Art-based business

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A B S T R A C T

With its exclusive focus on profit-making, modern-day businesses tend to violate the integrity and diversity of natural ecosystems, the autonomy and culture of local communities and the chance that future generations will lead a decent life. The core of the metaphysics of modern-day business is what Martin Heidegger calls “calculative thinking”. It is contrasted with poetic thinking represented by genuine art.

To preserve nature and to satisfy human needs, gentle, careful ways of undertaking economic activities are needed. The paper analyses the cases of Illy Café/C19 and Brunello Cucinelli as art-based companies to show that art can inspire business to become more aesthetic organization engaged in socio-ecological value creation and the enrichment of the quality of life.

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1. The poverty of business metaphysics

With its exclusive focus on profit-making, modern-day businesses tend to violate the integrity and diversity of natural ecosystems, the autonomy and culture of local communities and the chance that future generations will lead a decent life.

The metaphysics of modern-day business can be described by the following statements: (i) ‘to be’ is to be a marketable resource; (ii) ‘to be’ involves being either an object available for productive activity on the market, or else a subject who makes use of such objects; and, (iii) the only mode of thinking is calculative thinking; the consideration and measurement of every being as a marketable resource (Young, 2002).

Such business metaphysics is rightly called “market fundamentalism”. George Soros states that market fundamentalism is a belief according to which all kind of values can be reduced to market values and free market is the only efficient mechanism that can provide rational allocation of resources (Soros, 1998).

The market as an evaluation mechanism has its inherent deficiencies. First of all, there are stakeholders who are not represented in determining market value. Moreover, some beings and future generations do not have the opportunity to vote on the marketplace. Secondly, the preferences of individuals are not considered equally, that is, in comparison to their purchasing power; the interests of the poor and disadvantageous people are necessarily underrepresented in free market settings. Thirdly, the actual preferences of the market players are rather self-centered and myopic; that is, economic agents make their own decisions based on short-term consequences only (Zsolnai and Gasparski, 2002).

In this paper our main proposition is that art can inspire businesses to become more aesthetic organizations engaged in socio-ecological value creation and the enrichment of the quality of life. We will study two unique business organizations, Illy Café and Brunello Cucinelli, to show that companies which take art and aesthetic experiences to the heart of their functioning can contribute to the preservation of nature and serving societal needs in gentle, caring ways. We will also study the potential of art in challenging today’s dominant business metaphysics.

2. Sustainability and art

There are a number of definitions and theories of sustainability in a business context including “natural capitalism” (Hawken et al., 1999) and the “triple bottom line” (Elkington, 1997) concept (for an overview see Financial Times, 2015). We suggest a simple but straightforward definition of sustainability based on the notion that an organization is rendered sustainable if its impact on nature and society (including future generations) does not result in negative outcomes over time. This implies that the organization creates socio-ecological wellbeing while maintaining its financial and economic viability (Tencati and Zsolnai, 2010).
There is a burgeoning literature on organizational aesthetics and art in business (Linstead and Hop, 2000; Strati, 1999; Taylor and Hansen, 2005), however there are relatively few studies on art and aesthetics that relate to sustainability.

Shrivastava (2012) suggests that art as a repository of human emotions can play a key role in rebalancing and harmonizing human–nature relations. Art as a deeply human form of knowledge offers unique opportunity to reconnect us emotionally to nature in authentic ways (Dutton, 2009). Art and aesthetic inquiry can foster values, attitudes and behaviors required for societal transformation for sustainable living. Art includes artistic and craft-full objects, performances and practices that beautify our environments that enlighten and delights us. It also offers provocative and progressive messages about social and environmental change (Shrivastava, 2012).

In studying art and sustainability Kagan (2011) suggests the need for a fundamental rethinking of our ways of knowing and seeing the world. He thinks that we must learn to embrace complexity, and to re-awaken a sensibility to patterns that connect. Overviewing the development of ecological art in the last few decades, Kagan stresses the role that art and ecological sensibility plays in inducing social change toward sustainability (Kagan, 2012).

