the others and with the environment. <i>Happiness:</i> Because all my life is improved and I feel really satisfied.
4. Improvement of the reflection abilities	
Before and/or during the decision to change, have you made some form of self-reflection or self-analysis?	
Both before and during the change	Both before and during the change
Can you briefly describe it?	
We do self-analysis all the time. At the start we had no idea of what this effort would have produced. We started asking ourselves: "do we really want to do this?", "Are we putting our kids at risk?". We made an informal pro and cons analysis without following any specific model.	I have examined my fears trying to understand and change the thoughts from which they arose. I now understand the difference between some concrete and rational fears compared to other fears that are conditioned by the insecurities of my personal thoughts or induced by the opinions of others. I have conducted an analysis of the pros and cons of my decision. I have conducted an economic analysis of my investment. I have often imagined the future situation in which my goal was realized and then I have tried to analyse my emotions and feelings to consider if there was any difference for the better compared to the baseline situation.
In your values change can you identify a shift from an unconscious behaviour to a conscious behaviour? <i>(Unreflecting thinking versus reflective thinking)</i>	
Yes. Regard to our financial situation we have realized that we have lost security and, although this is challenging, it make us be more conscious and reflective in taking decisions.	Yes. In my experience I have realized that I was able to change some fears through deep work on some stratified thoughts that made my choices very difficult and often not feasible. I am now aware that I can better evaluate my decisions without getting blocked by irrational fears. I feel more aware of my ability and I think that everyone can achieve this goal. I am also aware of feeling more satisfied.
Before and/or during your experience have you formulated a strategic intent? Can you describe it?	
Yes. <i>We want to serve McLaren vale region and contribute to the environment and the community</i>	Yes. <i>I want to be free and to demonstrate to myself and to the other that an alternative way of life is possible.</i>
Have you had moments of uncertainty during the realization of your project?	
Yes, a lot, It was very frustrating, annoying and painful. We were scared	Yes, I was very afraid of not being able to achieve my goals.
How would you describe your experience of these moments?	
The fear of failure. Fear of not being able to achieve our goals.	I thought that my decision was wrong. And that I was not able to achieve my goals. I was afraid of losing money and becoming poor. I felt discouraged and disappointed by the possibility of being forced to give up and return to the previous way of life.
Overcoming these moments have changed your risk propensity?	
No, because we have well calculated the risk.	Yes, I feel more aware of the risks and more prudent.
Do you think that today new difficulties could generate doubts about the value of your decisions?	
No, I wouldn't change my mind.	No, I do not regret anything about my experience
Do you think that your financial situation has changed? How?	
Although, from the financial point of view, we are less well off, we look at our business and we feel that we are living in our dream. I would fight until the end to	Yes. It is improved.

keep this result.	
Has your previous financial situation helped you in implementing the change?	
Partly	Yes
Do you consider that your experience would be possible without the same financial starting position?	
No, the brewery sector requires high level of investments.	Yes, perhaps it would have needed more time and more difficulties.
What value do you attribute to the perspective of growth of your business? (Fundamental / Relative / Marginal / Null)	
Relative, nothing grows forever, not even the stars. We just would like to save some money for our retirement.	Relative, quality of life comes first.
Would you repeat your experience?	
Yes, definitely we have learned some useful lessons that have improved our life.	Yes and I am happy to show others an alternative way of life.
How would you have responded to that question a year ago? What about three years ago?	
One year ago, Yes. Three years ago, fifty-fifty.	One year ago, Yes. Three years ago I experienced some moments of uncertainty that put at risk my choice.
If there had been a tool able to facilitate your process of change, how would you have considered it? (Very useful / Useful / Marginal / Useless)	
Very useful	Very useful
How would you rate the overall experience?	
Phenomenal. We are very proud of what we have done and we feel very satisfied. We have achieved personal growth through our actions, through living, through doing things ourselves with our hands. We have learned how to push ourselves ahead.	Very positive. Something to share with others.

