

**GOOD COMPANY:  
FROM STRATEGY TO SHARING THROUGH ACCOUNTABILITY**

**PART 1**

*Francesca Grandi and Chiara Rubinelli*

1 – The establishment of Tessitura G & R

Tessitura Grandi & Rubinelli s.r.l. manufactures entirely-made in Italy medium/high-quality woven fabrics for shirts. It was officially established in 1992 by Remo Grandi and Ubaldo Rubinelli, even though its roots dated back to some years before in an encounter among the two founders. At that time they both were having negative experiences in the textile field, but thanks to these first contacts, once those experiences were over, Remo and Ubaldo decided to unite. They wanted to try to make a dream come true, a dream they both had been cultivating for some time: to create something in which people could work in the best way possible, serenely, in spite of problems and difficulties.

This dream had several dimensions: first of all the centrality of the person as founding element, then the wish to call into play one's own talents and experience, in order to involve all employees as well. A third facet of this dream is unity, in which the two owners have concretely gained experience: in fact, if at the beginning there could be some difficulties due to their different characters, after some time the two founders learnt to work together and unified their direction. The discovery of Chiara Lubich's thought then confirmed this path; especially her ideas on the economic life were appreciated, even without taking part in her movement.

Another important contribution was given by the association called U.C.I.D. (Unione Cristiana Imprenditori e Dirigenti, i.e. Christian Union of Entrepreneurs and Business Executives), which tries, in the Spirit of the Gospel, to put into practice, and give substance to, Christian Social Doctrine while promoting the principles of dignity, justice, universal destination of the goods, solidarity, subsidiarity, responsibility and humanity.

From the beginning the entrance of new members has been gradual, and little by little the dream has been coming true. Comparing previous work experiences made the two founders conscious that the new reality, though facing typical initial difficulties, was much more positive and fulfilling in results. This was due not only to the group's capability, but also to the awareness of doing one's job as a mission. This allowed everyone to learn from the others and grow through teamwork and mutual support.

From this new experience Remo and Ubaldo discovered their role as entrepreneurs in a field like the textile one in the Italian context, which characterized itself for being not very remunerative and already in crisis. For these reasons it was a matter of risking, going forward and aiming high, though keeping reality in mind.

## 2 – G4 actual organization

Board of Directors (G4) is formed by the two partners and two senior employees, who, in short time one after the other, joined this group with managerial functions. The two new members came from negative work environments too and the choice of being part of Remo and Ubaldo's group required a big change in their work.

The secret of the group is sharing at various levels: from the analysis of economic scenario to the strategic plans passing through development and investment prospects, personnel and price policies. Other important aspects are investment planning, staff plan and responsibility of each of the coordinated areas, including solving of any possible related problems.

If at the beginning G4 needed fixed schedule to meet, currently the group mostly meets in case of need. This result is due to the fact that sharing has become part of the work style.

## 3 – G8 actual organization

Along with the Board of Directors a managerial group of 8 people was created (G8): they contribute to the practical management of business, through the sharing of goals, problems and solutions.

Members of this group are people responsible for the following departments: production (2 people), customer service (3 people), marketing and development (1 person), accounting (1 person) and human resources (1 person).

Inside this group problems faced are clarified, as well as available resources for solutions. Members try to identify consistent and eventually corrective behaviours. This way of working allows the integration of operations on behalf of every productive department and the sharing of tips, ideas and assumptions in order to improve the efficiency of teamwork.

Some members of G8 share and manage everyday assignments personally, whereas other members manage operative groups - made up of the employees of their own department. As a matter of fact people in charge of production, customer service and accounting department transmit this style to employees that belong to their own work groups. Each department meets regularly to evaluate work done, point out problems, suggest any eventual necessary interventions, schedule activities and so on. This way, all decision making processes are based on groups, both practically and structurally. The result is that all decisions are deeply shared and responsively acted, without needing a general manager that collect all proposals and instances and decide about them.

