Corporate Social Responsibility, Entrepreneurial Values and Transcendental Virtues in Italian SMEs

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Abstract

The work focuses on the ethical foundation of entrepreneurial behavior which is at the base of CSR-oriented strategies and actions, particularly in small and medium-sized enterprises. At present the relationship between CSR-oriented SMEs and virtues has not been adequately investigated. In particular, past studies have not expressively analyzed entrepreneurial virtues intended in a transcendental perspective, and there is not yet a specific body of research and empirical studies that focus on transcendental virtues in SMEs. Does an adhesion to the philosophy and to the practices of CSR arise from transcendental virtues? How are entrepreneurial values influenced by (and derived from) transcendental virtues? The paper winds itself around these questions and describes, after presenting the literature review focused on entrepreneurs, SMEs and ethics and on entrepreneurial leadership - with particular emphasis on values and (transcendental) virtues - the principle findings that have emerged from a qualitative investigation based on a case-study relative to an Italian SMEs, in which the entrepreneur's objectives complies with both economic and social issues and are inspired by virtues: practical wisdom (Prudence); justice (Friendship); courage (Fortitude); moderation (Temperance). These virtues are at the foundation of an anthropological-based business culture which fosters and reinforces CSR-strategies and actions rendering them authentic and are strictly connected to transcendental virtues.

The paper is divided into two main parts. The first presents the theoretical framework, while the second describes the main results that have emerged from the empirical analysis aimed at understanding which ethical values and virtues that entrepreneur possesses allow him to orient business action toward CSR-oriented strategies and how they translate them into practice. The reflections emerged from the analysis point out the relevance of values and virtues in the entrepreneurial and business context and help formulate the proposition that transcendental virtues are the "hidden" driving force that lies at the base of CSR and sustainable orientation, particularly in SMEs, due to the relevance attributed to people and relationships.

The value of the work is firstly attributable to the attention paid to transcendental virtues and values and their connection to personal, familial and territorial shared values (of ethical, cultural, anthropological nature) typical of SMEs. Secondly, its originality is attributable to the meeting point of the perspective of CSR-oriented strategies in SMEs, ethics and leadership studies. The work has also practical implications. Firstly, suggestions for SME's leaders derive from the relevance attributed to values and virtues in balancing the many activities and stakeholders interests with which entrepreneurs are charged daily. Secondly, some implication for regional policies aimed to promote CSR and sustainability in local contexts can be derived, since this work aims to re-evaluate the proactive role of virtuous SMEs in developing their socio-economic environment. Finally, the work underlines the need for developing a methodology that allows further empirical research on the relationship between ethical values, humanistic education, family and social structures and the development of a sustainable entrepreneurial spirit and leadership.

A possible methodology could be represented by the case-study approach applied to best practices with the scope of valorizing the virtuous behaviors of entrepreneurs and SMEs that lie at the base of so many local experiences – that often go unnoticed – and of favoring the dialogue among researchers businesses, public officials and civil society.

Despite providing some additional contributions to the afore-mentioned lines of study, this study has a number of limitations (some of which could be overcome at later stages of the research). Firstly, we mention that the limitations are mainly related to the fact that the empirical study is qualitative in nature and based on the analysis of an exemplary, single case-study. Thus, the results cannot be generalized and more research is needed in the future. Possible research developments could derive from the analysis of multiple case-studies, both relative to SMEs and larger companies. Moreover, the qualitative study could then be accompanied both by a comparative and a quantitative research aimed at verifying specific hypotheses drawn from the proposition.

Keywords: Corporate social responsibility, entrepreneurial values, ethics, leadership, small and medium-sized enterprises, transcendental virtues

1. Introduction

The corporate world and the scientific community have been rediscovering the importance of values in business management and of incorporating ethics into strategies (Solomon 1992, 1994; Ketola 2008; Hemingway & Maclagan 2004).

Several studies of business ethics have emphasised the value dimension of entrepreneurial and managerial activity, giving rise to new models of corporate governance and business aimed at constructing a more civil economy and the common good (Carrol 2000; Driscoll & Hoffman 2000; Pruzan 2001; Cortright & Naughton 2002; Jurkiewicz & Giacalone 2004; Brown 2005; Knights & O'Leary 2006; Argandoña 2003, 2008, 2011). These studies are part of the theoretical framework of CSR (Corporate Social Responsibility) and sustainability and can be placed within ethical theories (Garriga & Melé 2004).

A lot of contributions have been enriching the field of study on CSR. A categorization scheme developed by Egri & Ralston (2007) through a review of corporate responsibility research in international management journals (based on more than 300 articles) during the past decades identifies four major themes: corporate social responsibility; environmental responsibility; ethics, and governance. Among these major themes, they found a prevalence of emphasis placed on empirical versus theoretical research and the breath of international coverage of the articles.

CSR can be broadly defined as the extent to which firms integrated on a voluntary basis social and environmental concerns into their ongoing operations and interactions with stakeholders. Among the several definitions aimed to summarize this topic, the following points out attention on values: "CSR is about how a business is run; values and beliefs become real when they are lived every day and no amount of corporate rhetoric can substitute for direct evidence of management's sincere and meaningful dedication to a consistent set of values" (OECD, 2001: 159).

Especially in SMEs (small and medium-sized enterprises), which constitute the backbone of the socio economic system in the vast majority of the world (and in particular in Italy – see Unioncamere, 2010; Bank of Italy, 2009), the presence of ethical values of the entrepreneur (and of his/he family) represents a fundamental driving force in the adoption of CSR and sustainability-oriented practices and strategies (Spence, 1999; Vyakarnam et al., 1997; Spence & Lozano, 2000; Jenkins, 2004, 2006; Del Baldo, 2006; Morsing, 2006). In the last years diverse researches have in fact outlined the SMEs' role in contributing to sustainable development and CSR (EC, 2002; 2011; EU, 2004; Spence et al., 2003; Spence & Schmidpeter, 2003; Castka et al., 2004; Russo & Perrini, 2010; Nielsen & Thomsen, 2006; Revell & Blackburn, 2007).

Although few differences have been noticed regarding the ethical orientation of managers and entrepreneurs (Longenecker et al., 2006), ethical issues of small firms are particularly tied to subjective and contingent factors (i.e., the central importance of direct and personal relationships, the connection between ownership and control, and the main role of the entrepreneurs and their families, the embeddedness to the local community) as well as objective ones (i.e., the simplicity of the company organizational structure; the frequent and direct relationships with employees and more generally with the stakeholders).

The "personal" element in SMEs is more contiguous because of the tight framework of interpersonal relations that is held together by the entrepreneur and/or the family/owner, which stratifies itself inside and outside the firm. The "relational factor" is a distinctive aspect of the small business owner and of the small-sized business (Birley, 1985) and is the driver of specific strategies (qualitative strategies) centred on an orientation towards CSR and sustainability.

Relationships are at the base of the concept of "relational goods" that have (and "have to do") with altruism, moral gratification, the "logic of happiness", gratuitousness and gifts (Zamagni, 1995; Gui & Sudgen, 2005). Finally, small and medium entrepreneurs are often active members of a territorial community to which they are intimately linked and in which they reinvest part of the socio-economic wealth they generated and their energies (Leborgne & Lipietz, 1991; Storper, 1995). The virtuous cycle of entrepreneurship and the corporate culture depend on a favorable business climate, which springs from a system of anthropological, social and positive economic factors (Minguzzi & Passaro, 2000).

The afore-said characteristics - which typify SMEs - facilitate the dissemination of shared values among the entrepreneurs and their community, to which the SMEs are deeply rooted (Spence & Rutherfoord, 2003).The common values are the result of anthropological values rooted in the social, cultural and family context of which the entrepreneurs are the expression (Del Baldo, 2010b). Enderle (2004) explained the challenges encountered by SMEs that were able to succeed in the global platform while being social and environmental stewards of their resources. He closed his underlying that although the organizations did not provide scientific proof to their success they did provide hope and encouragement for anyone that wonders if it is possible to have a successful SME while maintaining an ethical perspective.

Nevertheless, only few researches have been carried out on SMEs and ethics (Spence, 1999; Courrent, 2003) and, more specifically, on family SMEs and ethics, as well as on leader virtues in these contexts (Flores & Green, 2013).

According to Spence (1999), there is no clear picture on business ethics from the small business perspective, while it is necessary to have a better understanding of their struggles from their point of view and not that of a large business owner/manager perspective. "The only way to determine what is needed is by conducting explorative studies" (Flores & Green, 2013: 253).

The interface between ethics and entrepreneurship involves two sets of issues. The first of these concerns the entrepreneurial context for ethics, while the second involves the ethical context for entrepreneurship.

Scholars have developed considerable attention to issues in the former area, generally stating that the entrepreneurial context poses a number of unique ethical challenges (Bucar & Hisrich, 2001; Bhide & Stevenson, 1990). "At a more fundamental level, it can be argued that the very nature of what some might refer to as "acting in an entrepreneurial way" raises ethical questions" (Morris et al., 2002: 2).

Less attention has been paid to the second stand, namely the ethical context within entrepreneurial activity takes place and the mechanisms put in place by the entrepreneur to ensure ethical standard are observed. Works on ethical climate within organizations has more typically been concentrated in larger firms (Treviño & Nelson, 1999). The ethical climate of entrepreneurial firm depends on different factors, including the entrepreneur's psychological profile and lifecycle stage of the business. Different clusters of firms can be derived on the basis of their formal and informal ethical structures - superlatives, core proponents pain and gain - (Morris et al., 2002).

