AESTHETICS AND ETHICS OF THE SUSTAINABLE ORGANIZATIONS

Gianluca Colombo, Prof.
Institute of Management, University of Svizzera Italiana, Lugano, Switzerland

Patrizia Gazzola, Assistant Prof.
Department of Economics, Insubria University, Varese, Italy

Abstract
The paper aims to analyse the strong links between the company and the local community. We live in a very fragile condition at both micro level and at macro level. The most solid organizations (companies, foundations, non profit) feel the uncertainty that oppresses visionary leaps and crushes the passions of employees. At macro level, national governments and supranational organizations don’t show the capacity to react and to project in an adequate way to the complexity of the problems. The two aspects are usually treated individually by separate disciplines. We argue that separating points of view don’t improve the skills of analysis and diagnosis, nor the strategic and political intervention. To understand the union between company and local communities we analyse two Italian companies, known for their responsible actions: Olivetti and Luxottica. The first belongs to our past: 1950s. For Adriano Olivetti, the company is a community of people pursuing a common good through combinations of labour and capital. The ethics of the common good has been directly involved in the economic governance of the company. The second is a current example of innovative governance based on the human aspects of organizational life and on the quality of relationships among people. Luxottica has developed as a subject in itself with humanity, a human community in the full meaning of the term. Both examples show that the stress of the economic performance is combined synergistically with the development of the local community; in this ago-antagonist relationship the aesthetic dimension plays a non-additional role.

Keywords: Ethics, corporate social responsibility, local community

Introduction:
This paper embraces the institutional perspective of the company in Italian Business Economics, which sees the enterprise as an organization a third party different from the stakeholders (Freeman 1984). It corresponds to a set of theories that are well known to Italian business economists since they founded the cultural environment in which they grew up (Zappa, 1937 and 1957; Masini 1978). In its radical formulation, the firm is seen as a living subject, relatively autonomous from the stakeholders, although depending on them for their vast resources widely understood (Vicari, 1991). Based on the relationship between the organization and the local community we can interpret the firm as an open social or socio-technical system (Mella, 2003), inserted in a macrosystem, characterized by an environment (Gazzola, 2006). The company is designed as a permanent organization that operates in an ethical, social, political environment that conditions or favors long-term viability (Gazzola and Pellicelli, 2009) of which it is part and with which it interacts, not only through a system of physical, monetary, financial exchanges, but also through human flows and communication, which it produces knowledge, trust and reputation (Prahalad & Bettis, 1986; Harrison & St. John, 1998). These factors lead to a clear evolution of the concept of corporate social responsibility (CSR) (De Bettignies, 2002) through the transition from compliance with
the expectations of the stakeholders to action understood as responsible corporate behavior aimed at highlighting and consolidating the corporate social citizenship (Vaccari, 1998) and the "righteousness of an enterprise" (Keeley, 1988).

The CSR then defines a transparent business behavior based on ethical values (Crivelli, 2001) and on respect for employees, for the local community and the environment (Borzaghi, 2003). Especially the ethical aspects of fairness, accountability, transparency, and respect of fundamental rights have an important role because the social legitimacy of the business depends on them without which the enterprise can not survive and grow, but the entrepreneur can only achieve this by demonstrating publicly that it has considered, in its development programs, the compatibility with the shared values of the communities in which he operates.

From the understanding that there is a contrast between the economic foresight and social responsibility (Kotler, Lee 2005) comes the social citizenship of a firm which expresses a commitment to the creation of wealth in the communities where it operates. The corporate social citizenship depends on the relations that the company develops with its own political, social (Perrini, 2003) and territorial system and, in particular, on the ethical obligation to contribute and use tools and methodology precautions to avoid damaging the community of reference, with the observance of laws, the enhancement of social customs and local culture, involvement in the cultural and political life, protecting the environment with non-destructive systems for the management of natural resources, with efficient recycling systems and investing in projects to protect and improve the environment (Mucelli, 2000).

