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Social Entrepreneurship and Corporate Architecture: Evidence from Italy

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Social Entrepreneurship and Corporate Architecture: Evidence from Italy

Abstract

Purpose

This paper examines the contribution of corporate architecture to social value creation. It especially analyses the social effects of investments in experiential corporate architecture that have been carried out by Italian industrial companies.

Design/methodology/approach

This study follows a qualitative approach. It is based on a survey and semi-structured in-depth interviews undertaken with six Italian industrial companies. The dimensions of the social-entrepreneurship model (innovativeness, proactiveness, risk management) proposed by Weerawardena and Sullivan Mort were chosen as a framework to investigate the social effects of investments in corporate architecture.

Findings

The social effects of the innovativeness dimension are the integration of the company with the territory and development of sustainability. Proactiveness is related to improving the employees' wellbeing in the workplace and the community's quality of life. Risk management ensures the development of the local economic-social fabric.

Theoretical implications

This study combines social entrepreneurship and corporate architecture by highlighting the social effects of corporate architecture. Further, it proposes the structural embeddedness of the company in the territory of reference, a sense for beauty, and a sense of gift giving as further entrepreneurial traits that are generally not proposed in the social entrepreneurship literature.

Practical implications

The results of this study suggest that top management should consider: a) that investments in corporate architecture are a deliberate strategy of the company; b) that profits are not a purpose in and of themselves, but rather a means to achieve the social mission's objectives; and c) the relationship with architects in terms of mutual involvement in order to understand corporate and local needs and effectively transform them into appropriate architectural solutions.

Social implications

Corporate architecture can help to solve a number of social problems, such as improving the community's quality of life, providing employments opportunities, allowing the community to benefit from places of socialisation and aggregation, and offering facilities and services that support culture and encourage cultural exchange. Given that the social benefits are reciprocal, all stakeholders should financially support companies that invest in corporate architecture.

Originality/value

To our knowledge, this is the first study to connect social entrepreneurship and corporate architecture. This research brings to light some Italian industrial companies that are investing in corporate architecture to create social value in the twenty-first century, after the pioneering investments of the Olivetti company.

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Introduction

Social entrepreneurship has emerged as a topic of primary importance among scholars within the past three decades (e.g., Dees, 1998; Austin et al., 2006; Weerawardena and Sullivan Mort, 2006; Miller et al., 2012; Acs et al., 2013; Phillips et al., 2015). However, despite this increasing attention, there is a lack of a unified and clear definition of social entrepreneurship (e.g., Peredo and McLean, 2006; Short et al., 2009; Dacin et al., 2010; Hill et al., 2010; Choi and Majumdar, 2014). Generally, social entrepreneurship is understood to be the process through which entrepreneurs follow a social mission (e.g., Dees, 1998; Mort et al., 2003; Baron, 2007; Nicholls, 2008), which can be expressed in terms of social change (Mair and Martí, 2004), social transformation (Roberts and Woods, 2005), social value creation (e.g., Dees, 1998; Austin et al., 2006; Peredo and McLean, 2006; Weerawardena and Sullivan Mort, 2006; Zahra et al., 2009) or social impact, and that aims to address social problems and needs (e.g., Thompson, 2002; Mair and Martí, 2006) or create social rather than personal and shareholder wealth (Zahra et al., 2009). Given that the activities of this process have to combine 'resources in new ways' (Mair and Martí, 2006, p. 37), developing new solutions is fundamental to the creation of opportunities for generating social value. Social entrepreneurship can be found in non-profit, business and governmental industries. With specific regard to the business world, innovative corporate architecture (i.e., corporate buildings and headquarters) is one of the least examined aspects from a social entrepreneurship perspective.

During the nineteenth century, corporate architecture reflected the principles of the industrial revolution. It primarily followed a utilitarian style by embodying the principle of 'form follows function', which was proposed in 1896 by American architect Louis Sullivan. In this sense, functionalist architecture is fundamentally rational; it presents simplified and proportional forms, and horizontal and vertical lines (e.g., Raffelt et al., 2013). Gradually, the economy's transition from production to consumption and the Bauhaus German movement revolutionised the architecture world by emphasising aesthetic expression, symbolism, the use of eclectic forms and levels of architectural elaborateness. This change 'from function to form' (Klingmann, 2007) is called 'experiential architecture' (Raffelt et al., 2013, p. 202). Renowned architects and designers such as Walter Gropius, Adolf Meyer and Mies van der Rohe were significant in this regard. In 1911, the Fagus shoe factory in Alfeld on the Leine in Lower Saxony, Germany, revolutionised its dark, gloomy, closed and isolated buildings by using glass that was supported only by narrow brick mullions in order to establish an unprecedented sense of openness and continuity between the inside and the outside (Pevsner, 1949). Subsequently, during the twentieth century, a number of industrial buildings were constructed on the basis of this architecture logic and became milestones of corporate modernism (Leslie, 2011). Examples include the Regional Enterprise Tower, formerly known as the Aluminum Company of America (Alcoa) Building, in Downtown Pittsburgh, Pennsylvania, in 1953, and the Owens–Corning Fiberglas Tower in Toledo, Ohio, in 1969.

A significant example of Italian investment in corporate architecture that is closely related to social entrepreneurship is that of Olivetti, a manufacturer of typewriters and machine tools whose plants in Ivrea and Pozzuoli became an integral part of their communities. Following corporate social responsibility principles (e.g., Carroll and Shabana, 2010), the entrepreneur Adriano Olivetti ensured respect for the company's production plans and, at the same time, contributed to improving the wellbeing of its employees and the quality of life of the local communities (e.g., Sciarelli and Tani, 2015). He especially invested its profits in the design and construction of an urban landscape of modern, spacious and comfortable factories along with high-quality, light and airy residential units surrounded by gardens and fountains (e.g., Semplici, 2001). As Olivetti argued (Novara et al., 2005), beauty is a tool for exalting

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humanity. His initiatives were supported by the active collaboration of intellectuals, architects, town planners, industrial designers, sociologists, psychologists and writers from around the world (Gabetti, 1977; Astarita, 2000; Olmo, 2001). This Italian best practice enabled the creation of social value through industrial companies' investments in architecture. There has been a lack of analysis on the experiential corporate architecture of industrial companies of the twenty-first century and how it can help create social value.