At the heart of business metaphysics is what Martin Heidegger calls “existential thinking”. In Heidegger’s view poetic thinking represented by genuine art, is the antagonist to that kind of thinking. Genuine art always presents poetic dwelling (Heidegger, 1978) To dwell means, “to be cared-for the dwelling-place and to care for the things of the dwelling place.” (Young, 2002: 64) So dwelling is basically guardianship, “instead of exploiting and violating things for the purposes of purposeless production our concern becomes the preservation and completion of the order of things revealed to us.” (Young, 2002: 70)

In his book “Sacred Economics” Charles Eisenstein speaks about regaining the sacredness of things. Sacredness implies uniqueness and relatedness. “A sacred object or being is one that is special, unique, one of a kind. It is therefore infinitely precious; it is irreplaceable. It has no equivalent, and thus no finite “value,” for value can only be determined by comparison.” (Eisenstein, 2011: 81) The sacred is “inseparable from all that went into making it, from its history, and from the place it occupies in the matrix of all being.” (Eisenstein, 2011: 9)

Poetic dwelling models of business may help us to rediscover the sacredness in things small and large, natural or human and contribute to the enrichment of the quality of our life in a holistic sense.

The selected case-studies provide scope to compare and explore some of the concepts raised above in more detail.

3. The case of Illy Café

Illy Café is an Italian coffee roasting company that promotes coffee making and coffee drinking as an art.

The company was founded by Francesco Illy in 1933 and was later led and expanded by his son Ernesto Illy. Ernesto was a perfectionist and coffee evangelist, and was recognized as a world authority in the espresso coffee business (Andriani and Detoni, 2008). Today, Andrea Illy is President and CEO, representing the third generation of family leadership.

Today Illy Café is an international company that sells its coffee-related products in more than 130 countries. Since the late 1980s, Illy has been purchasing green coffee directly from source and not from the international commodity markets.

Illy Café is known for its sustainability practices and community engagement. The company has developed a true partnership with local coffee producers using knowledge transfer and quality-oriented innovation. The coffee producers became responsible for their operations all the way through the supply chain and is committed to exceptional quality akin to a Ferrari among all cafés (Perrini and Russo, 2008).

Illy Café goes beyond the principles of Fair Trade. As Andrea Illy emphasized; “The well-known growth of the Fair Trade movement is only the first step toward sustainability, since the fair trade will continue no matter what the quality of its product. My triple concern is, first, that higher prices do not always mean higher value and quality; second, that producers looking for ad hoc certifications have to manage higher costs that spread throughout the supply chain; third, that sustainability does not always last, so that, in the long run, if the fair trade requirements are not met, the market (i.e., producers) might go back to the previous business model very quickly.” (Perrini and Russo, 2008: 143)

Illy Café’s guiding operational principles are based on serving the cult of quality.

The primary goal of Illy Café is to provide customers with complete satisfaction similar to that of an artist who seeks perfection. The company feels total responsibility for the finished product as a moral duty of care — an espresso must always be perfect. To achieve this end, Illy Café makes an effort to improve every aspect of the quality standards, its production, its business processes, and its customer service.

The policy of collaboration is based on the need to nurture self-fulfillment and team happiness by respecting the dignity of local farmers and company co-workers particularly as respect is a core commonly shared value for all (Wilson, 2010). The company recognizes that its success depends on the skill and contribution of all collaborators and adopts a holistic ‘big-picture’ view of all its stakeholders that makes evident that success is subject to the commitment and expertise of each collaborator. Illy Café focuses on developing these stakeholders competencies through technical training in each sector while providing the necessary resources. Moreover, the company believes in creating a pleasant, stimulating, and safe working environment.

Illy places emphasis on the mutual benefits shared with its suppliers. The company fosters long-term collaboration and believes that only trust-based mutual relationship can guarantee quality. Illy Café provides the producers of green coffee with its acquired know-how and expertise regarding ways to obtain better-quality coffee, for which it offers a higher market price.