Due to the increase in small and medium businesses in the global economy, leaders have come to the realization that the ethical approach towards business will no longer be an option. Using the stakeholder theory as conceptual basis Dutta & Banerjee (2011) examined the extent to which SMEs attach meaning to ethical practices their employees and they empirically proved that ethical practices in business organizations help develop positive relationships with internal and external customers that will ultimately lead to positive economic performance.

Recently, some contributions from studies on leadership have focused on the personal virtues held by leaders (Riggio et al., 2010). Leadership ethics tend to emphasize the leaders' behavior and the values on which it depends. Leadership is essential to the success of implementing an ethics model within the organization (Martin & Cullen, 2006; Kaptein, 2009; Lloyd & Mey, 2010) and the benefits of implementing ethical practices have been demonstrated in different studies, focusing on the importance of small business leader virtues (Dutta & Banerjee, 2011).

However, at present the relationship between CSR-oriented SMEs and virtues has not been adequately investigated. In particular, past studies have not expressively analyzed entrepreneurial virtues intended in a transcendental perspective, and there is not yet a specific body of research and empirical studies that focus on transcendental virtues in SMEs.

Consequently, the present work fits into the aforementioned strands of thought and tries to contribute to fill the limitations of this research topic in the literature. Furthermore, within the several approaches to ethical theories, it proposes starting points for a reflection on entrepreneurial values and virtues. It strives to understand how these values fall into business activities and management and how they inspire and reinforce the tendency toward CSR and sustainability.

Does an adhesion to the philosophy and to the practices of CSR arise from transcendental virtues? How are entrepreneurial values are influenced by (and derived from) transcendental virtues? The paper winds itself around these questions and describes, after presenting the literature review focused on entrepreneurs, SMEs and ethics and on entrepreneurial leadership - with particular emphasis on values and (transcendental) virtues - the principle findings that have emerged from a qualitative investigation focused on a single exemplary case-study (Yin, 1994) relative to an Italian SME, in which the entrepreneur's objectives complies with both economic, social and environmental issues and are inspired by virtues: practical wisdom (Prudence); justice (Friendship); courage (Fortitude); moderation (Temperance). These virtues are at the bases of an anthropological-based business culture which foster and reinforce CSR-strategies and actions rendering them authentic (Gowri, 2007; Ruisi et al., 2009; Ruisi, 2009) and are strictly connected to transcendental virtues (Braham, 2005; Johnson, 2009; Brown, 2011). The empirical study - which addresses the afore mentioned research questions - points out that the diffusion of CSR is tied above all to the entrepreneur's values and these are in turn linked to the entrepreneurial virtues which, in turn, derive from transcendental virtues.

The paper is divided into two main parts. The first presents the theoretical content and the strands of thought which have given importance to values and virtues-oriented entrepreneurship and leadership. The second part describes the main results that have emerged from an empirical analysis carried out using the narrative approach and focusing on an Italian small and medium-sized company (Loccioni Group). A brief discussion and concluding reflections follow.

2. Literature Review

2.1 Entrepreneurs, SMEs and Business Ethics

Studies found in the literature of business ethics have focused on the difference between entrepreneurs and managers (Longenecker, 1989; Jalil, Azam & Rahman, 2010) while there is little empirical research on ethical issues faced by entrepreneurs during new venture creation and development. These aspects have been investigated in order to understand the ethical issues successful entrepreneurs face, and the choices they make (Payne & Joyner, 2006) focusing on the similarity/difference of values and ethics held by entrepreneurs and those held by society in general. Using the content analysis Payne and Joyner (2006) analyzed the ethical choices made by founding entrepreneurs during the creation and development of their ventures in order to identify the areas in which they must make decisions related to ethics or social responsibility (to identify decisions with ethical components and/or implications. The authors identified four distinct categories of decisions where ethical or social responsibility components exist: 1) individual entrepreneurial values-related decisions; 2) organizational culture/employee well-being decisions; 3) customer satisfaction and quality decisions, and 4) external accountability decisions. The comparison revealed that values that the entrepreneurs either explicitly or implicitly acknowledged were in fact similar to those of society in general. They found that those organizations with founders who led them by making ethical decisions guided by well-articulated values were able to thrive and develop strong cultures. None of the firms was satisfied to simply meet the legal requirements of the difficult situations they faced during the growth of their businesses. "They repeatedly went beyond the specific requirements of the law in their interactions with stakeholders and "gave back" to the communities of which they were part" (Payne & Joyner, 2006: 3).

By contrast, in Longenecker et al. (1989) emerges an investigation of the unique ethical issues of small firms which are tied to subjective, contingent factors (i.e., the central importance of entrepreneurial and family values; the importance of direct and personal relations) as well as objective ones (i.e., the simplicity of the company organizational structure).

These results are also confirmed in Bucar and Hisrich's research (2001), leading the authors to conclude that ownership may result in more ethical dealings with stakeholders[1].

"Entrepreneurs are generally perceived as being more ethical individuals, particularly compared to business managers who are employed by others" (Batchelor et al., 2011: 33). Entrepreneurs are associated with responsible ethical behavior when compared to other groups (Lepoutre & Heene, 2006; Teal & Carroll, 1999) and are likely to be more sensitive to the expectations of society than their corporate counterparts (Solymossy & Masters, 2002). They also perceive themselves to be more ethical than others (Tillery, 2000).

There are different theoretical explanations for higher ethical standards among entrepreneurs. These include a greater commitment to the expectations of society (Solymossy & Masters, 2002), use of personal values (Bucar & Hisrich, 2001), social contract theory (Bucar, Glas, & Hisrich, 2003), social success theory (Sciarelli, 2007), stakeholder and agency theory (Batchelor et al., 2011), and stewardship theory (Devis et al., 1997). These last four theoretical frameworks are briefly presented in the following.

Firstly, agency and stakeholder theories are often used to understand the differences between the ethical behaviors of entrepreneurs and business managers.

Agency theory describes the relationship that most business managers have with their organization. It is one whereby a party (the principal) delegates his or her authority to another party (the agent) by engaging the agent to perform some service or action on behalf of the principal. This relationship results in an implied contract where the actions of the agent (business manager) are limited and or guided by the wishes of the principal (organization) (Jensen & Meckling, 1976). The contract may limit the actions of the business manager to those that will either maximize profit or performance, thus at times limiting their ability to act ethically. Due to their agency relationship, business managers are required to compromise their personal values, aligning them with those of their company, more often than are entrepreneurs (Bucar & Hisrich, 2001). Entrepreneurs are self employed and do not answer to a principal. Entrepreneurs and small business owners lack traditional agency: "Both entrepreneurs and small business owners/managers act as principal as well as agent in their businesses, exempting them from a number of agency issues facing larger organizations" (Solymossy & Masters, 2002: 236).

Secondly, stakeholder theory (Freeman, 1984; Freeman et al., 2007, 2010) can be understood to imply that entrepreneurs do not have an implied fiduciary contract, as do business managers, who are limited in their ability to act ethically. Instead, they have relationships to maintain with stakeholders that may induce them to behave more ethically then they would otherwise. When entrepreneurs make decisions, they should take into account the interest of all stakeholders (Jensen, 2002). Stakeholder theory introduced the concept of equity (fairness) and of the just treatment of diverse interlocutors. Therefore, ''It also becomes an ethical theory, in which values and principles of moral nature are recalled'' (Sciarelli, 2007: 13). These principles are necessary to supplement or integrate scarcity in a form of governance, so as to balance the conflicting interests of diverse stakeholders. The same principles drive toward the application of ethical values in corporate choices and toward models of CSR-social-responsiveness-issues management[2] in which the principles of solidarity, justice, moral gratification, and trustworthiness enmesh themselves in diverse levels of commitment /engagement in the relations with stakeholders.

Thirdly, the stewardship theory offers a further key to interpret the motivations and managerial/entrepreneurial behaviors. Founded on psychological and sociological traditions, stewardship theory is based on a concept of Man that is diverse from the theory of rational choice (Davis et al., 1997) and is moved by a complex of motivations that are at once economic (extrinsic and tangible), social, and emotive (intrinsic and more difficult to quantify). Stewardship theory is based on an orientation of cooperative and non-conflictual government, founded on trust and oriented towards the long-term. Attention shifts, in fact, to motivational and relational aspects (motivations and choices made by owners and managers) which is well adapted to the mission and the system of governance typical for CSR-oriented SMEs.

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[1] Bucar and Hisrich (2001) surveyed 165 entrepreneurs and 128 managers to compare whether or not there are differences in ethical attitudes. They found that the two groups differ only slightly in their views regarding the ethics of a variety of activity and their ethical perceptions regarding others. However, entrepreneurs showed higher ethical attitudes in internal dealings of the companies.

[2] Issues management is an instrument for improving the capacity of the firm by discovering the emergent social problems and responding to them with specific programs of activity (Carrol, 1993).

 "To evaluate the conditions on which the firm can cultivate an ethical and collective conscience, one must start from the motivations that inspire entrepreneurial or managerial behavior" (Sciarelli, 2007, p. 110).

Finally, entrepreneurial motivations and aims are placed at the base of the theory of social success of the entrepreneur (Sciarelli, 2007).

Success is measured by not only the results achieved by the enterprise, but more so by the achievement of respect gained from the surrounding community. ''It is legitimate to hypothesize that the entrepreneur transfers a large part of himself into the firm, and that his fundamental objective is to produce a strong firm, one that is able to develop and to ensure the respect and admiration in competitive circles around which it operates, as well as in the larger socioeconomic context in which the business plays a part'' (Sciarelli 2007: 117). Social leadership represents an endpoint of entrepreneurial activity and social power finds its counterbalance in social responsibility attributed to, and embraced by, the entrepreneur. His/her understanding that the solidity of the firm's success and the consequent relapse in terms of social power is also founded on respect for both economic balances and on moral values (Quinn, 1997).