#### 5. Validation of the compass of value as a tool for fostering reflective judgments.

Do you think that in some way you have answered the following questions? a) What am I changing for? <i>(what for?)</i> b) Who will benefit from this change? <i>(who benefit)</i> If yes how have you answered?	
a) To have more time for my family and to do what I love doing b) My two boys will benefit from this change	a) To live a more fulfilling life b) My family, my fiends, my staff, my guest.
Do you think that in some way you have answered the following second set of questions? a) Which needs can be fulfilled with this experience? <i>(What pleases)</i> b) Whose needs will this experience meet? <i>(Whose needs are met)</i>	
a) Our needs to o see the children grow up, to have some sort of role both physical and emotional in their transition from kids to teenagers and to adults. To be an example for them. I hope that they will understand that they can achieve their own goals. b) Externally, I would hope that my kids would feel that I have helped them, that I have been there for them, and I have been a part of their growing up. Internally, I would be proud that I have been a part of their life and that I meant something for them.	a) The needs to challenge myself and to improve the quality of life of my family. The desire to be free and to contribute to the environment and the community. b) The needs of my children. The peace that I offer to my clients.

#### 6. Role of exemplars, stakeholders and others.

Did any models and / or exemplars influence your experience?	
During a Master's degree I have worked on some business cases (3M, Toyota) where people were	Yes. A path of personal growth has helped me to learn how to better understand my aspirations and to become

empowered. These ideas of empowerment made me start thinking about a different approach to the business management style.	more open and available to change. I learned how to recognize some of my fears and how to overcome them.
What role has those models and/or exemplars had in guiding and supporting your choices? (Determinant / Relative / Marginal / Null)	
Marginal	Determinant
How have others (family, friends, colleagues...) reacted with regard to your decision to change?	
My colleagues thought that I was crazy to throw away a well paying job. My father was very happy, he supported me and he is very proud for what I have done and for the courage that I have shown. Friends were extremely supportive, phenomenal.	The majority of people discouraged me to pursue my choices for several reasons. They told me that I had better not risk it that I should never leave a secure job, that I should not go and live in an isolated place in the country, that I would miss my life and I would come back. I now think that they were expressing their fear
Has your change decision been influenced by the reaction of others? (Family, friends, colleagues,...)	
Yes.	No, in the sense that I was able to reach my goals, even if to do this I had to examine and re-evaluate all the doubts and fears induced by the others.
What is now changed in your relationship with others (family, friends, colleagues...)?	
I obviously see much less of the people I worked with, but I do not miss them. I have lost the interaction with them, but I have gained new different opportunities and more time for my family.	I feel less influenced from others and I am surer of my personal opinions. I feel that I have improved the environment and the quality of my friends. I have created the conditions of <i>a life that more reflects myself</i> .
How do you show consideration to your stakeholders (employees, suppliers, clients, banks, community, etc.)?	
Being very genuine, being ourselves. We are a part of a community.	I enjoy to see the clients of my small resort that share the same sense of peace and serenity that I live myself. In general, my relationship with the stakeholders is improved because it is not imposed from above, as it was in the company where I worked before. Now I follow my ideas and I choose how and with whom to relate, focusing on quality, on kindness and on respect.

7. Business ethics perception before and after the process of change	
What was your opinion on business ethics before you began your experience?	
A word with no value.	In theory, I thought that it was useful, but difficult and not applicable in practice because it seems to me that the companies used this concept without commitment and more as a marketing tool to increase their profits.
What is your opinion of business ethics now with regard to your experience?	
Just from my experience and from the interaction we have with similar sized businesses, ethics is about your way of living, yourself, your brand. I am more a believer in business ethics now, because I have applied this idea in my business. I am aware that <i>I am my own brand in myself</i> . We live in a small community, where you have to be ethical if you want to be sustainable. There is no way that you can fake being ethical.	I think it is possible, useful and interesting and that business ethics is a way <i>to make my company more similar to me</i> .

## Questionnaire

In order to prompt respondents to think, reflect, express values and provide answers in their words, the interviews were conducted face to face using a semi-structured questionnaire

consisting of 49 open-ended questions and 9 closed questions. Some of the questions were oriented to activate emotional responses, in order to stimulate reflective thinking.

In order to establish the trustworthiness of the CCG theory, the questionnaire was divided into seven blocks, each of which examines a specific area of inquiry.