Successful collaboration only works if a long-term, mutually beneficial relationship is established (Tencati and Zsolnai, 2009). For Illy Café, this meant finding growers willing to join them in a virtuous cycle of sustainability based on an interdependent working approach.

For Illy sustainable development and quality are inseparable. To make the best coffee, one needs to use the best coffee beans. Illy quality begins at its origin, with its cooperative relationship with the cultivators, based on principles of respect that helps to achieve greater cohesion (Walker et al., 2010).

The company knows each and every one of its suppliers; educates and trains them to produce quality, while protecting the environment; purchases the high quality material that the suppliers produce, and always paying a price that ensures they gain a profit. Illy’s suppliers are very carefully selected. The transfer of know-how begins once the cultivators are selected. The company’s agronomists make every effort to transfer knowledge and techniques of cultivation, harvesting, and processing. This enables the growers to meet the high standards of quality required by Illy Café. Moreover, Illy Café, in conjunction with the University of São Paulo, has created the University of Coffee in Brazil, which offers both practical and theoretical courses for the producers.

Illy’s Café involvement in the arts has a long history and takes many forms. The company regularly makes contributions to the
creation and exposure of contemporary art, by supporting artists, institutions and international exhibitions. Illy collaborated with many contemporary masters including Michelangelo Pistoletto, Robert Rauschenberg, and Joseph Kosuth. James Rosenquist was the creator of the iconic white brushstroke-on-red square Illy logo. In photography, the company developed an ongoing collaboration with celebrated humanist photographer Sebastião Salgado who was chronicling the origins of the people in the coffee industry through extraordinary black and white photos (Fig. 1).

Illy Art Collection is acknowledged worldwide as a high profile cultural project. The core idea was transforming the coffee cup into a small work of art thus providing the cafe drinker with a more holistic, satisfactory and significant experience. For more than 20 years the project has elevated the pleasure of drinking an espresso into an experience that engages both the senses and the mind, affording the drinker with an 'empty space' where they can review and make sense of the true meaning of the Illy café drinking experience and its art (Wilson, 2015). More than 70 contemporary masters have contributed designs, each adorning the signature white porcelain Illy cup. The project expanded to another common medium, Illy’s own coffee cans (Fig. 2).

The concept of kalokagathia is at the heart of Illy’s functioning. This ancient Greek ideal refers to the “union of beauty and goodness in human perfection; an integration of the ethical and the aesthetic” (Illy Café, 2015) worthy to be admired. For Illy that pursues excellence in every facet, the search for beauty is not merely a nice and useful marketing exercise, but a cornerstone of corporate culture and decision-making.

4. The case of Brunello Cucinelli

Brunello Cucinelli is an Italian company which operates in fashion luxury. It was founded in 1978 by Brunello Cucinelli, who understood that colorful cashmere would be a real innovation in fashion. The Cucinelli brand is positioned in the so-called “Hard Luxury” segment. Brunello Cucinelli is a leader in the design, production and distribution of handmade sartorial collections and accessories (Fig. 3).

The philosophy of the company is represented by the quote from Dostoevsky “Beauty will save the world”. The founder, Brunello Cucinelli is guided by the Greek and Latin philosophy. Money is not considered by him as of ultimate importance. The principal goal is to enrich the spirit of culture and give sense and fulfillment to the persons without damaging the community and the natural environment.

Brunello Cucinelli’s appreciation is engrained in the heritage of superb artisan expertise and in contemporary design. All the Cucinelli products are characterized by a deep Italian appeal (manufacture only takes place in Italy and in particular in the region of Umbria) casted with superb quality: the maniacal attention to every detail transpires from the selection of the best raw materials to the high-skilled sartorial production.

Brunello Cucinelli’s environmental functioning relates to the conservation and restoration of the natural landscape and the historical heritage of Solomeo and the Umbrian countryside where the company is located. The Umbrian landscape has always been considered by Cucinelli as one of the main resources of his company. He decided to establish his company in the Solomeo Castle. Since 1985, the company has been involved in a continuous refurbishment of the castle and the restoration of the village of Solomeo. The work avoids any hard modernization in order not to violate the harmony of the Umbrian landscape (Fig. 4).