G8 joins G4 forming G12. This group shares strategic choices - such as development policies of business - as well as successes and difficulties. Every member updates the others on the status of choices and activities that had been determined during previous meetings, on problems met and achievements reached. The priority-lines of action referring to each single department are defined and shared, as well as a dialogue on specific matters or problems that are linked to the company staff.

## 4 – Relations with the company's stakeholders

The key factor that enable sharing in the company's activity is the person. The person is the actual node of any economic and industrial activity, regardless of the played role: worker, collaborator, manager, customer, supplier, competitor.

### *Relation with the customers, agents, suppliers and subcontractors*

Sharing values and objectives and enjoying reciprocal relationships with clients at every level is the basis for manufacturing with a sense of purpose and satisfaction. Collections are created reflecting this way of working together.

A good part of our production consists of exclusive designs, which develop from the direct cooperation between the single customer and the company's designer. This way finished product isn't only the fruit of an offer, but also the result of a "reasoning" with the customer.

The great variety of our customers (some are very small, some other very big), could cause some difficulty in management, since their exigencies and requests are different. However, the service that is offered and the product quality are the same, for both small and big customers. Moreover the highest flexibility possible is offered to both of them; this flexibility is an integral part of the service personalization.

Another important element that is offered is the care in answering to the customer's requests, preferring to give a reply, even a negative one but immediate, instead of keeping the customer on hold.

Choosing transparency means offering fair prices to all kind of clients – just from the start. Relationship with customer is managed in cooperation with various agents. From them it is expected the closeness to the company in view and aims instead of commercial aggressiveness. This makes possible to work together basing on a common ground in order to decide on choices and strategies, taking into consideration the risk of possible commercial defeats.

Relationship with subcontractors is also relevant. They are not seen only as executors, but are entirely involved in the company's productive choices, obtaining all the reasons and explanations necessary for operations.

The company tries to develop this kind of bonds with its suppliers as well: in choosing them price is not the only decisive item, but much importance is given to a "special" partnership based on mutual faithfulness.

### *Relation with the personnel*

Two typical characteristics and strong points of the company are teamwork and the attention to the person.

In order to allow every employee to feel as a part of a wider project, the company favours the sharing of information and choices at different levels; not only are the necessary aspects for everyday work shared but also – however possible it may be – the company's strategies.

This view is shared by most employees, who therefore feel as an active part of the company. A certain disagreement can be met above all among people coming from different working experiences.

One of the fruits of this way of working is the development of a positive influence among the employees; it is completely spontaneous and helps create a good work environment.

The contribution that everyone can make to the others finds one of its expressions in the sharing, inside G8, of any very concrete problem connected to the employees. This enables any member of the group – also the ones who aren't concerned directly – to be informed and be able to offer any suggestions and help to solve the case.

The person's centrality implies that though each worker is part of a work group, he/she has all the instruments necessary to work autonomously. In this way the employee takes full possession of his/her own role, perceives the responsibility of carrying it out well, faces it with spirit of sacrifice and has the opportunity of increasing his/her own professionalism.

This has allowed, in the course of time, the emergence of professional figures - managers too - favouring internal growth.

These people have a complete vision not only of the role they have been able to carry out, but also of whole productive chain - and the company organization in general - so that they are able to act as mediators between the exigencies of single worker and those of company.

Another consequence of importance given to the person's centrality is the way most difficult "cases" are faced. The usual procedure is not to cut off the relation, but to give time and instruments to the worker, through a delicate mediation between understanding and determination, in order to solve his problems.

The attention to the person finds expression also in the company's contract policy: we usually prefer to use indefinite contracts, and when a woman is absent due to pregnancy and motherhood,

she keeps in contact with the company and once she comes back to work, she feels valuable because either she finds her own job again or she is involved in any job changes.

The attention to local community is expressed in both the creation of good relationships with the local authority and the choice of favouring, when hiring a person, people that live near the company.

#### *Attention to security and environment*

The person's centrality may also be perceived in the company's special attention to security, especially the way plants and machines are arranged, and the creation of a comfortable and person centred setting.