In an attempt to overcome this research gap, this paper aims to examine the contribution of corporate architecture to social value creation by especially analysing the social effects of investments in experiential corporate architecture that have been carried out by Italian industrial companies since 2000.

The paper is organised as follows. First, a literature review examines corporate architecture and social entrepreneurship by highlighting the lack of specific managerial studies that relate these two research streams. The research method is then presented, followed by a discussion of the results of this study and their theoretical, managerial and social implications. Finally, we conclude the paper with a discussion of the study's limitations and possible directions for future research.

Literature review

Corporate architecture in the managerial literature

In addition to the external shape of corporate buildings and company headquarters, corporate architecture includes physical aspects such as (Berg and Kreiner, 1990, p. 42): a) 'interior design', which refers to the inside of buildings, including space layout, colour choices and furniture; b) 'visual identity', which is related to all forms of visual material, such as logos, office design, colours and uniforms; and c) 'corporate design', which is associated with products, buildings and settings.

With specific regard to the managerial literature, studies of this issue can be found in the following research fields: organisational, strategic management, marketing and communication, and brand management.

In the organisational field, scholars have examined corporate headquarters in terms of both spatial settings for work (e.g., Clegg and Kornberger, 2006; Higgins et al., 2006; Dale and Burrell, 2008) and tools of organisational change (e.g., Kornberger and Clegg, 2004; van Marrewijk, 2009). In addition, architecture and interior design have a profound effect on human behaviour and performance in terms of productivity, efficiency and creativity (Berg and Kreiner, 1990).

In terms of strategic management, corporate architecture is studied as an important part of the corporate profile and strategy. It combines 'employees around a common goal and vision' and physically embodies 'an organization's history and values' (Hancock and Spicer, 2011, p. 94). When corporate buildings 'reflect the purpose of the business and encourage important work relationships, they can become significant elements of corporate strategy' (Seiler, 1984, p. 111). By means of the design of the main social areas through which people pass or come together during the day (e.g., a large hall or glass-covered courtyard), corporate buildings can embody the corporate soul (Olins, 1978; Seiler, 1984) and allow employees to feel the strength of the corporate community – the 'we-spirit' (Berg and Kreiner, 1990). Further, corporate architecture is important for the development of corporate competitiveness in terms of strategic positioning and differentiation from competitors (name deleted to maintain anonymity in the review process).

From the perspective of marketing and communication research, corporate architecture contributes to creating corporate identity (e.g., Schmidt, 1995) and corporate image (e.g.,

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Melewar et al., 2005), as well as communicating brand identity (e.g., Kirby and Kent, 2010; Raffelt et al., 2013). In particular, architecture is closely related to corporate visual identity (e.g., Melewar and Jenkins, 2002; Melewar and Karaosmanoglu, 2006) and corporate sensory identity (Bartholmé and Melewar, 2009) which in turn are key factors in conveying the identity of an organisation to internal and external stakeholders. Pioneers in corporate identity design include the Olivetti SpA typewriter manufacturer, founded in 1908 in Italy, and the AEG turbine factory, built circa 1909 in Germany (Jorda-Albinana et al., 2009). In addition to the design of corporate buildings, landscaping 'is integral to the symbolic production of architectural space and organizational identity' (Hancock and Spicer, 2011, p. 95). From a historic perspective, Leslie (2011) highlights how a signature building such as the Alcoa Building or the Fiberglas Tower (USA) can be 'a revealing corporate memoir' because a corporate headquarters says 'who we are', 'what we do' and 'how we do it'. That is, a building speaks of its function and meaning (the concept of 'architecture parlante') by providing 'prestige, visibility, and a sense of collective identity' (Leslie, 2011, pp. 1-2). A number of scholars argue that buildings can communicate a company's management philosophy by means of a visual image of its organisational structure (Steele, 1973). In some cases, corporate image is reflected by a corporate architecture that symbolises the characteristics and quality of the goods and services it produces and sells (Berg and Kreiner, 1990 proposed the approach of corporate building as packaging). Balmer and Gray (1999) find that corporate architecture often helps people to recognise a company and position it in their minds; in this way, its architectural image coincides with its corporate image (Melewar et al., 2005).

Lastly, a recent research stream has focused on the relationship between corporate architecture and the communication of brand identity by emphasising how architecture reflects the brand (Bahamón et al., 2009) in terms of design and visual appearance (e.g., Kirby and Kent, 2010). More precisely, there is a relationship between corporate architecture and brand image and personality because design elements contribute to forming brand beliefs and strengthening the brand (e.g., Raffelt et al., 2013).

This study analyses corporate architecture from a social-entrepreneurship perspective by examining the contribution of corporate architecture to social value creation.

Social entrepreneurship

Despite receiving increasing attention from practitioners and scholars, the concept of social entrepreneurship is still not clearly defined in the literature because of the wide diversity of approaches to the issue (e.g., Short et al., 2009; Bacq and Janssen, 2011). Most academics have tried to provide a definition, as shown in Table 1. The term 'social entrepreneurship' is essentially used to describe activities that combine entrepreneurial purpose with social goals on the basis of innovative approaches to achieve a social mission.

As a single accepted definition is not possible, social entrepreneurship has more recently been understood as an internally complex concept (Choi and Majumdar, 2014), multi-faceted phenomenon (Bacq and Janssen, 2011), or multi-dimensional model (e.g., Nicholls and Cho, 2008; Weerawardena and Sullivan Mort, 2006). Choi and Majumdar (2014) suggest that five major components of the concept are social value creation, social entrepreneur, social entrepreneurship organisation, market orientation and social innovation. Bacq and Janssen (2011) compartmentalise it into the following sub-categories: social entrepreneur, social entrepreneurship organisation and the process of social entrepreneurship. Nicholls and Cho (2008) propose sociality, innovation and market orientation as three key dimensions of the concept. With specific reference to non-for-profit organizations, Weerawardena and Sullivan Mort (2006) develop a multi-dimensional model of social entrepreneurship that includes innovativeness, proactiveness and risk management behaviour. These three key dimensions

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are constrained by environmental dynamics and the desire to achieve the social mission and maintain the organization's sustainability.