The Solomeo castle has become a touristic attraction, generating a positive overspill effect for the local community. The words of land ethics advocate, Leopold (1949) – “An act is right if it preserves...
As a humanistic enterprise, Cucinelli considers employees as the “ultimate good” and help the co-workers to fulfill their life. An application of this principle is the lack of strict time control. Cucinelli allows the workers to arrive at work when they want, giving to them the responsibility of managing their own work time. In addition, they are encouraged to leave the office early (around 18.00) in order to dedicate themselves to sport, cultural or familiar activities. To make the lunch break a pleasant moment that is relaxing and conscious of the social value of the meal, Cucinelli opened a restaurant-canteen where the employees can eat the Umbrian traditional dishes.

The company’s vision and strategy is shared with all the employees, who are involved in the management through trimestral meetings where they are updated about the company’s results and can make suggestions for decisions to be taken. Every year 20% of the company’s net profit is reserved for the employees, which is equally distributed without role distinction.

Brunello Cucinelli works with a wide network of façonists. The relationship with the façonists is not a conventional supplier relationship; rather it is a real partnership with cooperative growth in research, innovation and quality. To enter in the network, Cucinelli asks the façonists not only to respect the highest quality standard and procedures, but façonists requested to pay their employees adequately, and to provide certification in recognition of their respect for production standards and the environment. Cucinelli invites all the façonists to Christmas dinner every year, where he presents the results and the development strategies of the company. In the end, he greets the suppliers one by one and thanks for their continuous effort.

Brunello Cucinelli dedicates many resources to the restoration of the natural landscape and of the historical treasure of Solomeo. In addition, he enriches the place with some cultural initiatives. The Cucinelli Theatre is the result of Cucinelli’s passion for the arts. In addition, the Neo-Humanist Academy was created to offer the opportunity for studying the great masters of philosophy. With the consensus of the employees a part of the yearly net profit of the company is used to finance cultural initiatives.

In 2012 Brunello Cucinelli decided to go public, quoting 30% of the company in order to obtain more resources and to attract the best managers in Solomeo. Cucinelli did not try to convince the investors by focusing on the conventional arguments of efficiency and profit maximization. He invited investors into the Solomeo castle to show the culture of the company. In the first day the demand was 17 times greater than the offer of shares. The stock price has grown by around 250% of its initial value in two years.

The whole profit gained with the quotation, roughly 5 million Euros, was distributed among the 783 employees, who benefited by gaining 6400 Euros each. This gesture was Brunello Cucinelli personal acknowledgment of the employees in recognizing the role that they play in the life of the company. Rather than the American manager superstars, Cucinelli’ models are Socrates, Seneca, Saint Benedict and Saint Francis. He wants to maintain a genuine relationship with his people with the aim of improving the quality of life of the community.

5. Discussion

What is common in the two cases is that both companies transcend modern-day business metaphysics, which Heidegger (1978), perceives as “calculative thinking”, achieved by introducing more poetic approaches to produce art-based goods that give the customer holistic satisfaction.

This holistic approach can instigate questions such as how are these businesses able to capture meaning? (Ehrich, 2005). Such queries can bring to light the relevance of different aspects of the business and how this is perceived and integrated as whole. Moreover, such queries can aid the sense-making process and further understanding of the ethical approach adopted by these two businesses. This is demonstrated by Brunello Cucinelli that recognizes the role that employees play in the life of the company by sharing their profits with them. Illy adopts the same approach via recognition of the value placed on its business stakeholders such as its suppliers.

Such benevolence is not only a means for promoting business sustainability — but, is indicative of engagement with care, which requires recognition of the need for commitment to those if otherwise neglected, could threaten the very existence of a business (De la Bellacasa, 2011). This suggests much can be gained from building a network of mutual solidarity among business stakeholders, which arguably is demonstrated by these two companies.