**Complexity and separation of the problems**

The close ties between business, political, social and territorial system, today leads to a continuous process of increasing complexity (Le Moigne, 1987; Yates, 1987). The relationships between organizations (companies, foundations, non profit), national governments and supranational organizations have become increasingly intertwined, creating a strong interdependence and awareness to any small change. This climate of uncertainty on the one hand weakens the sense of belonging and commitment of employees and on the other shows inadequate understanding of the complexity of the problems. Both in private organizations and those in the public, prevail reductionist analysis of problems and answers which have already been tried/ carried out without success or have even made the problems worse. We see for example the massive injection of liquidity injected from 2008 to 2009 in the financial system, which has filled the banks of sovereign debt and now has to be repeated in larger doses to defuse the crisis of the same sovereign debt and its propagation to the World financial system. We see again at the micro level that many companies have reduced their investment in the development of knowledge and are facing the uncertainties and the market crisis uneven more fragile terms (Colombo, 2011).

We don’t believe it is fair to give this upsurge of uncertainty and complexity to the financial markets or the perversion of the bankers as if they were an earthquake or another natural disaster insurmountable that has fallen on virtuous public and private actors in the real economy. There has been unjust behavior which has made the crisis even more serious, the latter together with this behavior is endogenous to the system and has a long history.

For almost three decades, prevails in the Western world, a simplistic analysis of the problems that has progressively marginalized any critical thinking. Faced with the complexity it is almost a conditioned reflex that we try to separate the issues, analyze them precisely, or choose a perspective, some which are a delimitation of the field. For example, we haven’t treat the problems of companies together with those of local communities both are far too complex and therefore in need of definition. And instead in this conditioned reflex hides the danger of inadequate responses. The problems of the enterprises are not solved because we
do not confront those of local communities and they are aggravated by the crisis to which companies respond with inadequate means.

**The firm - institute and balance between stakeholders**

The definition that Masini (1978) gives of the institute is: "An institute is presented as a complex of elements and factors, of energy and personal resources and materials. It is long lasting (sometimes incorrectly it is said to be "stable"). His persistence is of the dynamic species, for internal phenomena, and for those of external relationships with the environment. How complex is ordered (it rises, continues and extinguishes) according to their own laws also of various kinds (physical, sociological, economic, religious, etc.) and in multiform combination "(p.11).

The heart of the problem is in the amount of energy needed to raise and preserve the institute and, therefore, also the firm. More than a positive definition of organization and enterprise, it seems to be a program, not only scientific but also in a certain way, political. The research program has been welcomed by some students of the Master resulting in a contoured shape of economic business. The political agenda has been instead largely ignored. Both dimensions are worth reflection.

The energy necessary for all participants (stakeholders) to generate a new entity of higher order, the company – the institute, is in fact, a kind of big - bang organization. It's a miracle that happens every time a new firm, is founded, around the vision of the entrepreneur who founded it becomes something more than a "mere" nexus of contracts. The vitality of entrepreneurship was quite clear to the Austrian school (especially Schumpeter 1933), but was also viewed with concern by the 50s Italian business economists, who preferred to speak of widespread entrepreneurial function within the organization.

Even a consolidated firm needs a constant supply of energy to maintain internal cohesion among the internal actors and stakeholders. Vicari (1991, p. 98) presents the perspective of the living firm, right around the concept of negative entropy, i.e. of charging energy which contrasts the entropic degradation or, in other words, the aging of the organization.

The company, conceived as a cognitive system (autopietic), is still subject to the second law of thermodynamics, the growth of entropy to a maximum value. It is measured as an index of energy not available in the system at a given time. The company cognitive system is a closed system, within their code, in its organizational culture, it is dependent on exclusive resources, skills and routines which become factors of rigidity. It is, therefore, exposed to the inevitable entropic decay. The Greater the amount of work done, the more mature the organization, becomes the greater the degradation is. One aspect of the "energetic" interpretation is nevertheless central to the setting of Vicari and also for the point of view expressed here.