Another way to define social entrepreneurship is to outline the individual figure of the social entrepreneur. Scholars essentially argue that social entrepreneurs present the following traits (see Bacq and Jassen, 2011): a) they are social innovators (e.g., Sullivan Mort et al., 2003; Peredo and McLean, 2006; Nicholls and Cho, 2008) who adopt a visionary and innovative approach (e.g., Bornstein, 1998; Roberts and Woods, 2005); b) they have a strong ethical fibre, which is characterised by leveraging the resources necessary to achieve their social mission (e.g., Bornstein, 1998; Catford, 1998); c) they show a particular ability to identify and exploit opportunities (e.g., Catford, 1998; Dees, 1998; Thompson et al., 2000; Sullivan Mort et al., 2003; Peredo and McLean, 2006; Tracey and Phillips, 2007); and d) they play a key role as 'society's change agents' (e.g., Sharir and Lerner, 2006; Chell, 2007).

There is a consensus today that social entrepreneurship is not only limited to the not-for-profit sector (Mair and Noboa, 2006), but it also includes not-for-profit organisations in search of funding strategies through business initiatives (e.g., Lasprogata and Cotton, 2003) and businesses conducting philanthropy or focusing on activities that are closely related to social objectives (e.g., Reis and Clohesy, 2001; Austin et al., 2006; Zahra et al., 2009; Dacin et al., 2010; Acs et al., 2013). Further, an increasing number of for-profit businesses are using innovation to meet the needs of customers and communities and address their problems (Dees, 1998; Martín and Osberg, 2007).

Social value creation can occur anywhere along a continuum of commercial to social entrepreneurship (Austin et al., 2006) or not-for-profit to for-profit organisations (Brooks, 2008). Thus, regardless of the company's nature, social entrepreneurship can be understood as the process through which it is possible to create a shared value 'which involves creating economic value in a way that also creates value for society by addressing its needs and challenges' (Porter and Kramer, 2011, p. 64). Further, 'businesses create shared value when they can make a profit – create economic value – while simultaneously meeting important social needs or important social goals like improving environmental performance, reducing problems of health, improving nutrition, reducing disability, improving safety, and helping people save for retirement' (interview of Porter, cited in Driver, 2012, p. 423). To achieve a social mission, it is important that the innovative approach (e.g., Peredo and McLean, 2006; Luke and Chu, 2013) be understood as the carrying out of new (incremental) ideas, activities and services (Mulgan, 2006) inspired by the goal of creating a social change. Considerably less attention is paid to forms of innovation that can solve social problems and are not adequately met by the local public system.

In this paper, we follow the social innovation approach to social entrepreneurship by examining the contribution of corporate architecture to social value creation. Adopting this approach allows us to focus on the possible links between social entrepreneurship and corporate architecture.

Research method

Research design

This study follows a qualitative approach. Our research is based on a survey and interviews undertaken with six Italian industrial companies to investigate the social effects of the investments in experiential corporate architecture made by these companies. The use of these methods enables a holistic understanding of respondents' experiences that could not be achieved otherwise (Kulik et al., 2012).

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Sampling and data collection procedure

A purposive sampling approach was employed in this study. This sampling method includes the conscious selection of a small number of data sources that meets specific criteria. We developed a contact list of 104 companies operating in secondary and tertiary industries, read their corporate websites and set some selection criteria (Table 2 presents a description of the sampling and data-collection procedure). Thirty-two industrial companies were identified as eligible targets.

Using the tailored design survey method (Dillman et al., 2009), representatives of the 32 companies were contacted and requested to complete an email survey. The email contained a cover letter and a brief questionnaire. The cover letter clearly described the purpose and nature of the study, explained why the respondent's opinion was being sought, and informed the respondent of his or her right to participate or withdraw at any time during the research. The questionnaire presented in Table 3 was aimed at understanding whether corporate architecture is a tool that can create social value. Of the 32 companies, 18 communicated that they were not interested in participating in the research because of their corporate policy, discretion or lack of time. Thus, 14 questionnaires were yielded; however, given that eight companies had not actively contributed to creating social value and had not fully subscribed to the purpose of the study, there were six usable questionnaires (response rate of 18.75 per cent).

After the survey was conducted, we proceeded to set up appointments for semi-structured in-depth interviews with each respondent company to obtain detailed and personal views and experiences of each interviewee in accordance with the purpose of this research. Table 4 lists the profiles of the six companies considered. On the basis of time and the availability of the interviewees, we conducted telephone interviews. This meant that we could not capture human emotions; however, it decreased the risk of the interviewer affecting the interviewees' responses (Silverman, 2011). Each interview lasted from 45 to 100 minutes. The interview protocol is outlined in Table 5. To clarify and verify information, we adopted two types of triangulation (Jack and Raturi, 2006): (1) comparison of the interview data with those in other articles and secondary sources (data triangulation) to strengthen the research findings and corroborate the data; and (2) interviewing of multiple observers (entrepreneur, manager and architect) (investigator triangulation) to overcome common problems related to single-source bias.

Data analysis

Table 6 presents a detailed description of the three-step data-analysis procedure. The interviews were audio recorded and later transcribed and checked for accuracy. To examine the data, content analysis was undertaken (Stemler, 2001) via Qualitative Solutions and Research (QSR) NVivo 10 software. The coding of themes was inductively carried out (Saldana, 2009) in relation to the study's purpose to examine the social effects of corporate architecture. The effects emerged are proposed by means of an analysis model identified within the social entrepreneurship literature (Table 7). This study especially employs the multi-dimensional model elaborated by Weerawardena and Sullivan Mort (2006), which involves the three dimensions of innovativeness, proactiveness and risk management. Although this model was conceptualised for non-for-profit organizations, we decided to utilise its key dimensions for three reasons: 1) clear and exhaustive social entrepreneurship models for for-profit companies are missing in the literature; 2) the social entrepreneurship concept is understood as behavioural conceptualisation (e.g. Sullivan Mort et al., 2003) deriving from the for-profit domain of entrepreneurship (e.g. Covin and Slevin, 1986); and 3) these dimensions capture and emphasise the behavioural characteristics and strategic decisions of for-profit industrial companies that were investigated in this study.

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Analysis and discussion of the results

Innovativeness

For the industrial companies interviewed, innovativeness is an important way of addressing social needs by developing new and creative solutions. It emerged in a number of corporate strategies aimed at creating social value.