1. Business story and emotional implication
2. Level of personal satisfaction before and after the change
3. Changes in the scale of values and virtues
4. Improvement of the reflection abilities
5. Validation of the compass of value as a tool for fostering reflective judgments.
6. Role of exemplars, stakeholders and others
7. Business ethics perception before and after the process of change

The first company interviewed is Goodieson a small Australian brewery located in McLaren Vale in South Australia and the second company is Terra Sessana an Italian small country resort located in Ostuni in the Apulian region. The stories of the two companies are summarized in the answers given to the first set of questions.

Below is presented the questionnaire and the respective answers of the two entrepreneurs. The questionnaire is presented in two columns, so that the two sets of answers can be compared and evaluated.

## Results

The content analysis of the answers to the questionnaire has produced a number of interesting results.

In both cases it emerges an initial dissatisfaction that results from a conflict between personal and individual values and those expressed by the companies where the respondents have worked before the change. Dissatisfaction is perceived as the starting element of the overall experience. These sentences expressed by the respondents clearly confirmed this condition: I was considered a number not a person. (Goodieson); “I felt like a slave” (Terra Sessana).

The interview data might be discussed in terms of alienation as what most especially distinguishes the organizations where respondents worked in the past, from the organizations they are active in nowadays, is that previously they were alienated from the organization whereas now they are able to identify with it.

The answers show that the main problems that have led to the change are to be ascribed to poor interest shown by previous companies to employees and stakeholders in general. During their previous work experience, respondents matured disillusion about the possibility that ethical behaviour of companies could improve, or that they could make some changes in the workplace by themselves.

Outside of the quality of interpersonal relationships with colleagues, respondents did not feel part of the organization and were often in conflict of values with the decisions of the company.

The emotional implications of dissatisfaction generate a urge of change that is considered as an opportunity to get rid of the perspective of a conditioned life in order to create the foundations for a more fulfilling life.

As Kanungo argues when individuals experience their self as a part of an enduring relationship with a sense of community, their behaviours tend to be guided by an interest to minimize the sense of powerlessness or alienation among workers and a responsibility for enhancing their self-worth. (Kanungo, 1992)

The sense of identification with the company is very strong and transpires in responses such as: “...me and my wife are Goodieson brewery”, or “...to make my company more similar to me” (Terra Sessana). During the interviews it became clear that there are no

barriers between humans and the company, but that the economic dimension is all one with the other spheres of life and with the ability to interact with the environment.

Very often the respondents said that their main goal was the pursuit of freedom. It is essentially the freedom to express their values and virtues. To be able to take decisions responsibly and to courageously face the decision to change. Despite the difficulties they had to overcome, respondents have proven to be very involved in their new business; both found the overall experience extremely positive. In stating that take into account different aspects and what is particularly interesting is the high value attributed to the improvement of quality of life and to personal fulfilment.

This evaluation has included issues related to quality of life and fulfilment that were added spontaneously by respondents in the grading scale. The financial dimension plays a less important role in the and certainly it is not essential in guiding evaluations and strategic decisions, as the quality of life factor becomes more relevant.

The pursuit of business sustainability is an innate goal of the company. It is the base on which the entrepreneurs take their decision, being aware of the implications of their choices on the community, the environment and the level of their personal fulfilment.

Time has become more flexible especially with regard to the lower pressure of the rhythms of work and to the freedom to choose how to schedule the days, which are preconditions to be able to spend part of the day to pursuit satisfaction and fulfilment. This allows a better management of the work pressure and contributes to improve the quality of life.

The individual values scale registers significant change due to the development of greater self-reflection capacities occurred during the overall experience. In both cases the value attributed to money decreases in favour of not business-oriented values such as family or friends. Both respondents have attributed this change to the practice of their reflective approach to the business.

The experience of change generates the reinforcement of some key virtues. Overcoming the fear of change develops Courage that is perceived as a rational willingness to take calculated risks. This is also related to the development of Prudence.

It is interesting to note that Courage is today more developed for both respondents as they are prepared to overcome difficulties with a more conscious attitude. Happiness is another key virtue that is shared by the two experiences. Wisdom and generosity are also virtues that have emerged and develop during the process of change. Prudence is also reinforced as the experiences have induced the entrepreneurs to take calculated risks.