2.2 Entrepreneurial Leadership and Ethics

As aforementioned, leadership is essential to the success of implementing an ethics model within the organization.

While the formal study of leader virtues is relatively new, leader ethics has been studied sufficiently to enable meta-analyses. Davis and Rothstein (2006) analyzed 12 studies each of which reported positive relationships between perceived leader integrity and follower outcomes. Increased manager/leader behavioral integrity was correlated with followers who reported higher job satisfaction, higher satisfaction with the organization's leadership, and higher commitment to the organization.

Martin and Cullen (2006) meta-analyzed 42 studies that measured leader ethics and follower job satisfaction, psychological well-being and dysfunctional behavior. They found that the more followers believed the climate fostered ethical decisions that were based on an overarching concern for the well-being of others, the higher the followers rated their job satisfaction and psychological well-being.

O'Fallon and Butterfield's (2005) review of 127 articles related to ethical decision making found that, generally, establishing an ethical climate positively influenced perceptions of ethical decision-making.

Several studies have specifically addressed the relationship between transformational leadership and ethics. Transformational leadership is intended in term of: Inspirational Motivation (providing meaning and challenge to followers' work.); Idealized Influence (being admired, respected, and trusted); Individual Consideration (paying attention to each individual's need for achievement and growth by acting as a coach or mentor); Intellectual Stimulation (stimulating their followers' effort to be innovative and creative by questioning assumptions) (Riggio et al., 2010). The scholarly literature confirms that transformational leadership impact on employee results. Specifically, it produces increased follower job performance (in terms of quantity and quality expected from each employee; these standards for the basis for performance reviews);   job satisfaction (it describes how happy an individual is with his or her job; the happier people are within their job, the more satisfied they are said to be) and morale (morale influences workplace efficiency; when employee morale is down- job performance will also diminish; justice sustained or constant willingness to give others what they deserve).

Transformational leadership results in high follower satisfactions, assessment of the leader's effectiveness, and high follower willingness to give extra effort at work and it is positively related to the individual level of performance, task performance, contextual, creative performance (Wang et al., 2011). In particular, being a transformational leader in small to mid-sized organization is more valuable than in larger organizations (Flores & Green, 2013: 252).

Larsson et al. (2010) found a strong relationship between ratings of the leaders' ethical justice behaviors and scores from the Multifactor Leadership Questionnaire[3]. Strong relationships were also found between ratings given to leaders using this instrument and ethical ratings making use of the Ethical Leadership Scale. Ratings of the leaders' ethicality were positively correlated with transformational leadership and negatively correlated with passive-avoidant leadership (Toor & Ofori, 2009).

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[3] The Multifactor Leadership Questionnaire (MLQ) was developed to determine the degree to which leaders exhibited transformational and transactional leadership. This instrument has undergone many revisions during the past 20 years.

Engelbrecht et al. (2005) found a positive relationship between leaders' ratings using the same instrument. Similarly, Hood (2003) tested a positive relationship between ratings given to leaders using the Questionnaire and the leaders' morality-based, social, personal and competency-based values.

Moreover, Flores & Green (2013) addressed the issue of transformational leadership and virtues and they verified that leader assessments on the Leadership Virtues Questionnaire - used to measure four leader virtues: prudence, fortitude, temperance and justice - were positively related to assessments of authentic leadership, ethical leadership and transformational leadership[4].

Leaders of small businesses were rated higher than leaders of large businesses on both prudence and transformational leadership**.** Among the participants were included small business (<500 employees), as well as mid-sized (501-1000 employees) and large sized business (>1000 employees). The findings show that small and mid-sized leaders rated higher on prudence and justice. A possible explanation is that, due the flexibility and simplicity of organizational structure they constantly switch roles and adapt to meet the needs of the business. Unlike large organizations - that run effectively and efficiently using a machine bureaucracy form of organization and where the machine organization has a tight vertical structure in which functional lines go all the way to the top -, SMEs need a leader who is able to problem solve while also being able to personally perform other range of activities. "Moreover, unlike large companies, in small organizations employees have opportunities to interact with "upper management" as there are typically few hierarchical levels between the small business CEO and all of the workers. This goes a long way in building a loyal and committed workforce. Developing a strong community in an organization is a key component in keeping employees satisfied and motivated" (Flores & Green, 2013: 258). The presence of these virtues drives the change from passive leadership (that is a form of ineffective leadership), to active leadership (that is a form of effective leadership). The former is unable to control emotions, while the latter capable to control emotions. At the same time it sings the shift along three stage of leadership: from passive-avoidant, to transactional, to transformational leadership.

Strategic thinking, emotional intelligence, and a passion for helping people allow the manager/entrepreneur to become a leader that employees trust and want to work with (Schawbel, 2012).

In SMEs leaders are observed on a daily basis by employees who want (and need of) a leader who is transparent and authentic. He must be humble and have a commitment to develop employees by being good role models, training and mentoring (Verbos et al., 2007).

This authenticity may (also) be possible if business leaders view their work as a "sacred calling". Ethical standards in business setting, levels of corporate responsibility and the role of religion in business ethics are the interrelated concepts that Sauser Jr. (2005) addressed in his work developing the idea of business as a calling in a religious sense. Religious beliefs are introduced as possible higher standards and teachings of the world's great religions are reviewed as they relate to doing business. The higher standards prescribed in religious thought are contrasted to the elements of modern corporate culture in an effort to highlight the magnitude of the challenge faced by those business leaders seeking to rise to a higher level of morality in business. Sauser described several ways business leaders might manifest their sense of calling in the world of business, with particular attention focused on creating an ethical organizational culture, developing corporate social responsibility and providing servant leadership.

Among the leadership dimensions identified in the research program Globe (global leadership and organizational behavior effectiveness) (2008) aimed to understand the cultural characteristics that positively or negatively influence the leader effectiveness are placed: charisma and ability to motivate members of the organization by leveraging the transmission of corporate values; the ability to create and manage working groups and orient them toward common goals; the level of members involvement in the decision-making process; the level of compassion, generosity and the ability to provide human support to the members of the organization; the level of autonomy and independence of the leadership; and the tendency of leaders to protect him/herself. It can be noted that some of these dimensions include aspects such as compassion, generosity and charisma , which can be traced back to the transcendental virtues.

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[4] The Leadership Virtues Questionnaire (LVQ) was developed through successive pilot tests representing over 1,000 managers. The instrument was strongly positively correlated with relevant measures of authentic leadership, ethical leadership, and transformational leadership.

2.3 Values, Virtues and Ethical Theories

Several significant ethical theories have been proposed as a basis for business ethics and applied to decision-making processes.

The mainstream ethical theories include deontologism (Kantianism and Natural Rights theory), utilitarism, theories rooted in political traditions (such as the integrative social contract theory and discursive ethics) and the virtues theories. These follow the Aristotelian tradition, which focuses on the agent and his/her moral character (virtues ethics) (Melé, 2009: 86-94). Various scholars have presented the Neo-Aristotelian approach to business ethics (Solomon, 1994) such as the virtue ethics approach which emphasize the role of rationality and character in making sound decisions.

According to the basic ethical standards provided by Aristotle, in the Middle Ages Thomas Aquinas developed specific norms and a realistic theory of natural law as a framework for a proper social order. This last one was used and widespread in an international context in Europe from the fifteenth to the seventeenth century and developed by the adherents of three major religions (Catholics, Protestant and Muslims).

Value comes from the Latin *valere* (to be of worth) and it refers to a quality intrinsically worthy or desirable. We can speak of personal values, social values, corporate values, human values and ethical values. Personal values depend on each individual and express what is appreciated by someone because of its moral, religious or aesthetic quality or utility. Social or cultural values are values widely shared by members of groups and communities with a common cultural environment. Socio-cultural values represent one of the four conditions which are at the basis of the common good for each human community – family, business, religious association, sports clubs, political groups, etc. They include "full respect for human dignity and human rights, freedom, safety, order, peace and justice, which permit living together respectfully and foster a sense of tolerance and cooperation" (Melé, 2009: 85). "Values are abstract ideals of those that are considered 'good', desirable, preferable; they don't have a specific object or situation and construct models that guide and determine action, scope, attitudes, ideology or representation of itself in terms of others. Even the attitudes are beliefs possessed by people, but are less stable and always refer to a specific object or situation. Values and attitudes influence individual and collective behavior in many ways in the field of strategic management; those possessed by the entrepreneur or by the management are considered among the principle factors that determine the strategic decisions of the enterprises" (Marchini, 2000: 92).

Ethical values are based on moral qualities that contribute to human excellence: integrity, justice, gratitude, generosity, truthfulness. "They are objective, but at the same time they have a subjective dimension, since they can be discovered and applied by individuals" (Melé, 2009: 16). Ethical values are closely related to goods. Artistotle defined good as an aim that can motivate action since it is perceived as something desirable or valuable (a motive for acting). Human goods (or moral goods) provide motive for acting ethically, and human values (or ethical values) are such motives. Basic human goods, are: truth, beauty, work, friendship, religion (transcendence), life. *Good* is "a whole human life spent in the best way, and put in practice virtue is a necessary and fundamental part of such a kind of life, not a simple preparatory exercise to gain it" (MacIntyre, 2007: 190). A virtuous behavior can be considered the right way to reach happiness, not only as a final destination, but as a continuous, intermediate and implicit goal (Ruisi, 2010).