In particular, making production activities visible to stakeholders by means of corporate buildings is an innovative strategy of corporate identity and image communication. The companies considered for this research have created visual coherence between the product sold and the architecture (in alphabetic order): a) Bolle of Ditta Bortolo Nardini expresses the idea of the transmutation of matter ('distilling means imitating the sun that evaporates water from the earth and returns it in the form of rain'), the weight of the soil and the volatile lightness of alcohol (Figure 1); b) GreenLab of Kerakoll recalls animal and plant-like figures and evokes historic images of the kilns formerly used to make the lime and ceramics that the area became famous for (Figure 2); c) Piquadro recalls a series of continuous tracks that seem to move on the ground by creating a parallel with industrial production, like designer objects (Figure 3); d) Sonus Faber has the shape of a violin (Figure 4); and e) Tessiture di Nosate e San Giorgio reproduces the idea of the composition of the tissue in terms of tight interlacing between warp and weft (Figure 5). Differently, Oberalp/Salewa have created visual coherence between the product sold and the place of design by creating a corporate building that resembles a mountainous mass in shape (Figure 6).

Corporate buildings can also be an innovative source of the promotion of entrepreneurial culture within the local and global communities. Ditta Bortolo Nardini highlighted this:

> *Bolle is a new style of authoritative and uncompromising architecture that transmits a powerful message designed to emphasise the profound connection between the territory and entrepreneurial culture. Bolle was created in order to extend an awareness of the world of distillates and liqueurs: the interior hosts a research laboratory and quality control centre, as well as an auditorium in which to receive customers and an ever-growing number of visitors.*

In some cases, the local community proudly recognises the innovative role of the company in developing social value creation activities in the territory, as explained by Kerakoll:

> *GreenLab is considered by stakeholders as an important research center for the Green Technology development, a sort of flywheel for businesses of Emilia Romagna, because it has given visibility and development opportunities to the ceramic district of Sassuolo. It aims to be the reference laboratory at the service of the district and to continue successfully to cooperate from the technique point of view with larger groups of ceramic industry for the development of innovative solutions.*

Some companies interviewed have become an identifying symbol of the territories in which they operate as a result of corporate architecture. In this sense, some corporate buildings contribute to creating a 'feel-good factor' (Thompson et al., 2000) by means of generating artistic and aesthetic capital.

This aspect is not a signal of isolation and closure in the territory in which the company operates, but rather the desire to promote corporate skills and consequently the territory that has allowed their development. Piquadro highlighted this in the following excerpt:

> *The opening to the world, interest in the technology, the love for the functional aesthetic and design, but above all the 'Italian factor', i.e. to be aware of indisputable excellence in creativity, are our points of reference. Hence, the decision to invest in Italy, in this new factory is at the forefront*

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> *in technological and architectural terms. A corporate building that reflects the corporate values is both global and local.*

Other innovative entrepreneurial actions can be aimed at resolving sustainability problems. In particular, corporate architecture allows sustainability to develop in terms of nature and ecology, economic transparency and social activities. As stated by Oberalp/Salewa:

> *One example that meets all three fields of sustainability are the solar panels installed on the roof of Oberalp/Salewa, which make the corporate building completely autonomous and drastically reduce CO_2 emissions. In other words, the building is eco-sustainable in terms of energy saving (the number of solar panels used on it is a record for South Tyrol), but also in terms of its environmental and social impact on the territory as a whole.*

The interviewees primarily outlined their commitment to choosing architectural innovation solutions (i.e., energy efficiency, photovoltaic system, water management, bioclimatic and natural lighting of environments) that could reduce environmental impacts. For example, Tessiture di Nosate e San Giorgio said:

> *The photovoltaic system has a peak output of 649.92 kWp for a production of energy waiting to about 690,000 kWh per year. It was installed in 30 days on a coverage of about 10,500 m^2. The production of energy from the sun allows a saving of fuel in 20 years of 2,570 tons of oil equivalent. The CO_2 emissions into the atmosphere avoided altogether in 20 years are estimated at 6,050 tons.*

All the industrial companies that were interviewed are no longer isolated at the margins of society or in degraded areas. Their structures exceed the essentiality and functionality of the warehouse by integrating the landscape with bold and sinuous forms. The entrepreneurs used aesthetically beautiful, original, and striking designs and cutting-edge materials to create innovative, efficient and functional corporate buildings that can communicate with the surrounding environment. In this way, they also eliminated visual pollution risks and contributed to the creation of an aesthetically gratifying panorama by validating the following statement of Accornero (1997): 'the factory is there but you do not see it anymore'. Oberalp/Salewa outlined this in the following excerpt:

> *The new Oberalp/Salewa group headquarters, which has become a landmark in South Tyrol, also represents the union of advanced systems of construction technology and the environment. The materials of the 8,500 m^2 of panels covering the sides most exposed to the sun have three different colours in shades of grey-blue create a dazzling effect that fits harmoniously in with the mountains and surrounding orchards.*

Kerakoll, which is aimed at developing a culture of sustainable entrepreneurship (Dean et al., 2007), stated as follows:

> *GreenLab organizes informative guided tours and prepares spaces dedicated to communicate the innovation of its sustainable products among industry practitioners and other stakeholders.*

Proactiveness

The proactive behaviour of industrial companies that have invested in corporate architecture can be examined from two points of view: internal and external to the company. They can improve both the employees' wellbeing and the community's quality of life.

Sonus Faber believes that investing in corporate architecture is an important strategic choice to create wellbeing in the workplace, develop the life conditions of employees and make people proud to work for that company. It presented some possible ways of moving in this direction:

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> *The building company creates a comfortable, relaxing and creative environment for those who work within it. There is a greenhouse of bamboo plants, developed in height to connect, from a visual and physical point of view, the ground floor used as a warehouse to the first floor used for productive activities. Also, there are two gardens which help to immerse themselves psychologically in a meditative and creative atmosphere. A careful selection of lighting points moved within natural light and allows the view of the relaxing landscape of the surrounding hills through bulkheads.*

Proactiveness is also demonstrated by social value creation towards a number of stakeholders, as explained by Oberalp/Salewa:

> *In any aspect of individual and professional life, what is positive attracts positive. Therefore, in order to work with effectiveness, it is important to give value to the people and the products they produce by allowing employees to work willingly. With its volume of 200,000 m^3 and height of 48 metres (an authorised exception to local planning regulations), the innovative new headquarters not only accommodates administrative offices, a R&D department and an automated warehouse in which an automated system enables the movement of over 45,000 items a day, but also facilities for employees such as a fitness centre, nursery, canteen, caretaker's accommodation and a restaurant. Some of the facilities are also open to the public, such as the Bivac bistro immersed in a setting of locally produced greenery, the Salewa Cube climbing hall, the Salewa World point of sales, and the adjacent gardens. As part of its desire to relate to the external world, the conference hall is designed to host corporate international conventions and all brand events, but can also be used by partners or local groups and associations. This investment in corporate architecture allowed to construct a structure able to open up the company to the city.*

In this way, corporate architecture enables various activities that had been scattered throughout a large territory to be concentrated in one place. In other words, proactiveness can take the form of facilities and services offered to an unidentified number of people belonging to local community.