A special attention is given to work environment; for this reason, when the company moved to its current site, it was immediately decided, in spite of the costs, to offer a safe and comfortable place thanks to the choice of colours, the layout of spaces, the creation of the company's canteen, the furnishing style and the attention to cleanness.

#### *The value card*

These are roots of manager staff experience, who elaborated a value card describing their business style, ideas and values by confronting with Board of Directors, so that business experience becomes qualifying for all.

As first step this card has been presented and given in personal copy to all employees; later all employees have been involved in training groups to share ideas, ways of living and concrete proposals to make all described value continuously acted.

In everyday working life we can specially trust the "older" group - 20-25 people - putting this way of working into practice, trying to make the newcomers feel part of the company.

#### *"Miscellaneous issues"*

From the basic approach emerging from the value card, some solidarity projects develop at Christmas and in case of sudden emergencies.

At Christmas the company offers every employee an unassuming gift, in order to assign a sum of money in favour of two projects: one to some missions in developing countries and the other to local voluntary associations.

Generally there are two times in the course of the year (at Christmas and Easter), when everybody stops their work and all the team gathers together. These occasions aren't just meant to exchange wishes and to celebrate, but they can be useful also to put into practice sharing, which is at the basis of the value card.

Normally, during the meeting at Christmas, all employees receive a short update regarding the company's progress and the staff.

The same principle gives rise to extraordinary meetings in order to share important choices that the company has put or will put into action, such as the handing out of the value card, the visit in the new seat and its inauguration.

An event that is repeated every year is the company's trip, in which most part of the employees takes part, together with some relatives.

## PART 2

*Elisa Golin and Giampietro Parolin*

**“doing strategy is like learning biking  
while bike is invented”**

*Igor Ansoff*

### From reality to concepts

We met Tessitura Grandi & Rubinelli a few years ago and started walking together, through a consulting service, to discover and share with all employees a way to be what we're calling in this meeting, a Good Company. In fact G&R was already a Good Company but it had grown up, and all people, specially whom had accepted a managerial responsibility, had to participate intentionally to the company culture and choices.

As a matter of fact being a good company is mostly an intentional process: it is first of all, as we've seen, an entrepreneur intentional way of managing his business. And it becomes a managers matter when management is appointed and has to share business corporate culture.

From our point of view the interesting contribution of this business case is the fact that they have taken inspiration both from CST and state of art management techniques complicating and enriching the unique process, that goes from defining specific objectives to be included into corporate strategy, to breaking them into planned actions and accountable outcomes to be shared with people involved in value creation.

In the case of Tessitura Grandi & Rubinelli it is concretely shown how CST, though theoretical and oriented to general principles, can give a broader and deeper perspective to business action when put in dialogue with pragmatism management approaches.

There are some keywords, and it's easy to figure out the source, that can help us in focusing the way it has been chosen to make people feel and experience a good company, before accounting the effects:

- Community, as company identity experience
- Subsidiarity, as a process to valorize, exploit and make effectively integrated internal, personal and professional resources
- Solidarity, as capability to respond to internal and external needs.

### Community

A typical idea of the CST is that of the job community, the opportunity for people working together to build and to experiment the dimension of community.

Christian community is characterized by dynamics of ideal and material sharing, sense of affiliation, decisional share that CSR has certainly focused with objectives and different names.

The center of each community is the recognized value of every person, bringing her/his resources in the working context that assumes and entire meanings by law and of duty.

Accepted that community is a context where the person can find realization and fullness, in this meaning the Good Company finds its fundamental identity.

This idea reminds us Barnard's "conditions of communion" as (...) the feeling of personal comfort in social relations that is sometimes called solidarity, social integration (...)<sup>1</sup>

It seems to us that the experience of an intentionally application of CST inside a company can spread important ideas that CSR hasn't developed yet. Specially we can think to most recent

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<sup>1</sup> Barnard C., (1938), *The functions of the executives*, Harvard University Press, Cambridge, MA

HR management methodologies, as teamwork, internal accountability, empowerment ... each of them assuming the person as a center of working processes.