The general idea of a virtue is a guiding principle that is practiced at all times (Riggio et al., 2010). Virtues (from the Latin *virtus*, meaning strength) are good character traits which contribute to a better perception of ethical values and reinforce the will for good behavior. According to Aristotle they consist of certain qualities of a person that allow him/her to achieve *eudaimonìa* (beatitude, happiness and prosperity); in other words to stay well and act well by staying well. They are acquired by the repetition of good actions. "A sound ethical evaluation comes from a virtuous person or, in other terms, 'a person used to desire what is good and noble'" (Melé 2009: 73).

Virtues refer to character, whereas values belong to the cognitive sphere. Human virtues shape moral character and human flourishing since they are an essential element of human behavior. Virtues help to identity the good in each situation and to apply principles and norms correctly; they bestow interior strength for good behavior.

Finally, principles and norms provide guidelines, for determining what is morally unacceptable, for resolving ethical dilemmas and for acting as a guide to human excellence.

2.4 Virtues-Based Entrepreneurship and Leadership

While the amount and variety of work in the area of ethics and entrepreneurs appear to be increasing in the last decades, almost no study addressed the topic of transcendental virtues and entrepreneurship.

Similarly, although the idea of virtues has been discussed by theologians such as St. Aquinas for millennia, the specific application of virtues to leadership as a quantifiable construct is relatively new. Consequently, there are few published studies on leader virtue (see Flores & Green, 2013: 253).

Many of the virtues outlined by Johnson (2009) in their studies align well with aspects of what the ancient Greeks called "the four chief or cardinal virtues" (Brown, 2011). A moderate to strong correlation exists between chief virtues and the four key attributes "people most look for in a leader they are willing to follow": honest, forward-looking, inspiring, and competent (Kouzes & Posner, 2007).

In the organizations that employed virtuous people who created an organizational system culture of high moral character and were able to successfully sustain markets and profits in highly competitive arenas, Johnson (2009) argued that leaders aiming to address organizational change from a humanist perspective must embody the virtues of courage, integrity, humility, reverence, optimism, and justice. The list can be easily amended to include the additional three cardinal virtues of temperance, prudence, and fortitude (Rahschulte, 2010).

Wanting bring the virtues ant values theme back to the business context - first of all to the behavior of the entrepreneur who is the main actor in the context of SMEs it's important to apply general moral virtues (natural virtues) to the context of the firm (entrepreneurial/firm virtues). These last virtues allow a complete development of each economic agent, and directly or indirectly of any stakeholder: they allow an improvement of the business, of the connected network and, finally, of the whole market (Ruisi et al., 2009). Some researches (Weaver, Treviño, & Cochran, 1999) underline that businesses show apparent (not authentic) commitment due to external pressures; others however, are active in showing external and internal genuine commitment and in promoting ethical practices. These cases, which are growing in the last decade, are relative to companies (both profit and non-profit companies) that have been defined as "companies with an ideal motive" (Molteni, 2009), in that they are the fruit of an ethical substratum, which directs every field of human behavior and, therefore, the economic behavior too. Among these there are "extraordinary" businesses' experiences, which are the manifestation of a particular charisma of their founders (such as the Economy of Communion Companies; see Bruni & Uelmen, 2006; Gold, 2010), or are characterized by a clear social vocation (i.e Yunus and the Grameen Bank). Others are founded on a particular conceptions of the dignity of work/workers (i.e. Olivetti and Siemens), or finally, are characterized by a strong and authentic CSR orientation, which is promoted by the entrepreneur and is reinforced by the social cohesion, the relational and values framework typical of the local socio-economic framework; this is the case of the "territorial businesses" or "spirited businesses" (Del Baldo, 2010b, 2012a, 2012b) that are frequently represented by SMEs.

Particularly in SMEs, which are normally owned and managed by the entrepreneur, social and environmental factors pushing for CSR and for corporate ethics have some influence, but personal, cultural and social values possessed by the entrepreneur - shared by stakeholders belonging to a cohesive socio-economic context (Piore & Sabel, 1984; Putnam, 1993; Pyke, Becattini, & Sengenberger, 1990; Schein, 1990) - and spreading the company through the corporate culture - are the strong determinant of the commitment (Lamont, 2002).

As determinants of the good-entrepreneurship, the role of virtues in business management can be interpreted in terms of virtuosity, paying attention on an ethical perspective of entrepreneurship, with respect to the purposes, the means and consequences of action. The presence of universal ethical values (intended as meta-values, such as honesty, loyalty, justice, respect for human life) to which every other value of the business should refer, represents the premise for "the entrepreneurial success" and is expressed by the "entrepreneurial formula" (Coda, 1988; Cohen & Warwick, 2006). In this sense entrepreneurial values are not merely conceived in the sense of arbitrary and personal values, but of "super-values" and the main factors of production (Sorci, 2007) as they allow individual objectives to match those of the company as well as the environment. These values are transferred to companies "with a soul" (Catturi, 2006) where economic objectives, and more importantly human objectives, live side by side successfully.

Such a centrality of the human element (anthropological perspective) is interpreted in terms of a person-centred approach (PCA) "seeking the consistent integration of goods, ethical principles, and virtues with human nature as the reference point" (Mele´, 2009: 86). The PCA is in line with the primitive idea of understanding ethics as a guide to human excellence and considers human virtues as a key element of entrepreneurial and managerial behavior (Gregg & Stoner, 2008; Melé, 2002).

The subjective matrix of the entrepreneurship is justified by the fact that real phenomena, within human society, can largely be attributed to actions conducted by entrepreneurs whose role is central in SMEs (de Woot, 1984). The reference to values and virtues is tied to the anthropological concept which sees the entrepreneur as a man first and foremost (Hébert & Link, 1988). Before having a professional meaning, entrepreneurship had a human one, since it is an "*actus personae*" (John Paul II, *Centesimus Annus*, 1991). The *ethos* of entrepreneurship is expressed by way of active aptitudes and refers to typically entrepreneurial attributes: spirit of initiative, creativity, leadership, charisma, enthusiasm, passion, ambition, desire, commitment and responsibility. The ethicality of the entrepreneurial role depends on his/her moral conscience, or rather on the presence of an ethically orientation transferred to the company (Novak, 1996; Röpke, 1960; Gallo & Cappuyns, 2004).

Empirical evidence on entrepreneurial values and entrepreneurial goals corroborates that business owners' values permeate business strategies and business success (Kotey & Meredith, 1997). Values guide decision-making and motivate behavior that is congruent with them (Bardi & Schwartz, 2003; Schwartz, 2005).

A recent study - carried out on a sample of small and medium-sized German enterprises (Gorgiesvki et al., 2011) investigated the relationships between owners' understanding of success and their personal values and intrinsic motivational aspects. Results show that business owners apply criteria to judge their success that are in line with their values. Self-transcendent values are related to whether people engage in pro-social behavior for the common good (universalism) or for the good of close others (benevolence) (Schwartz, 2009), while self-enhancing values (i.e. the values of power and achievement) involve increasing and demonstrating self-interested behavior. Among Schwartz's value dimension there are: power, achievement, hedonism, stimulation, self-direction, universalism, benevolence, tradition, conformity, security and safety. Moreover results highlighted the fact that among the "softer success criteria", such as having satisfied stakeholders and a good work-life balance, entrepreneurs were guided by self-transcendent value orientation (benevolence and universalism)[5], whereas business growth, profitability, and innovativeness were guided by self-enhancing value orientations (power and achievement). Self-transcendence values ranks as one of the most important values for most people and for most business owners (Schwartz & Bardi, 2001)[6], are positively related to pro-environmental behavior (De Miranda Coelho, Gouveia, & Milfont, 2006) and are at the basis of long term survival of family firms (Helmer & Olson, 1987).

Finally, in the realm of studies on entrepreneurship and sustainability, some recent contributions have underlined the importance of entrepreneurial authenticity and integrity. Authenticity is a complex concept and has its roots in enlightenment philosophy (i.e. the work of Rousseau, Kant and Herder) (Taylor, 1992). Authenticity as a career driver relates to the expression of integrity. It is about being sincere, honest and genuine (Trilling, 1972). Integrity is an important precondition for the smooth functioning of for profit organizations: it strengthens the confidence of stakeholders in the organization itself and their commitment reduces external rules and conflict situations, and increases cooperation with stakeholders. Despite the integrity is considered a quality management, its application remains vague. In this regard Kaptein and Wempe (2002) developed the principles of 'managerial integrity', synthesized in 'the diamond of managerial integrity'.

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[5] Universalism includes: understanding, appreciation, tolerance, and protection for the welfare of all people and for nature. Benevolence includes: preservation and enhancement of the welfare of people with whom one is in frequent personal contact.
[6] The study finds support for the notion that although individuals differ concerning the importance they attach to different values, across cultures, the relative importance people attribute to certain values is much more similar than different. For instance, benevolence, a value that promotes cooperation within a group is ranked highest across cultures, whereas power, which emphasizes the individual over the group, is of little importance to most people in most cultures.

This model, based on a survey of 150 cases of organizational behavior and resolving ethical dilemmas faced by managers and entrepreneurs of different nationalities, identifies six characteristics: three concerns of the manager as a person of integrity, and three as a subject capable of stimulating their employees to act with integrity. An inductive research carried out on entrepreneurial identity and on identity drivers of sustainable entrepreneurship in the UK reveals that the founders of sustainable entrepreneurship ventures emphasize the identity, which has been placed into two interrelated categories: 'personal career drivers' (related to individualistic or traditional entrepreneurs) and 'social change drivers' (related to social entrepreneur). In the former, authenticity emerges as a pivotal identity condition leading to entrepreneurial activity (O'Neil & Ucbasaran, 2010).