Corporate architecture can also provide places for socialisation and aggregation by supporting socio-cultural events and social groups and associations. It can also promote artists and professionals, and offer other facilities and services that encourage cultural exchange. This is outlined in the following excerpt from Ditta Bortolo Nardini:

> *Culture is priceless wealth, but the return is not only economic and not in the short term. Even in these times of crisis, we have decided to maintain the budget for cultural events designed to spread its own entrepreneurial culture (the world of spirits and liqueurs) and promote local culture not only by giving the community an architecture that symbolises the prestige of Bassano del Grappa territory, but also by sponsoring and hosting dance festivals and, soon, unknown artists in order to encourage them and help them to emerge.*

To adopt proactive behaviour, a company must continue to be embedded in the territory of reference (e.g., Smith and Stevens, 2010). This happens when entrepreneurs and their employees develop a sense of local belonging, attachment, sharing and love, as well as feeling themselves to be part of the territory in which they operate – that is, if a company knows the territory and its problems, it is a source of social capital (Coleman, 1988; Putnam, 1993, 2000). Every company should want to preserve and grow with its territory, rather than simply considering it a place in which to turn a quick profit. The profits will come from its

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role in increasing the wellbeing and quality of life of the community (Baccarani and Golinelli, 2011). Significant are the following words of the President of Oberalp/Salewa:

> *When I am retired, I will not be satisfied with knowing that the financial statements of my company are positive or in a particular year have reached a point higher in the financial statements. I want to sit on a bench in front of my beautiful company: it will be a satisfaction to be able to admire what I have done to create the wellbeing of employees and improve the quality of life of local communities and society.*

Risk management

The companies considered in this study are counter-current and proactive with respect to others in terms of the realisation of corporate buildings because they reflect a search for architectural innovation and originality that is quite unusual in Italy. Currently, service businesses such as banks, museums, hotels and shopping malls primarily invest in experiential corporate architecture. Conversely, industrial companies, at least in Italy, adopt a highly cautious approach. They invest more in internal processes than external design, and they show little interest in the architecture of their buildings. The reason for this strategic choice is closely related to the nature and tradition of such companies, which from the early nineteenth century to the mid-twentieth century were characterised by their (albeit not necessarily exclusive) emphasis on production, the pursuit of profit, the exploitation of labour and the principles of scientific management (e.g., Guillén, 1997; Taylor, 1911). The attachment of industrial companies to Fordism, their lack of direct everyday contacts with the marketplace and the consequent futility of creating experiential effects in accordance with the 'experience economy' (Pine and Gilmore, 1999) have limited their investments in corporate architecture. Otherwise, all the industrial companies that were interviewed for this study invested in architectural projects by taking on the whole risk of investment. They have used private funding to construct the corporate buildings. This choice has depended on a sense of gift giving, which is closely related to entrepreneurs' individual generosity and a desire to create original structures by bearing the higher costs in order to improve the quality of life of stakeholders. This does not mean that the risk-taking approach was not cautious. In this regard, the following words of the President of the Oberalp/Salewa are significant:

> *If you wish to reach higher places, you have to have your feet firmly on the ground.*

In management terms, the entrepreneurs (or top management) managed the risk of expensive investments in corporate architecture by trying to ensure the development of the local economic-social fabric. They especially involve local firms in construction work and establish and consolidate close relationships with local suppliers of building and maintenance materials. In this way, they create socio-economic opportunities and increase economic returns for the community, as argued by Kerakoll:

> *GreenLab uses natural and eco-sustainable materials since the place of the design, even though this implies higher initial costs that, however, can ensure greater economic and social benefits in the long term.*

Also, Piquadro stated as follows:

> *The building is 8000 m^2 and is composed of a sector dedicated to offices and a gym for employees. The remaining 600 m^2 are dedicated to fully automated warehouse that manages all the orders that come from different parts of the world with an expedition in 24/48 hours. Currently, 70 people are employed, mostly women, with a mean age of 31 years, and with a clear majority of residents in the area. In this way, Piquadro intends to enhance*

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> *and train the local workforce, employed mostly in skilled jobs in the field of design, marketing and product development.*

In addition, corporate architecture may also promote green economy professionals such as bio-architects, bio-engineers and bio-researchers. In this regard, Kerakoll said:

> *With an investment of about 14 million euro, we have created a structure to the forefront with modern instruments. The building covers an area of 7,000 m^2 and will employ 100 new bio-building researchers.*

Implications

Theoretical implications

This research contributes to the theory in the following three ways. First, it combines two research streams that are usually separated in terms of analysis: social entrepreneurship and corporate architecture. Prior research has examined corporate architecture along with the field of marketing (Raffelt et al., 2013) and organisation (Berg and Kreiner, 1990; van Marrewijk, 2009; Rippin, 2011).

Second, this research brings to light the contribution of corporate architecture to social value creation by outlining how the dimensions of innovativeness, proactiveness and risk management help to integrate a company with its territory of reference, develop sustainability, improve the employees' wellbeing in the workplace and the community's quality of life, and create opportunities for the territory. In addition, this paper explains how these effects have been realised by industrial companies.

Third, this study extends the general entrepreneurial traits that have been proposed in the literature (e.g., Bacq and Jassen, 2011) such as being visionary, innovative, strongly ethical and able to detect opportunities. Some requirements for creating social value emerged during the interviews such as the structural embeddedness of a company in its territory of reference, a sense for beauty, and a sense of gift giving.

Managerial implications

This research is also useful for entrepreneurs or top management who want to invest in corporate architecture to create social value. In particular, it proposes three managerial implications. First, despite the fact that this work is not quantitative in nature and does not propose data of returns about investments in corporate architecture, it highlights how corporate architecture is not only an aesthetic choice of façade, but also a means of generating a number of social benefits. To achieve these utilities, this work outlines that top management must consider investments in corporate architecture a deliberate strategy of the company, and one that is strongly desired by the same top management.