These aspects are very important for people well being, but also in reaching business effectiveness and efficiency: they are rarely mentioned by CSR literature, where external consequences or inside unfair behaviors are much strongly emphasized.

In G&R company participation is at the same time means and motive: all people engaged towards common good, nobody excluded. That's why fundamental activities are circulating information, listening system, involvement ... with interesting consequences both for knowledge management and productive processes innovation as for the comprehension of job importance, meaning and sensemaking.

Sensemaking is a relational process based on retrospection (reading after – ex post action): accordingly to this concept people build in common meanings, images and concepts in the continuous flow of action and reflection. "Sensemaking is possible only retrospectively to action. Retrospection is originated and nourished from memory of actions done together and kept in life by storytelling."<sup>2</sup>

That's why sharing initiatives and organizations structured by processes are not fancy ideas: in fact they are meaningful organizational experiences spreading around to respond both to needs of people operating in organizations and to challenges economic world actually demands (just think about the issue of knowledge sharing).

An organizational environment that welcomes this perspective "is a communicative context, in which knowledge is a generative process and not just a question of possession, connected with experience. Men and women, belonging to the organization, build together themselves and their organizational worlds, through their cognitive relationships."<sup>3</sup>

### Subsidiarity

Subsidiarity is a typical idea of CST for the human arrangement, probably welcomed nowadays more from the political dimension than from that socioeconomic one: in the economic and business context, in fact, it has direct impact with the efficiency and the order that hierarchy seems somehow to guarantee.

Subsidiarity asks in fact delegation and responsibility break down processes, together with distribution and diffusion of decisional power. Such way of organizing asks for a surplus in the ability of, specially by managers and executives; it demands an effective listening system, where all people can have voice in sharing their ideas, proposal, and problems or difficulties; it requires investing time for team working either at the top either at a line level, in order to guarantee that decisional decentralization is consistent with business strategy.

Undoubtedly this proposal allows to mobilize and increase the value of all company resources, to spread both the business vision and effectively realize the operational objectives. This way makes efficient the investment done in communication, coordination and team-working: a decentralized power improves the ability of prevention of different problems and requires less time for resolution, it sustains processes innovation and it stimulates knowledge sharing.

Obviously many issues about internal working conditions are managed in advance by subsidiarity orientation, preventing all kind of unfair exploitation, mobbing, promoting instead dignity, participation, listening. This way, management can really take care of creating Barnard's conditions of communion, letting people looking for solutions, promoting bottom up actions rather than stopping them, helping whenever necessary.

This happens in G&R each time G4 abstains from decision G8 can take, helping to reach the solution and sustaining the working team by G12.

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<sup>2</sup> G. Varchetta Soggetto e Istituzione: tracce di una prospettiva combinatoria, 1999, PSYCHOMEDIA Telematic Review, paragrafo n.5

<sup>3</sup> Idem G. Varchetta, paragrafo 4.1

## Solidarity

Openness and sensitiveness of heart, towards our own brothers, are typical ways of Christian engagement: in the economical field, they concretize in material and immaterial sharing.

A company takes often origin by a sharing experience: sharing ideas – about mission and vision -, sharing capitals, sharing competences and skills – the operative and theoretical knowledge supporting the core business. It is a sharing experience the exchange between workers' expertise and the company salary, moreover when job engagement improves employees / people quality of life.

Subsidiarity principle can promote solidarity inside company organization, sharing decisions and experiences or supporting mutual help among workers – we can think about job flexibility to balance job loads and efficiency.

Sometimes the seed of solidarity is specifically and explicitly defined by company roots, so that it becomes both for entrepreneurs and employees an “opportunity to live the communion with others, an effort to invent and realize social-economical projects to promote a fairer society and a more humane world”<sup>4</sup>.

Fall downs are inside and outside company: when external solidarity is authentic – and this is the difference from cause related marketing - , an equity and sobriety stile supports it, both in managing employees as distributing profits, managing suppliers and clients, as in relation with the ones helped by solidarity. By this behavior, company really participate to the invite of globalizing solidarity.