By these results it emerges a type of entrepreneur who is able to reflect on the meaning of its business choices and take calculated decisions, not only on the basis of economic considerations, but also including the pursuit of knowledge and happiness.

This is also connected with the strategic intents formulation that sustains the overall experience of change by strengthening the determination to reach goals. In both cases the strategic intent refers to a clear idea of what the company would become: *“We want to serve McLaren vale region and contribute to the environment and the community”*, (Goodieson); *“Yes, I want to be free and prove to myself and the others that an alternative way of life is possible”*, (Terra Sessana). The lack of references to the financial dimension suggests that entrepreneurs consider the financial results as a consequence of a virtuous approach to business.

The compass of values fulfils its purpose of serving as a tool to induce self-reflection in relation to the choices made and those yet to be taken. In particular respondents show that the four questions are useful to deepen the level of analysis, as they produce a broader investigation of the reasons and the motivations that sustain their choices. The use of the compass of value, as a business ethics tool to facilitate and support change, can therefore

foster the process of realignment of individual values and corporate values, in order to stimulate the self-generation of sustainability.

An interesting result is the drastic change in the perception of Business Ethics after the experience. From being considered a meaningless word, Business Ethics becomes a way to make the company more similar to the virtuous orientation of the owner and the main vehicle for expressing the values of the organization and to give significance of the choice made.

The difference in business sectors and in the country of origin of the two companies seems to be not influent in regard to significance of the answers given during the interviews. This shows that CCG could become a practice shared in different context and that it is not particularly influenced by different cultural orientation.

The many similarities in the two sets of responses suggest the existence of a profile of entrepreneur who demonstrates attention to the assumptions of the CCG practice and willingness to develop reflective thinking, as to promote the economic, social and environmental sustainability of the business.

## Conclusion

The results produced by qualitative research have shown the existence of a type of entrepreneur who has taken during his business experience a personal methodology for self-reflection that recalls the case of the practice of GCC.

Although the survey focused on a specific type of small family business, the significance of the results is not negligible given the existence of a large number of companies that offer these features and also considered their important economic weight on world economy. Different business sectors and different country of origin seem to be not influent in regard to the above results.

It is interesting to note that the practice of CCG leads to a noticeable change in the scale of reflective judgments as well as in the ethical quality of business decisions. Companies take on the role of social actors who have their own character, which leads naturally to the achievement of the common good.

The GCC is not just about the aspects of ethical behaviour, but naturally extends to the financial sphere that nonetheless takes a less critical role in guiding business decisions.

To confirm this, we can see that in decision-making are emphasized some aspects related to the enhancement of “soft” variables such as happiness, fulfilment, quality of life, family relationships and friendship.

As shown by the examined experiences, these objectives should be pursued with courage, determination and perseverance. These virtues are generated and reinforced by the daily practice of a self-reflective character.

In regards to what McIntyre says Virtue Ethics is related to the habits and the knowledge concerning how to live a good life, CCG promotes good judgments that emanates from good characters. This means that the practice of CCG can produce internal goods and excellence against the limited pursuit of external goods such as money, power and status that are characteristically pursued by corporate institutions.

The significance of Business Ethics acquires an important value for entrepreneurs because of its positive effects have a direct impact on business management and results. Behind this growth there is a development that can be called *development by propagation*, where people’s work embodies a high level of satisfaction, transforming the external world in relation to their subjectivity. Through the development of reflective practices individuals can then be more motivated in recognizing themselves in the good world that they are creating.

In this sense, the Business Ethics becomes a practical and spontaneous management approach that self produces sustainability and ceases to give only theoretical indications.

The search for the truthfulness of GCC opens interesting horizons of study and research. The field of investigation should certainly be extended to a larger and more representative sample of companies.

Lastly, it would be interesting to configure an ad hoc instrument that can stimulate a change of perspective in business management, to the benefit of economic, social and environmental, as well as to satisfy the fundamental needs of fulfilment and quality of life.

The practice of GCC aims to represent one of the possible paths in this direction.

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