"Some systems are able to reduce, cancel, and at least temporarily reverse the entropic degradation process internally." (...) "The self-organizing systems, in fact, and those living among them which stand out, are able to import the same or more energy from the outside than the one destroyed in the system. In absolute terms, however, there is destruction of energy available, but from the point of view of the system considered there is instead a reduction in entropy. (...) The social systems, the firm in particular, know how to escape the degradation process, at least for a certain period of time, precisely because, like other living systems, they are able to import an active negative entropy. Living systems are actually systems that, to use an expression effectively, can produce order, ie they feed negentropy "(pp. 98-99).

Undoubtedly, the import of energy from the outside requires skill, energy, and resources from various actors both internal and external, which in turn are catalyzed by a leadership that will bring the long-term vision to a practical and fascinating one. The theme was also developed by Coda (1988) in the strategic orientation.
All this is not enough, because in the strategic orientation of a firm there is an effective long-term focus. It is also necessary that the current leadership is capable of assuring the goal of long-term survival, so it becomes the motivator of daily behavior as well as operating effectively. The survival of long-term value is likely to remain ineffective if there is no clear direction, if it does not give off a certain charm, this will lead to not having the right impact and, finally, it will not have clear working implications in today's world." (p. 126-127).

The firm is an institute if it has a visionary leadership capable of mobilizing resources around the strategic plan. This in turn implies an understanding of the forces and the interests expressed by various stakeholders, in other words, political skills applied to the continuous research of the institutional balance are necessary also by means off proposed new structures and rules of governance (Airoldi, Brunetti, Coda, 1988). Such balance cannot be anything other than of a dynamic species in a continuous tension among the poles of interest, according to reports of type ago/antagonist (Morin 1977, 1980, 1986, 2001, 2004, Martinet 2001, 2008).

The definition of Masini (1978) can be understood as if the firm has always been an institute, it is instead, in our view, a regulatory statement. The firm should be an institute, there are conditions imposed for it to be an institute. Moving from a normative to a positive point of view, we must recognize that these conditions are observed only in relatively rare cases and for a defined time. For this it is proposed to consider the firm – still an institute today but as a research program. It's still important to understand how the degradation is triggered in an organization, how such degradation can be avoided temporarily, when a degraded organization is recoverable, when the costs of remediation are justified and from what points of view, and whether it is preferable to facilitate the dissolution of the nexus of contracts or, conversely, if at a certain level of exit barriers, there is an incentive for the strategic renewal.

It's also useful, however, to reflect on the political dimension of the definition of firm - institute. This dimension is somehow evoked by Masini that, in his remarks to chap. 10, he criticizes the settings of economic governance adopted by some countries, including Italy (at that time). Masini preferences seem to go to the Germanic model, which had not yet been defined, rhenish. As already suggested by Masini, understanding the patterns of corporate governance adopted by various countries, one cannot ignore the historical-legal study of corporate law and other regulatory institutions (agencies, etc.).

The limits of this essay (and authors) do not allow one to study the origins and evolution of legal and regulatory frameworks that shape governance systems. Such a study would of course be complementary and not substitutive of applied economic analysis to corporate governance. For example, the model Germanic (in Masini’s time and also today) has the advantage of better representing the interests of some stakeholders (that other models ignore): workers and local communities. However it does not protect, appropriately the interests of minority shareholders (and even workers with atypical contracts). It’s also characterized by high institutional rigidity and, above all, it does not ease the contestability of the control. Today, ideal governance structure does not seem to exist. The study of the roots of each model should also lead to the proposals of reform (sometimes radical).

The reforms have strengthened the position of the shareholders of large listed companies and they create incentives for the responsible exercise of the owner’s functions. With reference to the same class of business, and the limitations of an analysis not sufficiently detailed, we briefly describe below the general principles of corporate governance necessary to strengthen the institutional dimension of the company.