Second, the value produced by investing in experiential corporate buildings is not so much about the profits made or the level of customer satisfaction achieved; rather, it depends on the social effects created. In this respect, the industrial companies that were interviewed suggested that profits are not a purpose in itself, but rather a means of achieving the objectives of their social mission. This does not necessarily exclude or negate other motives (Mair and Martí, 2006; Peredo and McLean, 2006). That is, profits are testimonials that make it possible to try to conduct business in a virtuous manner (e.g., Brunetti, 2010; Kofman, 2006; Csikszentmihalyi, 2003; Mort et al., 2003). In particular, new corporate buildings are an expression of corporate wellbeing and simultaneously an improvement of the quality of life of the local community in the long term. Entrepreneurs should embrace the idea that architecture can be 'the design of living worlds' (Veldhoen, 2005 cited in van Marrewijk, 2009, p. 292) and can create the conditions that combine the working and social lives of all

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stakeholders. This awareness can be developed if everyday entrepreneurial activities are inspired by the common good and not restricted to short-term financial interests (Laverty, 1996; Marginson and McAulay, 2008), and if they are extended to include the creation of long-term wellbeing in the community, possibly in partnership with other stakeholders.

Finally, despite the relationship between architecture and business that is emerging (Berg and Kreiner, 1990; van Marrewijk, 2009; Leslie, 2011; Raffelt et al., 2013), this paper outlines the importance of this relationship in terms of social value creation. This relationship is not just a client-based contract, but also one that involves studying both corporate and territorial identity by analysing the history of the place and the cultures it has nurtured. This relationship should therefore be based on mutual involvement. This study suggests that architects should not limit themselves to architectural restyling, as companies are more than just purchasers. Rather, they should cooperate to develop a real understanding of business and local needs, and effectively transform them into appropriate architectural solutions. Conversely, entrepreneurs should conduct in-depth analysis of local needs and communicate them to architects. If entrepreneurs and architects do not work together, corporate buildings cannot become promoters of socio-cultural growth in their local communities.

Social implications

From a social perspective, this research highlights how corporate architecture can help solve a number of social problems, such as improving conditions of life in the local community, providing employment opportunities by supporting local firms, promoting 'green economy' professionals and artists, providing places of socialisation and aggregation for the local community, and providing facilities and services to support culture and encourage cultural exchange.

In addition, this study signals that the architectural projects proposed in this paper were the result of private investments of individual companies. Given that companies and related communities are closely related systems, all stakeholders should financially support companies that are investing in architectural design, as the benefits are reciprocal and capable of improving the quality of life of a community as a whole.

Conclusions, limitations and directions for further research

To our knowledge, this is the first study that connects social entrepreneurship and corporate architecture. This research brings to light some Italian industrial companies that have invested in corporate architecture to create social value in the twenty-first century, after the pioneering investments of the Olivetti company.

Although the industrial companies interviewed for this study are reduced in quantity, their investments in corporate architecture are a testimony to how social entrepreneurship is not limited to the not-for-profit sector, given that they adopt a for-profit organisational form. Further, they are not social enterprises (e.g., Luke and Chu, 2013); they follow a double bottom line approach (Austin et al., 2006) by strengthening their competitive advantage and simultaneously contributing to the generation of social benefits. These industrial companies moved towards the direction indicated by Michael Porter, who argued that 'meeting social needs is not just a peripheral activity but a core aspect of every business' (cited in Driver, 2012, p. 421).

This paper highlights how corporate architecture is a form of common good (Cavallo, 2011) that produces positive effects at the corporate and collective levels. That is, the industrial companies that were interviewed have provided a strong foundation as a result of their investments in corporate architecture and their daily actions as a testament to the fact

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that 'beauty will save the world' (Fëdor Dostoevskij, Russian novelist, short story writer, essayist, journalist and philosopher).

Given that this qualitative analysis only examined some of the Italian industrial companies investing in corporate architecture to create social value, this study offers a number of considerations that cannot be generalised because of the subjectivity of the choice of the sampling, the selection of companies and the limited number of interviews conducted.

More research is necessary to examine how corporate architecture can contribute to generating collective utilities and benefits. One interesting research area is the extension of this analysis to other countries to detect if and how many other companies use corporate architecture to create social value and, eventually, what social benefits they generate, as well as comparing the findings with those of this study. For example, significant results could emerge by looking for possible correlations among entrepreneurs' traits. Another promising area would be an extensive study of the antecedents (e.g., mission statement and corporate values) that can induce entrepreneurs to invest in corporate architecture to achieve their social missions. By combining antecedents and consequences, it will be possible to create a conceptual framework that can subsequently be tested in relation to solving social problems. Future research could also explore the social effects of investments in corporate architecture by comparing entrepreneurs' expectations with stakeholders' perceptions of experiential corporate buildings created by industrial companies.

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Table 1 - Social entrepreneurship concept in literature