Entrepreneurship offers a means not only to enact desired entrepreneurial identities (Cardon et al., 2009) but also to express one's authenticity and inwardly-derived values (Rindova et al., 2009).

Departing from this conceptual framework, in the following section we will address our attention to transcendent values applied to entrepreneurial activity.

2.5. Transcendental Values and Cardinal Virtues in the Entrepreneurial Activity

The cardinal virtues were first introduced by Plato and are mentioned in the Bible. They were adopted and diffused by Christian authors (St Thomas Aquinas, St Ambrose). The cardinal virtues are prudence, justice, fortitude and temperance. Further virtues, able to facilitate the practice of the cardinal ones, are hope, humility, honesty, etc.

Recently, scholars have emphasized and developed some aspects of these four virtues in the business context. Virtue is not window "dressing", and virtuous business is a long way from the kind of "grafted on" public relations exercise the consultants favor (…) It is rather to emphasize that a virtuous company is a honest citizen" (Scruton, 2008: 33). In the realm of business ethics, some studies have highlighted how transcedental values form the very foundation of the entrepreneur's soul, as well as of other key players and the company's mission statement (Ruisi, 2009). Entrepreneurial excellence is attained through virtuous behaviour (Solomon, 1994).

Starting from considering some entrepreneurial virtuous behaviors Ruisi (2009) argues about the possibility to measure the success of the firm, both from an economical and financial point of view, and in terms of virtuosity; moreover, he identified some possible indicators of virtuosity useful to support the commitment toward a lasting and sustainable business success.

According to Medieval philosophy, the fundamental characteristics of the human being (his transcendents) can be traced back to the cardinal virtues: unity, truth, goodness and beauty (*unum*, *verum*, *bonum-pulchrum*) and the *value*.

Unity applies to the internal and external cohesion of the entrepreneur (and of the company) to stakeholders as well as his/her being the bearer of knowledge and know-how. The *verum* refers to the intelligence and entrepreneurial maturity applied in the making of choices. The *bonum* applies to the ethical dimension of the company's actions and therefore the objectives of the corporate mission (taking into consideration all the stakeholders' interests). It also implies attention to the value of people, to the ideas and actions taken and to a balance among conditions in which the company actions are carried out (models of work organization, corporate business atmosphere and governance, intra and extra-corporate relationships and leadership). Finally, the *value* refers to the individual's commitment to encouraging the phenomena of entrepreneurship by increasing human potential (Ruisi, 2009).These transcendental values lie at the basis of a renewed humanistic entrepreneurship (Zamagni, 1995; Gregg & Stoner, 2008; Melé, 2009).

Bringing the virtue theme back to the business context and to the entrepreneurial behavior is important in order to apply general moral virtues (*natural* virtues) into the firm (entrepreneurial/firm/leadership virtues). These latter virtues allow a complete development of each stakeholder, of the firm and of the whole market.

There follows a brief description of each transcendental virtue and an example of how the virtues can be applied in a corporate context.

Practical wisdom (Prudence) aids practical rationality in identifying the right thing to do in each situation. Prudence supports the suitable means for attainment purposes, ultimately self-realization. Prudence is the wisdom that manages or dictates a proper balance between two extremes in a world of shifting contexts and priorities. It is often associated with knowledge, practical wisdom, and insight.

Both practical wisdom and operative virtues (justice, courage, moderation) are necessary to act correctly. Prudent behaviors inside a company can come from three main areas which entail first of all the entrepreneur and the managerial team (Ruisi, 2009): 1) knowing the nature of the company, the general principles of its government, the dimensions of the business development and, above all, business vision, purpose and goals; 2) having a clear hierarchy of ends-means business and their subordination, ultimately, to human progress and the common good (Zamagni, 1995); and 3) being aware of the entrepreneurial formula (Coda, 1988): the structure of the firm, the competitive and the social environment (the stakeholders and the relationship with them). It also means being aware of the characteristics of the human resources (professional profile of skills, motivations, aspirations, character and temperament, etc.), of corporate values and organizational climate and of the operational mechanisms actually implemented in the company.

Justice (Friendship) is a virtue that regulates the relationships with others; it is the constant and perpetual wish to give each other their own rights. Justice is a sustained or constant willingness to give others what they deserve. In a broad sense justice refers to benevolence and care for the good of others and thus it is close to *caritas*, communion and friendship. It comprises all of the virtues regarding human relations including: honesty, loyalty, gratitude, generosity and solidarity. In an entrepreneurial context, one could consider: commutative (reciprocal) justice in relationships between companies and their employees, between companies and various economic players and between the company and its stakeholders; distributive justice for what concerns the duties of the State toward the company and the individuals; legal justice for the duties of the company (other than individuals) toward the State. Justice leads to: distributing joint or shared property with equity; contributing what is due to society in order to provide appropriate social conditions for the human development (social justice); improving the natural environment, the habitat of human beings, including future generations.

Courage (Fortitude) means persevering or pursuing what is good in spite of obstacles, allowing one to overcome fear and to strive to attain goals essential to a human way of life. Courage motivates people to reach valuable goals in an appropriate way. Fortitude includes the characteristics of perseverance, patience, endurance and courage directed toward adversity on behalf of a noble cause.

Moderation (Temperance). Temperance is the ability to control one's emotions by accepting her/his deficiencies. The virtue of temperance (in classical nomenclature) regulates the human inclination toward pleasure in order to avoid extremes (the unrestrained search for pleasure and lack of self-control). In a business context, it regulates the actions with moderation of satisfaction and pride for the present results or for what will be reached.

All of these virtues require the determination of the "golden mean" of the operative moral virtues and have been considered the fundamental human virtues, acquired by repetitions of acts (Melé, 2009).

The following brief description of a business case underlines how such virtues affect leadership and are applied in the making of entrepreneurial choices and corporate strategies.

3. Entrepreneurial Values and Transcendental Virtues in Italian Small-Sized Companies: The Case of Loccioni Group

3.1. Methodology and Data

The inductive research was aimed at understanding which ethical values and virtues that entrepreneurs possess allow them to orient business action toward CSR strategies and how they translate them into practice. The empirical study has been developed according to a qualitative approach and a case study methodology (Yin, 1994; Eisenhardt, 1989; Eisenhardt & Graebner, 2007).

Loccioni Group has been selected among a sample of SMEs which has been analyzed in a previous research focused on the diffusion of CSR and sustainability-oriented strategies in Italian SMEs (Del Baldo, 2012a-b). The company belongs to an Italian Region (the Marches) which is a typical example of the widespread diffusion of the entrepreneurial fabric based on family SMEs (Del Baldo & Demartini, 2012). Its excellence can be traced to three aspects typical of a "strong" orientation toward social responsibility and sustainability: attention to the development of employees and collaborators and to different stakeholders; a deep relationship with the local community and a distinctive capacity for dialogue and communication.

Two clarifications are necessary with specific reference to its size and geographic area: 1) the company is medium sized, not cited and is family-owned run and represents a typical example of the "family businesses" spread throughout Italy and 2) the business belongs to the Marches, a classic example of the "Third Italy" model (Fuà & Zacchia, 1983), in which the development of SMEs is established in small centres, without upsetting the pre-existent agricultural and artisan vocations, and preserving socio-economic fabric of relationships anchored in the territory. A study (Unioncamere, 2010) that analyzed the geography of sustainability in Italian provinces – in terms of economic, social, and environmental development – found that the Marchegian provinces were at the top of this list and characterized by superior values than the national medium, balancing economic development with social cohesion. Marchegian businesses are also highly present in different national "best practices" lists for their CSR and sustainability-oriented development projects (such as lists by ISVI, the national Institute for Business Values), and have also been recognised at the national and international levels (such as with the Sodalitas Social Award).

The case-study follows both the dynamics of the narrative case and the research case (Naumes & Naumes, 2006) since researchers are actively engaged with the entrepreneurs/managers and are oriented to spreading the best practices among other companies and stakeholders.

The analysis was based on information collected during the years 2011 and 2012 through a triangulation of multiple sources: in-depth semi-structured interviews; informal conversation with the founder, his entrepreneurial family and to other collaborators at various levels and firm-wide functions, as well as local partners, clients and supplier; direct and participant observation during companies' visits and workshops, conferences and focus groups – in which entrepreneurs' experiences were exchanged with researchers, other entrepreneurs, and local institutions – documentary analysis. Semi-structured interviews have been addressed to a total of ten people, were carried out during visits to the company's premises, and took place on a monthly basis, lasting about 3 hours each. The third source of data collection derives from the consultation of corporate websites and the analysis of corporate documentation: internal communications (newsletters, company magazines), accountability tools (i.e. social balance, integrated balance) and corporate books and publications. Furthermore we were able to directly observe the entrepreneur's behavior, taking part in seminars, workshops, and in different focus groups aimed at raising awareness on CSR and sustainability in schools, social groups, local institutions (entrepreneurial and civic associations, other companies, etc.).

3.2 Brief Presentation of the Company

Loccioni Group was created in 1968 in a small town belonging to the Province of Ancona by Enrico Loccioni (the current president), who founded six businesses all located in the same province in the next forty years operating in the Sectors of Electrical and electronics implants, automatic equipment and plants-design-robots. At the end of 2011 the Group had 350 employees and a turnover of 60,000,000 € Ownership is primarily familial (the founder and his wife are the company heads), even if two of the businesses in the group are partially owned by subjects outside of the family. The Group proposes itself as a "technological tailor" for its capacity to custom-design technological solutions for its national and foreign clients. Its activities are primarily based on distinctive "core competencies" applied to diverse markets: environment (Integrated technologies for environmental monitoring; measurement and quality control, home, automotive, industrial (telecommunication and environmental control; community (green energy; training and consultancy for technical and managerial education) and health (biomedicine and medical equipments).