First of all stakeholders and not shareholders, in particular the workers, should be represented in governing bodies and unions of economic governance. Workers contribute to economic results, sharing in parts the risks; this then founds the power of government devolved upon them, and the residual remuneration based on the results. Profit-sharing, alone
without these powers, is an error from the theoretical side, since the right and duty to govern the company is based on waiver to fixed remuneration by contract and, therefore, on the assumption that the rulers are the most interested in long-term success enterprise. The exercise, albeit indirect, of the prerogatives of government can enhance feelings of psychological properties. It is not evident that profit-sharing alone obtains the same result.

By contrast, the principle that those who participate in the government shares the risk and acting on residual results should be strengthened by greater flexibility in the labor market (both outbound and inbound). As a shareholder, the employee should also have the concrete choice between making themselves heard, through indirect forms of participation in government, and "leave", or disinvesting their time, their energy, their passion and their knowledge in an enterprise in which he no longer believes. Today in some countries the choice to abandon the enterprise is hampered by obvious gaps in social protection systems. Measures designed to enable freedom of work should be part of the governments,’ agendas at least for the EU member states.

The strengthening of the antitrust laws and those of the competition authorities is as necessary as the reform of corporate governance. It’s quite clear that the institutional balance is not such if it is achieved at the expense of the customers. The economic history of our countries has often spoken of large companies, real institutions that have characterized the economy of entire regions for generations. But often these companies were operating in protected markets (natural or legal monopolies). The strengthening of the institutional dimension was indeed the result of enlightened leaders, but also of monopoly rents used to remunerate shareholders (often public) and employees. The company – institute cannot be the cause of allocative inefficiency, exacerbating anti-trust laws and strengthening the supervisory authorities should be avoided.  

In the same direction are the bankruptcy rules, the protection of creditors, should not prevent the recovery of the firm or, where this is possible, determine excessive exit barriers. In other words, the bankruptcy legislation should have the difficult aim to balance the protection of creditors, with the interests of other stakeholders in reorganizing the company while respecting the efficiency of markets in their allocative function.

We can therefore suppose that the multi-stakeholder approach is needed to understand the complexity with which the firm - organization coexists inside and in the relationships with other stakeholders. The other hypothesis based on the reflection undertaken here is that the approach the multi-stakeholder requires is a base of governance (structures and rules of economic governance of the company, but also the regulatory agencies of markets and competition).

From welfare theory the basis for the ethics of the territory

To address the speech on the complexity, it is not enough to analyze the firm with a multi-stakeholder approach (Freeman and Velamuri 2008), but it is necessary to consider the ability of the company to remain in a state of equilibrium, responding to internal and external requests also determined by the macrosystem characterized by the environment in which the firm is located. Such balance should not be obtained at the expense of the interests of external weak stakeholders; as is the case, for example, of customers when the markets are not efficient enough. Focusing the attention on the analysis of the interests of the parties, leads us to consider the welfare theory as a complement to that of consumption.

Starting from the theory of the consumer firms and that of the welfare theory, we have the right conditions to introduce the concept of ethic of the territory.

231 Quite different is, for example, the case study of Olivetti Company at the time of Adriano. It was not only a great institution that has shaped from many points of view their territory, trying, despite many difficulties, to achieve a balance between the institutions, but also an innovative company operating in markets characterized by intense rivalry.
Dissatisfaction for the established theory of profit gives rise to Zappa the welfare theory. He thought the theory of profit inadequate to fully explain the complex phenomenon of consumption.

The radical change in the basic premises allows a shift from traditional economy of profit to a new welfare economics. We analyze the two main aspects. First, the rejection of utilitarianism and individualism and the emergence of altruism and sociality, such essential human characters (Business to Consumer, p. 686 et seq.). Gino Zappa's work seems to have been influenced by OF Boucke, who in his work “A Critique of Economics” (1922) challenges the selfish view of the needs in favor of an altruistic vision. Secondly, the interests and needs of individuals working in the companies are not just mere economic and material needs, but also moral, social, political, religious etc. (Business to Consumer, p. 595). Of particular importance is the concept of common good, not reducible to a sum of special interests (Business to Consumer, p. 714).