Social entrepreneurship …	Author(s), year
… "is the action of non-profit executives who pay increased attention to market forces without losing sight of their underlying mission, to somehow balance moral imperatives and the profit motives, and that balancing act in the heart and soul of the movement" (p.1)	Boschee, 1995
… "a vast array of economic, educational, research, welfare, social and spiritual activities engaged in by various organization"	Leadbeater, 1997
… "combines the passion of a social mission with an image of business-like discipline, innovation and determination" (1998b, p.1)	Dees, 1998a, 1998b
… "creation of viable socioeconomic structures, relations, institutions, organizations and practices that yield and sustain social benefits" (p.649)	Fowler, 2000
… "creates innovative solutions to immediate social problems and mobilizes the ideas, capacities, resources and social arrangements required for sustainable social transformations" (p.262)	Alvord et al., 2004
… "a process consisting in the innovative use and combination of resources to explore and exploit opportunities that aims at catalyzing social change by catering to basic human needs in a sustainable manner" (p.3)	Mair and Martí, 2004
… "encompasses the notions of 'construction, evaluation and pursuit of opportunities' as means for a 'social transformation' carried out by visionary, passionately dedicated individuals" (p.49)	Roberts and Woods, 2005
… "creates new models for the provision of products and services that cater directly to basic human needs that remain unsatisfied by current economic or social institutions" (p.243)	Seelos and Mair, 2005
… "innovative, social value creating activity that can occur within or across the non-profit, business and-or public-government sectors" (p.2)	Austin et al., 2006
… "as a process involving the innovative use and combination of resources to pursue opportunities to catalyse social change and/or address social needs" (p.37)	Mair and Martí, 2006
… "the innovative use of resource combinations to pursue opportunities aiming at the creation of organizations and/or practices that yield and sustain social benefits" (p.122)	Mair and Noboa, 2006
… is exercised when "some person or persons (1) aim either exclusively or in some prominent way to create social value of some kind and pursue that goal through some combination of (2) recognizing and exploiting opportunities to create this value, (3) employing innovation, (4) tolerating risk, and (5) declining to accept limita- tions in available resources" (p.56)	Peredo and McLean, 2006
… "is viewed as a category of entrepreneurship that primarily (a) is engaged in by collective actors, and (b) involves, in a central role in the undertaking's resource mix, socially embedded resources […] and their conversion into (market-) convertible resources, and vice-versa" (p.35)	Stryjan, 2006
… "is a bounded multidimensional construct that is deeply rooted in an organization's social mission, its drive for sustainability and highly influenced and shaped by the environmental dynamics" (p.22)	Weerawardena and Sullivan Mort, 2006
… "is a set of innovative and effective activities that focus strategically on resolving social market failures and creating new opportunities to add social value systemically using a range of resources and organizational formats to maximize social impact and bring about change" (p.23) … "is defined by its two constituent elements: a prime strategic focus on social impact and an innovative approach to achieving its mission" (p.13)	Nicholls, 2008
… "a process of change in the delivery of public goods and social or environmental services" (p.16)	Nicholls, 2010
… "as the process of identifying, evaluating and exploiting opportunities aiming at social value creation by means of commercial, market-based activities and of the use of a wide range of resources" (p.376)	Bacq and Jansen, 2011
… "includes possibilities for commercial entrepreneurship in the creation of social value in addition to economic value" (p.786)	Acs et al., 2013
… "entrepreneurial activity undertaken for a social purpose, changing the way that social needs are addressed" (p.766)	Luke and Chu, 2013

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Table 2 - Sampling and data-collection procedure of the research

Step	Objective	Actions and results
1. Purposive sampling	To determine the Italian for-profit companies that have invested in experiential corporate architecture since 2000	We identified 104 companies that have invested in experiential corporate architecture from the website of the 13th International Architecture Exhibition, The Four Seasons: Made in Italy Architecture from Adriano Olivetti to the Green Economy, created by the Venice Biennale (Italy)
		We developed a contact list of companies operating in secondary and tertiary industries
		We analysed the 'About us', 'History' and 'Corporate social responsibility' (or only 'Mission and vision', if they existed) webpages
		We selected the companies based on the following criteria: - Italian-owned industrial companies that have invested in corporate architecture since 2000 - investments in the architecture of corporate headquarters or buildings dedicated to production, research and development, logistics, management and administrative activities, and sales offices with reception facilities and direct sales to end-users - industrial companies investing in experiential architecture - industrial companies that have long been established in national and international markets, regardless of their size - industrial companies that work closely with architects rather than being limited to engineering consultancy - the wealth and relevance of the information available in relation to the research objectives
		We identified 32 industrial companies as eligible targets
2. Email survey	To identify which of these companies invested in corporate architecture to create social value	We chose a tailored-design survey method
		We contacted representatives of the 32 companies and requested they complete an email survey
		We sent them a covering letter and brief questionnaire
		We obtained six usable questionnaires
3. Semi-structured in-depth interviews	To obtain detailed information about the social effects of investments in experiential corporate architecture	We set up appointments for interviews with each respondent company
		We collected data from multiple respondents (entrepreneur, manager and architect)
		We employed data triangulation, corroborating the interview with data in articles published between January 2000 and March 2015 in the major Italian architecture magazines (*Domus*, *Casabella*, *Detail*, *Il Giornale dell'Architettura*, and *Arketipo*) and secondary sources (company websites and some corporate documents published online)
		We undertook investigator triangulation, interviewing multiple observers (entrepreneur, manager and architect)

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Table 3 - Questionnaire about the use of corporate architecture

1. *Company*
   a) Name of company _____
   b) Location _____
   c) Foundation year _____
   d) Current entrepreneur or manager _____
   e) Core business of company _____

2. *Corporate architecture*
   a) Architectural design _____
   b) Construction period _____
   c) Name of corporate building _____
   d) Architectural investment cost (euro) _____

3. *Use of corporate building*
   a) Main activities developed inside the corporate building _____
   b) People using the corporate building _____
   c) Advantages offered by corporate architecture _____

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Table 4 - Profile of industrial companies interviewed

Companies				Corporate architecture		
Name	**Location, foundation year**	**Core business**	**Interviewed**	**Architectural investment cost (euro)**	**Construction period (name of corporate building)**	**Main activities developed inside the corporate building**
Ditta Bortolo Nardini	Bassano del Grappa (Vicenza), 1779	Manufacturer of spirit, grappa and liqueurs	Events and PR Manager	7.5 million	2000-2004 (Bolle)	- Laboratories for research and quality control of products - Auditorium
Kerakoll	Sassuolo (Modena), 1968	Manufacturer of materials and services in the applied chemical sector for building applications	Communication Manager	14 million	2008-2012 (GreenLab)	- Centre for research and innovation - Laboratories to develop green technology
Oberalp/ Salewa Group	Bolzano, 1981	Manufacturer of high-quality sports clothing and equipment brands	President	40 million	2009-2011 (Not specified)	- Company's headquarter - Logistics warehouse - Multi-functional halls - Fitness centre for the staff - Company crèche
Piquadro	Silla di Gaggio Montano (Bologna), 1987	Manufacturer of innovative business bags and accessories	Chief Executive Officer (CEO) and architect	8 million	2003-2006 (Not specified)	- Production - Sorting - R&D - Logistics warehouse
Sonus Faber	Arcugnano (Vicenza), 1983	Manufacturer of high-quality audiophile loudspeakers for the best sound reproduction at home	Marketing Manager	Confidential data	2002-2004 (Not specified)	- Production - Warehouse
Tessiture di Nosate e San Giorgio	Nosate (Milan), 1928	Manufacturer of raw fabrics, either for the garment industry or for furnishing fabrics	Business Manager	3.8 million	2007-2009 (Not specified)	- Weaving department - Thermal power plant - Control of tissues - Yarn warehouse

Table 5 - Semi-structured interview protocol

1. *Introduction*
   a) Brief introduction of the research issues
   b) The company's history
   c) The company's activities
   d) Presentation of corporate management
   e) Description and symbolic meanings of corporate architecture

2. *Reasons connected to investment in corporate architecture*
   a) Why invest in corporate architecture, especially in experiential architecture?
   b) What needs and expectations were this new corporate building intended to meet?
   c) What does this new corporate building aim to communicate?
   d) How were the architects chosen to design the new corporate architecture?
   e) What have you asked the design team to do? What have they made and not made?
   f) Have you been inspired by other experiential corporate architecture?