Fafchamps (1992) made reference to the works of Judge Richard Posner, to contend that a mutual solidarity system can be maintained long-term if the presence of lasting relationships among the involved parties exists. Such relationships can be made more robust by being munificent, as acknowledged by the Global Monitoring Report (2014/2015) of the World Bank and the IFM. This report states that “economic growth will prove paramount, but, beyond growth itself we also need to ensure that all members of society share in the benefits of that growth”. This notion depicts Felber’s (2015), “wholly new vision for a humane economic model” namely, the Economy for the Common Good (ECG).

Felber (2015) purports that the ECG model should not be regarded as just an idea, but instead needs to be recognized as a rapidly growing international movement, which is a “detailed blueprint for a new way of doing business, a people-centered approach that could sweep away austerity, support human (and humane) development, repair our damaged environment, and utterly reorient our relationship to work and money”.

The Illy Café is not only known for its sustainability practices but also for its commitment to community engagement. Whilst Brunello Cucinelli’s principal goal lay at the heart of the enrichment of the spirit of culture in addition to providing a sense of fulfillment to humankind, all without causing harm to the community and the natural environment. Arguably, such a corporate focus could be deemed examples of good practice particularly when considering today’s environment, fraught with economic uncertainty that has triggered an onslaught of austerity measures.

Nonetheless, in order to achieve their high mission and purpose, Illy Café and Brunello Cucinelli capitalize on their commitment to environmental sustainability and social responsibility. In their case art is not an add-on element in marketing practices, but constitutes the spiritual core on which their business operates and flourishes. These organizations’ creative output, captures the essence of what their businesses represent thus giving them meaning.
The founder, Brunello Cucinelli is guided by the Greek and Latin philosophy. Money is not considered by him as of ultimate importance. The principal goal is to enrich the spirit of culture and give sense and fulfillment. In comparison, Illy Caffe’s guiding operational principles relate to a need to serve the cult of quality and all that it represents.

Table 1 summarizes the main characteristics of the discussed art-based businesses.

Illy Cafe and Brunello Cucinelli are not perfect organizations. Illy Cafe makes an effort to address the problem of reducing the environmental costs of the world-wide transportation of its products, but the results are limited. The critiques of Brunello Cucinelli believe the luxury products of the company targets only those who are super-rich therefore they are the only ones who can afford to buy them. Also, the paternalistic leadership style of Cucinelli may have a negative impact on the workers and the neighboring community.

6. Conclusion

In his Wealth of Nations Adam Smith famously stated: “It is not from the benevolence of the butcher, the brewer or the baker, that we expect our dinner, but from their regard to their own self-interest. We address ourselves, not to their humanity but to their self-love, and never talk to them of our own necessities but of their advantages.” (Smith, 1776; Book I, Chapter II, para 2).

Today’s business practices show that self-interest is not always beneficial for society. If we want to get high quality, ethical, and ecological products and services, we should address producers’ instincts other than their competitive self-interest.

Paul Shrivastava argues that economic actors need to develop passion for sustainability. In his view “Passion is the key to great accomplishments. We need passion to achieve sustainability. Passion is not random impulsiveness. It is deliberate and intentional, and it can be cultivated. There is method and intelligence in our emotions and passion. Passion for sustainability means engaging sustainability with mind, body and emotion. We have to go beyond understanding sustainability in our minds, to taking our bodies into nature, and engaging emotionally with ecological and social issues.” (Shrivastava, 2010)

Art can challenge business metaphysics and calculative thinking in a meaningful way. Further research will show how far business organizations can go in using the arts in business as a means for providing greater meaning and understanding of the business story. The most promising form is when “business integrates the arts in a strategic process of transformation, involving personal development and leadership, culture and identity, creativity and innovation, as well as customer relations and marketing” (Dansø, 2004; quoted in Naiman, 2015).

We think that the arts have a huge potential for transcending the dominant mainstream business models to serve the greater good of society and nature with passion.

References