Zappa starts from these assumptions to present a theory of consumption as a provision that takes as the objective function the pursuit of the overall and general well being and not the maximization of consumption of material goods, as they did, instead, in the theory of profit.

But how can this well being been achieved? Only by increasing the consumption of material goods or even by a containment of the needs? The thought of Zappa leaves no doubt: "... with respect to each individual it should recognize that welfare is not achieved through the increase of its wealth, but through prudent limitation of its needs" (Business to Consumer, p. 566).

The containment of strictly material needs can establish a mechanism to achieve a well-being of the same individual only in so far as it includes the spiritual, ethics and morality dimension in the model, of the individual himself. Only in this way, the individual can appreciate and understand the limitation of his own material needs in order to meet the needs of a higher order, which have to do with the spiritual dimension and the unselfishness of the person. This was not possible in the traditional theory of profit, where the increase of material goods is always an increase in individual utility.

To state briefly the theory of consumer and of business consumption, should be directed towards the pursuit of a broader well-being, including moral, social, intellectual, religious aspects and more precisely towards the broader morals, intellectual and social needs, it has opened the way for the containment of material needs as a way for the pursuit of that wealth.

Zappa in outlining his model does not separate the economic aspects from non-economic related to the individual sphere, it doesn’t abstractly seeks to isolate them to make them applicable to the traditional categories of utility maximization and of the individual profit. Conversely performs the opposite operation: preserves the complex interplay between economic and noneconomic needs/ purposes, anticipating the need to build a new "welfare theory" where is the overall welfare of the individual to have the centrality of cognitive interest and where the economics aspects become instrumental to the pursuit of economic and particularly non-economic purposes.

The assessment of this broad perspective, including the ethical, moral and spiritual aspects of the individual, raises two important issues. The first theme concerns the need for a clear understanding of human needs, materials and non-materials. This knowledge is a prerequisite for any study on consumption. In fact, Zappa explicitly states the need to construct quantitative measures of needs, in order to give substance to the studies on this phenomenon and to make the theory useful in understanding the actual processes of consumption. Moreover, he underlines the difficulty of identifying such quantitative measures (Coda 2002). He then proceeds to least an ordinal classification and scale of individual needs according to the criterion of the intensity of need, of its extension and its duration, so as to give them a first systematization. (Business to Consumer, p. 574).

The second theme concerns the participation of individuals in the life of a variety of
companies. Zappa identifies this participation in most companies - and not only in the direct consumption of economic goods - a precise manner of satisfying the needs of individual membership. The results are complex plots and interrelationships between companies; of this phenomenon, according to Gino Zappa, it is necessary to consider the advancement of economics sciences (Business to Consumer, p. 700).

The second theme represents the introduction of the behavior of individuals as part of a wider local community that derives from the organicist vision of the reality of Zappa. In this vision the company, while acting as a function of creating value for shareholders, tends to align them in the long term period with those of other stakeholders, through conscious behavior and responsible management (Bhattacharya, Korschun, and Sen, 2011). The ability to manage the aspirations of different stakeholders plays an important role in ensuring the business economy.

The organization to survive requires a dynamic management system, able to adapt to continuous and sudden changes in the environment. On the basis of what has been said, arises the dependence between business and environment. This leads to a general focus on "land ethic" intended as an ethic of social responsibility towards the local community needed in a complex social system like the present.

Olivetti and ethics of the common good

Olivetti brings us back to the fifties of the last century and to an experience of a happy marriage between enterprise and local community. The experience is that of Olivetti company of Adriano Olivetti, which is incomprehensible except in connection with the political-administrative movement of community. In that same experience we understand the link between aesthetic and ethical dimensions of organizational relations, both within the business and the local community.

We start with the company. Adriano Olivetti has always tried to encourage the formation of knowledge both individual and group. Olivetti for years has offered job opportunities for engineers and experts, forming different generations of electromechanical technicians, first, and then electronic. He set up professional schools to educate the workers hired without basic training, he provided the factories with libraries to encourage general reading among workers and employees.