The Loccioni Group exemplifies the evolutionary path taken towards a knowledge-based business, centered on the principles of tradition and innovation. Adriano Olivetti and Werner Von Siemens' industrial humanism model lives in the ex-electrician Enrico Loccioni's dream: the idea that doing business can do something else ("the enterprise as a game") (Bartocci, 2011), which is useful for the community. The Group is an example of firm that has enacted a less-formalized, but more practical industrial culture, which is highly concerned with lofty themes: the professional development of its employees, the beauty of its workplace, and a profound business identity. It has received numerous accomplishments and awards, for the excellence in its organizational environment, the satisfaction levels of its collaborators and its internal socially responsible business processes.

Its mission is expressed this way: "With curiosity and openness we integrate ideas, people and technologies to animate and give value to the business" and it is centered on the following ideals (Tables 1 and 2).

Table 1: List of Loccioni Group's values

Values	Meaning
Imagination	To be capable of imagining means being capable of creating.
Energy (to realize one's dreams)	Much of it is needed to dream and to realize one's dreams.
Responsibility	For the air that we breathe, the land that we walk, the resources that we utilize, the trust that we obtain.
Tradition & Innovation	Learning from the past to give form to the future.

Table 2 - The "Identity Card" of the Loccioni Group

Attention to human resources	55% of the collaborators high school graduates; 45% college graduates; medium age 33 years. - 7% of its resources dedicated to educational development. - Best Work Place Italia Award, from 2002 to 2007 for excellence in organizational environment and the satisfaction of collaborators (from Great Place to Work Institute, Italy). - Ernest & Young Prize, "Entrepreneur of the year", 2007, "Quality of Life" category. - Recognition as "Olivettiano businessman of the year 2008".
Attention to research	- 4% of its resources invested in Research and Development. - 12 patents and 7 projects of applied research. - European Recognition for the research project /DG XII, European Union) "MEDEA" (on quality control in the domestic electronics sector). - 11 patented research projects. - Best Application Award, Automotive Forum 2008 (Project "MEXUS"). - Marchegian of the Year (2008) for technological innovation. - 2010 National Award for Innovation
Attention to CSR and sustainability	- Sodalitas Social Award 2005 Finalist for the category "Internal Processes of CSR and network enterprise model"; "Metalmezzadro" project in the knowledge-based business. - Sodalitas Social Award 2008 Finalist, "Sustainability Projects" category. - "Business and Culture" Award 2003, project "Bluzone". - Sodalitas Social Award 2009, Finalist in "sustainable initiatives" for the Project LOV, The Land Of Values. - Leaf Community Project: Leaf Energy and Future (partner of the European Commission in the "Sustainable Energy Europe Campaign", accomplishments received by Legambiente

Loccioni Group adopts processes of social and environmental certification, regularly publishes social and environmental *reports*, has obtained recognitions for its robust activities of social responsibility and sustainability both on the national and international level. Among the *instruments of implementing and communicating CSR and sustainability we cite*: List of company values (year 1969); Code of ethics (year 1996); Social report (year 1997); Intangibles impact (year 1997) and Cause Related Marketing (year 1999).

Specifically, three are the distinctive traits of the Group:

1) the solid ethical base of the entrepreneur – that is influenced by shared religious principles, personal and family values passed down by his agricultural forefathers – is transmitted by the founder across personal relations in the business;

2) the outstanding capacity for communicating and for nurturing relationships, as well as the centrality of the individual person, are at the base of an organizational network model and of a peculiar model of stakeholders management which is concretized in the creation of CSR-oriented networks and partnerships.

3) the strong sense of community membership and the love for its own Marchegian "land", which Loccioni perceives as a stakeholder, as well as a true desire to "attract" and to "permeate" the environment, beginning with the local level.

3.2 Findings

Before analyzing the reflection of entrepreneurial virtues in the company's day-to-day activity, we briefly sum up the key characteristics of the company behavior and management.

The first is relative to the presence of a strong system of shared family and company values: diligence, labor, equity, trust, honesty, simplicity, integrity, parsimony, sense of family, team spirit, enthusiasm, energy and responsibility.

The second relates to the orientation toward CSR and sustainability, which is strongly desired by the entrepreneur, visible and integrated in the enterprise.

The top-level entrepreneurial/management commitment and engagement represent "the first best practice". purpose, vision and values are constantly reinforced through culture and processes and continuously communicated throughout the organization and beyond. Effective stakeholder engagement processes are present. The cohesion to stakeholders represent a source of mobilizing resources with far-reaching consequences, and above all the growth of intangible capital (social capital, relational capital and intellectual capital).

The third aspect refers to the decision-making process which is based on collaboration, sharing and transparency. A relational approach prevails and is centered on the value of trust. Values and missions are shared, explained and communicated, thus ensuring consistency in decision-making and avoiding value-gaps.

The fourth aspect applies to the adoption of instruments of accountability (social balance, ethical code, integrated report) and environmental certifications. The social and environmental engagement is complex and structured with a number of projects directed to different stakeholders that have been implemented for years.

A fifth distinctive attribute is the company's rootedness and its engagement to spreading well-being in the local community in which it is located. The solid rural tradition, a typical expression of the Marchegian culture, forms the basis of the entrepreneurial culture and favors the assumption of social and civic responsibility (Del Baldo 2010; 2012a-b).

Lastly, Loccioni Group is characterized by a distinctive openness to partnerships and affiliations to local, national and international networks aimed at cultivating the culture of responsibility and sustainability (Niccolini, 2008). The entrepreneur desires to understand and support best practices adhering to multiple occasions of exchange and comparison (workshops, forums, meetings, testimonies, etc.).

Departing from this brief analysis, below are summarized the most relevant findings relative to entrepreneurial cardinal virtues as well as some extracts from interviews addressed to the entrepreneur.

Prudence

In the selected firm a clear vision exists as well as long-term goals and well-delineated short-term objectives. Both on a formalized and non-formalized level numerous encounters (focus groups, round tables, open days, internal meetings and multi-stakeholders forums) and tools (Intranet, direct relations, newsletters, company magazines, etc.) - aimed at communicating the visions, purposes, strategies and objectives - are present.

Mission and vision are based on shared values and goals. They are ethically founded and the accountability tools (i.e. ethical code and social balance) make it possible to appreciate the ethics of the business goals pursued and the resources employed.

Different strategic business areas are adequately defined in terms of coherence among their various dimensions (i.e. business resources and structure/system/processes). The instruments of analysis and communication addressed to the stakeholders are used to verify the adequacy of the strategies employed to guarantee the economic/financial, social and environmental equilibrium. Governmental principles are respected, i.e. economization, solvency, precaution, etc. An excellent level of managerial competence is present.

The concepts of responsibility and sustainability pervade the organizational culture. They develop from the cardinal figure of the entrepreneur (and his family), are shared by the collaborators, and are transmitted to every stakeholder who enters into a relationship with the company through recommendations, constructive explanations and dialogues.

A symbolic example is "the garden of values" a green space, where each of the plants represent one of the six core-values of the company: transparency, listening, flexibility, innovation, initiative and will.

Agreements of different nature (formal and informal) with the different groups of stakeholders (suppliers, competitors, customers, university, research centers, social enterprises, institutions, entrepreneurial, civic and no-profit organizations) exist.

The Group has become an educational laboratory for continual improvement and a vector of intangible factors. The Loccioni Group represents a diffuse entrepreneurial network, a "value retainer" and "cultural or heritage-driven" company. The network model that has been created through the projects and the organizational structure of the Loccioni Group are peculiar.

Among these, we can mention the networks developed by the Loccioni Group: U-net (multidisciplinary network of universities and research centers for the development of scientific competence and applied research); Crossworlds (network of international groups that aim to stimulate the transfer of automotive technology toward other sectors); "Bluzone", an educational laboratory accredited since 2002 by the Marches Region that partners with 28 schools, 20 universities, and 5 master's programs (every year more than 1,000 students are hosted); Nexus (plural-sector network of local businesses), created in 1994 by Enrico Loccioni's idea to facilitate integration between SMEs in the Province of Ancona and to increase territorial growth, as well as the growth of the local companies, through sharing information and experiences. The initiatives promoted by Nexus are multifarious: monthly meetings, virtual board, training courses, collaborations with schools, scholarships, providing data for students' thesis, training, polytechnic visits, European projects. The staff is formed by 30 entrepreneurs/companies and more than 550 collaborators.

The stakeholders' management approach is based on values-oriented networks and partnerships. The Loccioni Group has a strong capacity to open itself up to others and to "weave and spin" towards the force of a networking approach. It can be considered a "convivial enterprise" (Balloni & Trupia, 2005). "Conviviality" is manifested in the creation of values-oriented (internal and external) networks which represent the application of a social form ("clan") at the base of which personal relationships subsist between individuals who are linked by rapports of friendship, esteem and trust. Prudently searching for a balance among the various interests of employees, vendors, customers and other stakeholders is critical. This form of leader prudence is tightly couple with perceptions of transformational leadership, which is in turn coupled with an array of positive employee outcomes.

"*Ours is a way of being an open enterprise from the very beginning, born to welcome interlocutors as carriers of value; formation, collaboration, team work are our practices.*" (E. Loccioni, Founder of Loccioni Group, 2012).