This process can give value to company concealed cultural roots and rediscover its identity. Corporate culture is effective only if it is explicit inside an organization and their members consciously share values, styles and typical or expected behaviors.

## Methodological key

We have said before that G& R was already what we call a Good Company: it was for the reasons of its birth, the values of ownership and management, the institutional and managerial priorities strongly pursued and evidenced. We synthesized this business way in the 3 key words before reasoned on. The key by which we have helped them to spread and to structure in the business management the development of such identity is that of the rainbow, with a methodology we called RainbowScore.

Business and his basic dimensions are conceived as a rainbow, that is a unique and rich phenomena: through seven colors frame we describe seven life and business macro-aspects and an explicit value creation structure – both stock or flow - from which we can take inspiration for effective strategies, managerial methodologies, accounting and reporting

It emphasizes and make understandable all forms of wealth produced, whenever they're supported by an ethical or ideal motif.

Red is financial capital, so that we can emphasize financial success as profits, their amount, distribution and added value division, together with:

- effectiveness,
- finance turnover for each product and business market placement,
- the concrete ability in new job opportunities,
- and finally solidarity dimension - inside and outside the business.

Orange as relational capital consider real or potential ensemble of business internal and external relationships, that allows to identify all business stakeholders, reporting to:

- market development, through client satisfaction
- productive contest, with suppliers and business partners

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<sup>4</sup> Compendio DSC

- local community and civil society where business operates
- social and intercultural dimension.

Yellow is corporate culture whose importance CSR has surely evidenced.

Some key issues can be:

- definition of distinctive elements of corporate culture, strategically and operatively, to discover the company roots;
- actions taken for sharing these principles and training people involved in business life, considering values a part of this life;
- attention to substantial transparency and legality.

Green as social and environmental quality consider what allows well being in company, representing somehow an health index, both welfare and wellbeing.

Focus points in programming and accounting can be:

- psychological and physical wealth protection inside the company
- work climate analysis, expressing relational quality among people working together
- environmental impact
- business and products quality certification
- social capital production.

Blue correspond to human capital and working community, as the organizational setting.

Dimensions of this aspect generating added value inside and outside business are:

- infrastructure and organizational processes
- working community, composition and way of growing
- work places, context setting and facilities
- corporate image.

Indigo is intellectual capital, including education, training and innovation.

Many ways fit in increasing intellectual capital:

- each knowledge sharing experience, where sharing acts bring the development of what is shared;
- all networking forms (i.e open space settings can help)
- training activities, both spontaneous and structured

Violet is, finally, communication, meaning in its etymology “put in common”, not only in informative sense related to exchange, but also in its deeper meaning that allows information become operational, eventually introducing new behaviors.

Communication and information quality can be promoted and evaluated by considering:

- internal dialogue forms and frequency
- partners and employees participation to business life
- outside communication activities.

By this seven colors reporting key we can better understand the reasons of business success and suggests actions to improve it. Meanwhile inner connection among various aspects make manufacturing processes and relational dynamics comprehensible.

Giving to every aspect a value in itself gives the chance to consider every single aspects an entry point to develop all others. Because since in Rainbow seven colors are the same light, inside businesses all choices, all events, all problems are integrated and inter dependent on each other. If we look to them, and we manage them considering on the whole, we can make the experience of business harmony, and all components are involved to make business productive and bright.

## Conclusion

Nowadays economic world and particularly businesses face many challenges, in a perspective made dark and uncertain by globalization and recession. In this context being a good company could seem a further challenge adding more constraints. Meanwhile this same choice can be a further opportunity as source of sustainable competitive advantage.

CSR is more pragmatical and almost immediately applicable to corporate strategy when CST is more theoretical and oriented to general principles. The latter can give a broader and deeper perspective to business action.

This way company can be a natural place for dialog between CST and CST when entrepreneurs and managers try an implementation, involving naturally other stakeholders in a path that asks cultural mediation and language tuning.

We know that stating values and objectives is not enough. An objective must be checked and its attainment is verified in relation with effects on other objectives. This path integrates leadership and management through accountability, step by step as we've learned from G&R business case.

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