The valorization of knowledge has played an important role in the creativity that has characterized Olivetti in the fifties and sixties. Product and process innovations of the electromechanical era and those of the subsequent electronic age are largely endogenous, fueled by the development of technical and managerial knowledge on which the firm has invested in a systematic and continuous way. The size of the corporate knowledge cannot be separated in Olivetti’s firm from ethic and aesthetics, because they are interconnected.

For Adrian, the company is a community of people that pursue a common good through combinations of labor and capital. The ethics of the common good had genuine implications being involved in the economic governance of the firm, especially in industrial relations through employee participation, in investment choices and in activities related to the development of people. In this manner Adriano created collaborative relationships that facilitated collective learning and innovation processes. The aesthetic dimension has never been incidental, as according to Adrian a good product must also be attractive and a good production process must take place in attractive factories. The aesthetics of the organization is functional whether there is cooperative relationships, therefore the ethics of the common good, or whether there is creativity and innovation in the product and process.

Also the local community had a vital role. According to Adriano the company is an actor of the community in which it operates and has a duty to promote in the community the ethics of the common good which is achieved through participation. In communities aesthetically
pleasing one can develop cooperative relationships easier, among families, local government and companies oriented to the common good.

**Luxottica: the human aspect of the enterprise**

Luxottica characterizes the Italian reality of nowadays, with its welfare program, it is positioned as a pioneer in its commitment to social responsibility towards the reality in which, it operates, the environment and people.

The Social responsibility is the main lever with which Luxottica Group is committed to sustainable development of their business. It has shown a great interest in people and this interest has declined in a vast corporate welfare program, characterized by a strong attachment to the land and the desire for involvement of workers and union representatives.

Luxottica has created a new system of industrial relations that seeks the reinforcement of the productive system, the improvement of all workers actual wages and forsee the promotion of services in favour of the workers themselves.

Luxottica gives primary importance to the human aspects of organizational life, the quality of the relationships between people, the satisfaction of their needs and the fulfillment of their aspirations. The basic idea is that all these aspects affect the daily operation of the company performance and therefore on the market performance.

The company has focused primarily on "involvement" with the conviction that the organization has to make everyone feel part of it like belonging to a large family in which the contribution of the individual is precious for the good of all. All these concepts revolves around an idea which is the sense of identification, the will of commitment and personal adherence of the employees to the activities and the objectives of the firm constitute, more so in the uncertainty of today's market scenario, … vital resources for business competitiveness.

In a more general perspective, this peculiar predisposition to care for their people is the fundamental aspect that allows us to characterize the conduct of the company in terms of sustainable action. The activities of Luxottica for the welfare of employees and their families are inserted fully into the framework.

On this front the efforts of the group are certainly important, as confirmed on the occasion of 50th anniversary, the allocation of bonus shares of the company to the employees of Italian factories in recognition of their contribution to business success.

Luxottica listened to the needs of its staff and distributed goods and services not only to the most deserving but to everyone in the company. The employees have fully understood the added value of this transaction. Agreements have been reached with the retail chains to purchase primary goods; with preventive diagnostic medical centers, dental care, pediatric and specialists; support for the means of transport; interventions for school education; scholarships and career guidance. All this was carried out by Luxottica in constant agreement and cooperation with trade unions and the territory.

The belief of the firm is that each one could help retrieve this value that had been lost, by paying attention to "how" one works meaning ones daily habit, respecting the rules that guide the process, the caring of the workplace and the tools that are used by everybody, an example that can be given to others. If all pursue this behavior it then becomes a habits and therefore it is possible to measure the recovery in value, monitor and activate the circle that creates value and convey it to the people. The project, therefore, can be self-financing with the resources that are saved by the reduction of waste. (Solomon 2011)

The concept of "quality" is joined to "welfare" with the desire to create a virtuous cycle: quality of life (if you feel part of a family, you work better and you are more stimulated), the quality of process (because process is made by the people), product quality, reducing of waste. At the base there is a strong emphasis on meritocracy and fairness to all employees. To give substance to the project there are four principles: work organization, prevention, communication and collegiality.
Consequently the invisible assets represented by the sense of belonging and loyalty of human resources should be appropriately encouraged, but that they are also able to create a virtuous link between employee involvement and a series of indicators related to the provision organization such as the reduction of absenteeism and the increase of the orientation to quality work.