"*Values sustain actions. Without values one cannot go far. Values are the identity of the group: they provide a language, they give strength to our businesses and guide them as they adapt to the market. Our intangible values are imagination (to know how to create), energy (to achieve our dreams), responsibility (for the air we breathe, the land we walk on, the resources that we utilize, the trust that we gain). Values at the foundation of agrarian culture are "obstinacy" (literally a "ringworm"), desire, dedication to one's work, parsimony, the sense of one's limits, the of the family as the nucleus of solidarity, responsibility.*" (E. Loccioni, president of Loccioni Group, entrepreneur of the year 2007; Ernst & Young Award for Quality of life; recognition "Olivettiano businessman of the year 2008).

Enrico Loccioni started an entrepreneurial adventure as an electrician. The industrialization of the small Marchegian towns, which had been losing wealth because of high emigration during the 1960s, was launched first by entrepreneurs who knew how to trigger a movement based on the recuperation of those customs, traditions, civil conditions that their sharecropper ancestors had left. An inheritance of co-responsibility that does not exist in other experiences, deeply entrenched in the Marchegian spirit and culture: solidarity, good sense, wisdom, prudence, work ethics and neighbourliness.

"*The true roots of many Marchegian entrepreneurs, like Loccioni, are based in the 400 years of the harvest, which have prepared these populations for the world of entrepreneurship because the harvester was a small-scale businessman. The agrarian culture embraced profound values that were based on Christian doctrine. Loccioni Group is the classic demonstration of a category of entrepreneur that has had a precious and extremely important education from their ancestors, from whom they inherited the fundamental values of family, faith, work, commitment, and courage. The family unit was and is today at the forefront of Loccioni's scale of values; it is the reason why the company stands out, a badge of honor for our land.*" (L. Pigini, President of Pigini Group, partner, 2011).

E. Loccioni speaks of values and culture not with intellectual boldness, but with the human simplicity of the self-taught man who has only made it to middle school, but who had envisioned his own model of industrial development in Werner Von Siemens and Adriano Olivetti (industrial humanism). The "metalmezzadro model" of the Group is based on a parallel between the industrialist (entrepreneur-manager) and the agriculturalist, between tradition and innovation ("tradinnovation").

In managing the business, the entrepreneur has imported the principles and values typical of the rural Marchegian tradition, which constitutes a sort of DNA and a meta-culture in which the Group moves. The entrepreneur is intent on projecting "his" values at the macroscopic level.

The survival of socio-cultural values represents the explicit elements for understanding organizational and inter-organizational dynamics of such a socioeconomic ecosystem.

Through multilateral relationships values are transmitted, at times even unconsciously, and transformed into true beliefs. In virtue of their stability and applicability to every individual, shared values play a central role in transforming its collaborators into "intraentrepreneurs", capable to develop frequent spin-off processes, as well as in interfacing with all stakeholders.

"*We take the best of the past to build the future. From a strong shared culture and from driven human resources can arise the commitment for the Common Good and the strength to face the market.*" (E. Loccioni, President of Loccioni Group, 2012).

"*Look toward the sky, but have your feet planted firmly on the ground.*" (C. Loccioni, Enrico's son, 2012).

"*Values at the foundation of agrarian culture are obstinacy (literally a "ringworm"), desire, dedication to one's work, parsimony, the sense of one's limits, the sense of the family as the nucleus of solidarity, responsibility. Our intangible values are imagination (to know how to create), energy (to achieve our dreams), responsibility (for the air we breathe, the land we walk on, the resources that we utilize, the trust that we gain. We love to define ourselves as 'metalmezzadri'. From the agrarian culture we have learned: the importance of traditional values, the transmission of trust with a handshake; the habit of working in seasonal uncertainty; the diversification of cultivation to reduce risk, just like in sharecropping. Without values one cannot go far. Values sustain actions and are the identity of the group; they provide a common language, they give strength to our businesses and guide them as they adapt to the market*." (E. Loccioni, President of Loccioni Group, 2011).

"*The values and the passion which distinguish us come from the same Land from which we draw our energy*" (E. Loccioni, President of Loccioni Group, 2011).

Justice

The aspects considered appropriate to assess the presence of the virtue of justice in the management of the selected company are the following: developing fair working relationships; enhancing professionalism within the company; implementing honest conduct and transparent relationships with stakeholders outside the company; promoting the local territorial development; complying with the law and avoiding any prosecution.

The company's attention to the virtue of justice can be synthesized in the following aspects:

-Clarity of business roles and responsibilities, transparent paths and career advancements; attention focused on the generational handover. According to the entrepreneur's values, objectives are shared among the entrepreneurial family and the management and also the ownership is shared outside the family group.
-Better working conditions (in terms of salary, flexible working hours, shifts, leaves) compared to those provided by the law, as well as the recognition of every kind of diversity; the presence of mechanisms (formal/informal) tended to favor the empowerment of all employees. Specific training programs have been implemented aimed at young new employees and interns (numerous agreements have been made with Italian and foreign high schools and universities). This collaboration enables to improve each employee's skills and allows a smooth generational handover of the competences at each organizational level (managers and workers).

Special attention is addressed to the improvement of human resources, both in terms of training, adoption of incentive mechanisms and procedures aimed at spreading knowledge (i.e. duties rotation, working teams, meetings, celebrative events), as well as in terms of attention to the well-being inside and outside the company.

In particular, the Loccioni Group has distinguished itself for its attention to pre, during and post-entry training. Enrico Loccioni has a special sensitivity and is simply convinced that training is crucial for all employees and stakeholders in general.

Specific training programs have been implemented (the so called 'blue zone', 'red and grey zone') aimed respectively at: young new employees and interns (numerous agreements have been made with Italian and foreign high schools and universities), young employees (already set on a path toward managerial responsibility and entrepreneurship; there have been numerous spin-offs developed over the years) and employees nearing the end of their career who have been given responsibility for specific projects and who are joined by younger employees. This collaboration enables the employees' respective skills to be improved and allows a smooth generational handover of the competences at each organizational level (manager and worker).

"*Our "People" are made up by the young of this company, strong in their preparation and their desire to learn and grow, in the awareness of working for a project, investing their soul and pride, as those master masons of the Age that "didn't carve stones but built a cathedral.*" (E. Loccioni, President of Loccioni Group, 2011).

"*The company presented itself as a small industrial group, which would create other companies. The Latin name of one company in our Group –Nexus -means link; it is a network of contacts among entrepreneurs. The networks with the university is called project Unet*". The Bluzone project corresponds to this logic: accommodate students, from primary school to university, in orientation visit, business internships, one year educational projects for student groups. The aim is to identify potential resources to be included in the enterprise, but also to provide to a wider audience, an educational base for their future activities, maybe even as a spin-off, as has happened in some cases*". (E. Loccioni, President of Loccioni Group, 2012).

- Presence of development workshops, competence sharing and feedback mechanisms (suggestion box, circles of quality, brainstorming sessions, etc).
- Adoption of numerous (product, social and environmental) certification systems and different initiatives of stakeholders' dialogue and commitment as well as cultural, environmental and social projects implemented at a local, regional and national level.
- Adoption of customer satisfaction mechanisms (addressed to external clients and employees) aimed at testing their effective behaviors; adoption of a large number of initiatives aimed at improving the business atmosphere; research on staff satisfaction. Consequently, there is a low or zero level of conflict with personnel and other stakeholders.

Enrico Loccioni's desire is to leave a mark on its territory and to valorize its culture. The effort of the Group in advancing best practices is nourished by the will to testify this business "way of being" adhering to multiple occasions of exchange and comparison (workshops, forums, meetings, testimonies, etc.).

We can mention the Loccioni Group project "LoVe - Land of Values": by collaborating with small local tourism agencies (i.e. agro-tourisms and farms), the Group offers its work-related visitors a unique and custom-designed experience. In the Loccioni companies' guides on small touristic partners and brochures on the most significant Marchegian localities, are offered. This "heritage experience" helps transmit to its partners those values and the ethical matrix, which stands at the base of its entrepreneurial culture. At the same time, it offers the local community, without any ulterior motives or desire for return (the Group bear all the costs of promotion), an opportunity that has important economic and occupational reflects on the local economy. The Land Of Values project – created and promoted by the entrepreneur – is an example of stakeholders approach centered on the concept of welcoming various stakeholders, and on identity with the territory. LOV aims to bestow an imprint of collective values to its stakeholders, through the "full immersion" in that territory from which values emerge, and in which the same are stewarded.

"*The partners who share in achieving this dream are agro-tourisms, farms, and tourist organizations who, like us, aspire to raise awareness of the enthusiastic yet less-well-known aspects of the Marches region, permitting to help breathe the atmosphere of our culture.*" (J. Tempesta, Communication Manager, 2010).

"*LOV is a project that permits those who visit us the ability to share in a singular encounter of professionalism and conviviality. The visit to the Group must be a moment that involves, other than commercial intents, also moments of hospitality, which permits one to discover the values and the culture that originates in our world. Our value added is innovation and hospitality.*" (E. Loccioni, 2011).

Other indications of the degree of justice that have emerged are related to factors such as: gratitude, desire to reciprocate the kindness of others; affability, forging more friendly, pleasant and decent relationships with others (employees, external partners, suppliers, customers, etc.); faithfulness in keeping promises to people (professional commitments, union agreements, etc.).

Fortitude

Behaviors testifying to resilience are reflected in the company with the ability to resist and overcome difficulties/problems (credit, solvency, intensification of competitive pressure, etc.) arising either in situations of cyclical business crisis or in the intense collaboration and transparency with customers, supplier, institutions, etc.