**Conclusion:**

The experience of Olivetti in Ivrea and elsewhere in Italy should not be idealized; even without taking notice of the ideological criticism of that time, it must be acknowledged that the company has failed the challenge of traumatic succession and that the communities like Olivetti have serious problems of dimension that can not be analyzed by engineering criteria as, partially, Adriano seemed to have wanted to do. How big can a community be so that relations of reciprocity prevail and the common good is strongly experienced? How does one avoid that these communities are closing in on themselves, forgetting that each island is basically always a peninsula? The answer is perhaps in the process, the logic of the process has to prevail on the logical target.

The Olivetti case allows us to consider that the aesthetics and ethics are inseparable dimensions of the organization and local communities. Both dimensions are functional to the creativity and the innovation and are essential to their diffusion in the organization and in local communities. Spreading creativity and innovation is perhaps the best way to cope with the complexity and uncertainty, receiving resources for sustainable development. The aesthetic dimension of organizations is not then a luxury we can only afford in times of prosperity because it encourages innovation; entrepreneurship and art which are passions that feed creativity and can be usefully conjugated to the welfare organizations and local communities. They also offer hope to the younger generations (and ability) to build for themselves and for others a future where one can live happily.

These aspects are even more pronounced in the Luxottica case where it is possible to highlight the human face of the organization, i.e. a company which, thanks to its dedication towards its employees, tends to develop an individual endowed with humanity, a human community in the full sense of the word, regardless of its size and its degree of articulation.

In this time of heavy economic uncertainty, Luxottica's experience shows that investing in people, it is possible to improve the quality of production, the welfare of employees and the territory community. This leads to improved organizational performance, to reduction of non-quality costs and makes the virtuous circle, by the recovery of resources to be used in a welfare program which improves the quality of the workers’, life and that of their families. This commitment moves without doubt from the intention of management to managing some negative effects caused by the current economic and financial situation (3-4 days of layoffs in the Italian group), confirming that a crisis period could turn into an opportunity for innovation.

The involvement pursued and realized in Luxottica has the focus element in the practice of direct participation of staff and unions in the formulation and in the continued development of the model of corporate welfare. This "giving voice" and "seek contributions" makes possible the realization of "corporate citizenship".

Interventions for the benefit of stakeholders "collaborators" and the basic direction that inspires them give to the formula a sustainability (Elkington, 2004), which is working in Luxottica an essential simplicity, given that: a) it is not credible the attention to the sustainability issues facing the outside (eg, through philanthropy, the construction of social partnership, or the production of goods / services of collective meaning) but not open to the needs of internal stakeholders of the company, b) employees really are not only recipients, among others, of the initiatives of social responsibility but also the primary vehicle by which it is possible to create behavior of sustainability in the environment more or less immediate.
At the same time, without taking into account other areas where it presumably embodies the social orientation of the company, its commitment to the employees give a glimpse of some aspects of the inevitable complexity implied by a (trusted) path in corporate sustainability.

Today many companies are working on sustainable development, social responsibility, ethics, but, as evidenced in the research, we can trace the deep roots of this commitment in the development of the institutional theory (the Italian version, but perhaps also the German) from the 30s to the 50s of the twentieth century.

References:
Coda, V. L"economia aziendale nella seconda metà degli anni '50: una rivisitazione delle "produzioni" e dell’opera postuma di Gino Zappa, Rivista di Contabilità e Cultura Aziendale, Rirea, n.1, 2002