Indicators of virtuosity (fortitude) are also relative to the presence of mechanisms able to support the employees motivational status based on monetary benefits (profit sharing) as well as non-financial ones (trips, tokens, scholarships, etc.), the presence of tools of communication, and the high level of innovation.

Numerous are the awards assigned to Enrico Loccioni and to the Group for the development of innovative projects relative to products and processes which have been distinguished for the environmental respect (i.e. the Leaf Community Project and the "Leaf House") and the respect for human beings (i.e. the "Apoteca Chemo", the world's first pharmacist robot born from Loccioni laboratories in 2004).

The Loccioni Group is an "incubator" which develops continuous innovation giving rise to spin off (intrapreneurship processes) and gemmation paths following the departure model.

Recently, it was awarded as "Best Workplaces Italia 2014". The Group was recognized in the third place ranking and it represents the unique Italian company among the best large companies (i.e. Microsoft and FedEx) and the small-sized enterprises (i.e. Cisco) to work for in Italy and in the international context. The prize was recognized by the CRF Institute, an independent international organization which from 1991 evaluates and certifies over 2,500 companies in 12 countries and on 3 continents and is based on a continuous and rigorous survey, carried out according to strict standards established by the Top Employers HR Best Practices Survey. The excellent rating was relative to the Loccioni Group's excellence in payroll policies, work conditions and benefits, corporate culture, education, development and career opportunities.

Other aspects are related to certain associated virtues: magnanimity in taking tough measures to safeguard the survival and the development of the company; magnificence in carrying out projects of great impact to benefit not only the stakeholders but also the wider community (in the name of the common good); patience with oneself and others when faced with many difficulties (first of all managerial and competitive); perseverance, especially when struggling to get the expected results; hope and humility.

"*In the brochure of this company there is talk of the "centrality of the person". It is not a cliche´, because it corresponds to the reality: for example the centrality of the training (eight thousand per year, in a company which doesn't even have four hundred employees), the care of the working environment, the respect and cordiality of relations.*" (E. Loccioni, President of Loccioni Group, 2012).

Temperance

Moderating behaviors occur in the company undertaking operational decisions of investment; of growth starting from the actual availability of resources, skills and organizational competences (entrepreneurial, managerial and technical); decisions about participation in a strategic alliance starting from the effective sustainability in the long term.

To understand if the spirit of moderation is really embodied by the entrepreneur we considered the following aspects.

The Loccioni Group carries out balanced investments and coherent dimensional growth paths based both on quantitative and qualitative development: internationalization and turnover growth through innovation, staff training, social, environmental and not only economic performance. The entrepreneur and the managers have always interpreted growth from a holistic perspective (following the triple bottom line approach - environmental, economic and social - development) mainly focusing on the growth of the people and of their community.

The company experiences coherence between the economic flows and those of the family; both social systems (family and business) are nourished by values; the family is the holder of values and a source of strength.

The entrepreneur never neglects the matrix from which everything is born. In the Group, Marchegian business and family live 100% together.

"*The family is the primary source of values. It aggregates. It allows for the development of idea*." (E. Loccioni, 2011).

The entrepreneur's lifestyle is not consumerism but based on frugality, sobriety and a sense of duty and sacrifice. The entrepreneurial and managerial team is able (since it desires to) to find the time for moments of reflection, shared with employees and other stakeholders, i.e. schools and universities (through special collaborations and workshops).

Other linked virtues whose presence is reflected in the narrative stories of the entrepreneur are: gentleness and humility in relationship with stakeholders; clemency toward those who commit errors inside the company; modesty in relation to objectives and results achieved so far; continence in resisting temptations to excel in the managerial process compared to available resources, capabilities and competences.

In the rare cases when errors have occurred or defaults the entrepreneurs have not fired or penalized employees, but they have assessed the reasons of such behaviors and offered them new chances to live up to the responsibilities of their roles and promoted their talent through ad hoc training courses.

5. *Summary and Conclusions*

There is a strong need for virtuous conduct in the business world. The company analyzed is an example of virtuosity. It is conceived as a laboratory in which to form the minds and hearts of all subjects (stakeholders) concerned. It is seen as a good place in which to lead a good life and as a school of virtues because of the time spent there and the energies invested. Thus, it is not only a factory, but a place in which people discover themselves and meet others, and can be appreciated as a knowledge-based company that is first and foremost relations-based. Its competitive success grows out of the commitment to values and to the human spirit, and a type of "art" lives, reconciling economic objectives and humane ones. In this sense Loccioni Group can be considered a virtuous company based on core principles: trust, vision, courage, community, creativity, patience, humanity integrity, diligence, enthusiasm and openness.

These traits are typical characteristics of the so-called "convivial" companies (Del Baldo, 2010a) and arise from social and anthropological variables: the value of family, considered the first source of "energy" and of values extended to the company in a virtuous relationship; the strong ethical and moral foundation - whose roots derive from Marchegian civilization and rural culture, and are permeated by religious principles (Quinn, 1997); the membership of entrepreneurs and firms in small towns in the province characterized by authentic social cohesion and a sense of community; the strong desire and capacity to "attract" and "infect with enthusiasm". Entrepreneurs are strongly rooted to their family values and their local culture and always look back in the past to confront their challenges (Habisch, 2010). In Italy, just as throughout the vast majority of the world, SMEs constitute the backbone of the socioeconomic system, and are able to offer examples of the ability of fighting the predominant socio-economic mentality, giving true answers to the requests of ethical behavior, of local typicality, of better thought-out rhythms of life as well as of less rushed and superficial human relationships. The subsoil of these entrepreneurs' values and virtues have to do with positivity, understood as "illusion", courage, encouragement, perseverance, willingness to do things with excellence, paying attention to details with the best of intentions and determination. Consequently, their companies have the 'power of optimism' and are companies where the family counts for their concern to internally harmonize and externally promote the essential balance between working life and private life, which are a *continuum*.

The art of managing relationships is expressed in the creation of both formal and informal partnerships, on in other words, a network of relations which move companies like Loccioni Group to promote local, national and international networks. The entrepreneurs who manage them are aware that through corporate practices they are building culture. Through relationships they promote the growth of "being" before "having". In brief, they feel "called on" to exercise virtues. Their cardinal virtues (prudence, justice, courage, temperance) can be traced back to the repetition of good managerial practices. They are strongly convinced that only if managerial action arises from this heritage of virtue, can the foundations of a harmonious corporate development take place. They can (and they want to) nourish the process of the empowerment of human capital and knowledge. And they are aware that such knowledge in the workplace is a process beginning with the individual.

The virtuous entrepreneur is a "man of trust and hope". Trust and hope are anchored in the support of the collaborators, which depends on a relaxed atmosphere and a sense of esteem spread throughout the company. Trust and hope are anchored as well in the appreciation of consumers, the loyalty to suppliers, the trust of financial backers, the acceptance of the local community and the fair play demonstrated by competitors.

We can conclude by saying that such entrepreneurs and such companies (like Loccioni Group) are not so rare, but more frequently they are "unknown". And it is important to know and evaluate examples which are not "fantastic", but quite simply "ordinary" in the sense that they are really humane and at the same time capable of expressing transcendental value orientations, shifting from theory to practice.

These reflections point out the relevance of values and virtues in the entrepreneurial and business context and help formulate the proposition that transcendental virtues are the "hidden" driving force that lies at the base of CSR and sustainable orientation, particularly in SMEs, due to the relevance attributed to people and relationships.

Therefore, this study tries to enrich the research field focused on SMEs' business ethics and to open a new research line tied to the relevance of transcendental values and virtues.

Hence, the value of the present work is firstly attributable to the attention paid to transcendental virtues and values and their connection to personal, familial and territorial shared values (of ethical, cultural, anthropological nature) typical of SMEs. Secondly, its originality is attributable to the meeting point of the perspective of CSR-oriented strategies in SMEs, ethics in SMEs and leadership studies.

The work has also practical implications. Firstly, suggestions for SME's leaders derive from the relevance attributed to values and virtues in balancing the many activities with which entrepreneurs are charged daily. The empirical research has helped us confirm that some entrepreneurs are putting a series of values and transcendental virtues into daily practice, into their business reality. Consequently, in their companies values and virtues count and the shift from the theory of values and virtues to practice of the same is based on a determined commitment and the benefit of transformational leadership (inspirational motivation, idealized influence, individual consideration and intellectual stimulation are manifested (Riggio et al., 2010).

Secondly, some implication for regional policies aimed to promote CSR and sustainability in local contexts can be derived, since this work aims to re-evaluate the proactive role of virtuous SMEs in developing their socio-economic environment.

Finally, the work underlines the need for developing a methodology that allows further empirical research on the relationship between ethical values, humanistic education, family and social structures and the development of a sustainable entrepreneurial spirit and leadership (Röpke, 1960). A possible methodology could be represented by the case-study approach applied to best practices with the scope of valorizing the virtuous behaviors of entrepreneurs and SMEs that lie at the base of so many local experiences – that often go unnoticed – and of favoring the dialogue among researchers businesses, public officials and civil society.

Despite providing some additional contributions to the afore-mentioned emerging lines of study, this study has a number of limitations (some of which could be overcome at later stages of the research). Firstly, we mention that the limitations are mainly related to the fact that the empirical study is qualitative in nature and based on the analysis of an exemplary, single case-study. Thus, the results cannot be generalized and more research is needed in the future. Possible research developments could derive from the analysis of multiple case-studies, both relative to SMEs and larger companies. Moreover, the qualitative study could then be accompanied both by a comparative and a quantitative research aimed at verifying specific hypotheses drawn from the proposition.

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