3. *Effects produced by corporate architecture*
   a) What effects does this new corporate building aim to produce?
   b) What is the nature of the benefits produced? (economic and/or social)
   c) Who are these effects aimed to? (company, stakeholders, etc.)
   d) And why are these effects aimed to them?
   e) Did the local community represent an opportunity or constraint for the construction of this corporate building?

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Table 6 - Data-analysis procedure of the research

Step	Objective	Actions and results
1. Data study	To examine the data	We audio recorded the interviews We transcribed and checked the rich and detailed information obtained during the interviews
2. Content analysis	To identify the themes, i.e. the social effects of corporate architecture	We used Qualitative Solutions and Research NVivo 10 software to assist with management and analysis of data We codified the data sources one at a time We examined the relationships between codes/themes We identified five themes: - integrating the company with the territory - developing sustainability - improving the employees' wellbeing in the workplace - improving the community's quality of life - ensuring the development of local economic-social fabric
3. Results presentation	To use an analysis model to propose the results	We identified an analysis model within the social-entrepreneurship literature We employed the multidimensional model developed by Weerawardena and Sullivan Mort (2006)

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Table 7 - Effects of corporate architecture in terms of social value creation

Dimensions of social entrepreneurship	**Effects in terms of social value creation**	
Innovativeness	Integrating the company with its territory	Developing a corporate identity and an image communication strategy
		Promoting an entrepreneurial culture
		Recognising the innovative role of companies in developing social value creation activities in the territory
		Identifying a company as a symbol of the territory in which it operates
		Promoting corporate and territory skills
	Developing sustainability	Reducing environmental impacts
		Eliminating visual pollution
		Developing a culture of sustainable entrepreneurship
Proactiveness	Improving the employees' wellbeing in the workplace	Allowing employees to work willingly
		Offering facilities for employees in the workplace
		Developing the quality of life conditions of employees
		Making employees feel proud to work for that company
	Improving the community's quality of life	Providing corporate facilities that are open to the public
		Gathering the various activities that had been scattered throughout the provinces into one place
		Offering places for socialisation and aggregation to the local community
		Allowing partners or local groups and associations to use these corporate spaces
		Promoting artists and professionals
		Supporting socio-cultural events, social groups and associations
		Offering facilities and services that encourage cultural exchange
Risk management	Ensuring the development of the local economic-social fabric	Involving local firms in construction work
		Establishing and consolidating close relationships with local suppliers of building and maintenance materials
		Creating socio-economic opportunities for the community

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Figure 1 - Bolle of Ditta Bortolo Nardini

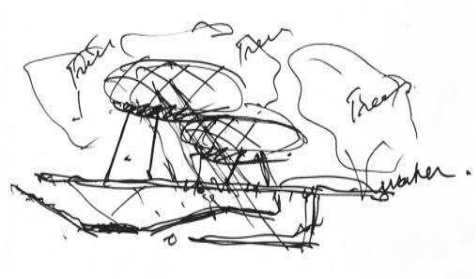


Figure 2 - GreenLab of Kerakoll

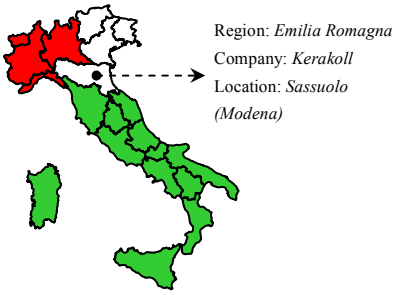


Figure 3 - Headquarters of Piquadro

Region: *Emilia Romagna*
Company: *Piquadro*
Location: *Silla di Gaggio Montano (Bologna)*

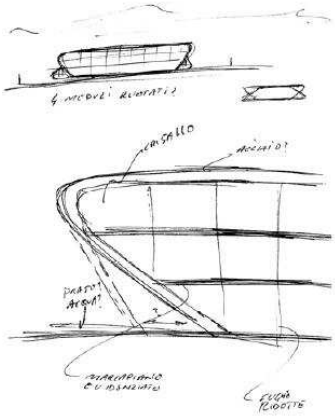
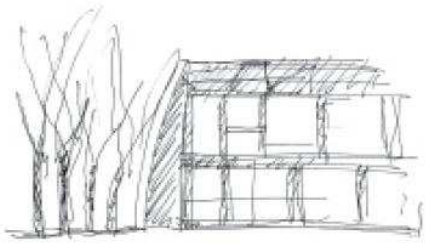


Figure 4 - Headquarters of Sonus Faber



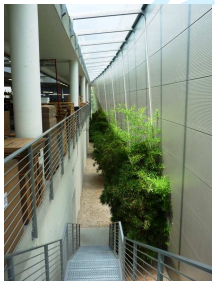
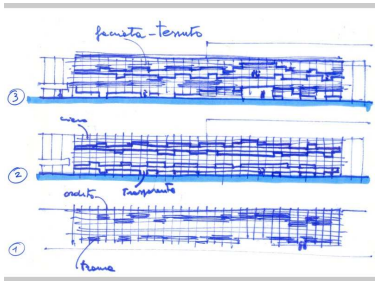


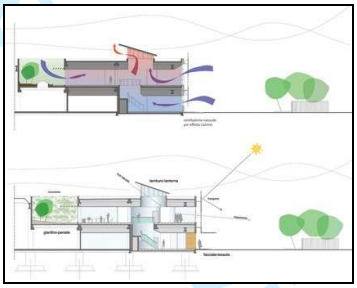
Figure 5 - Headquarters of Tessiture di Nosate e San Giorgio

Region: *Lombardia*

Company: *Tessiture di Nosate e San Giorgio*

Location: *Nosate (Milan)*





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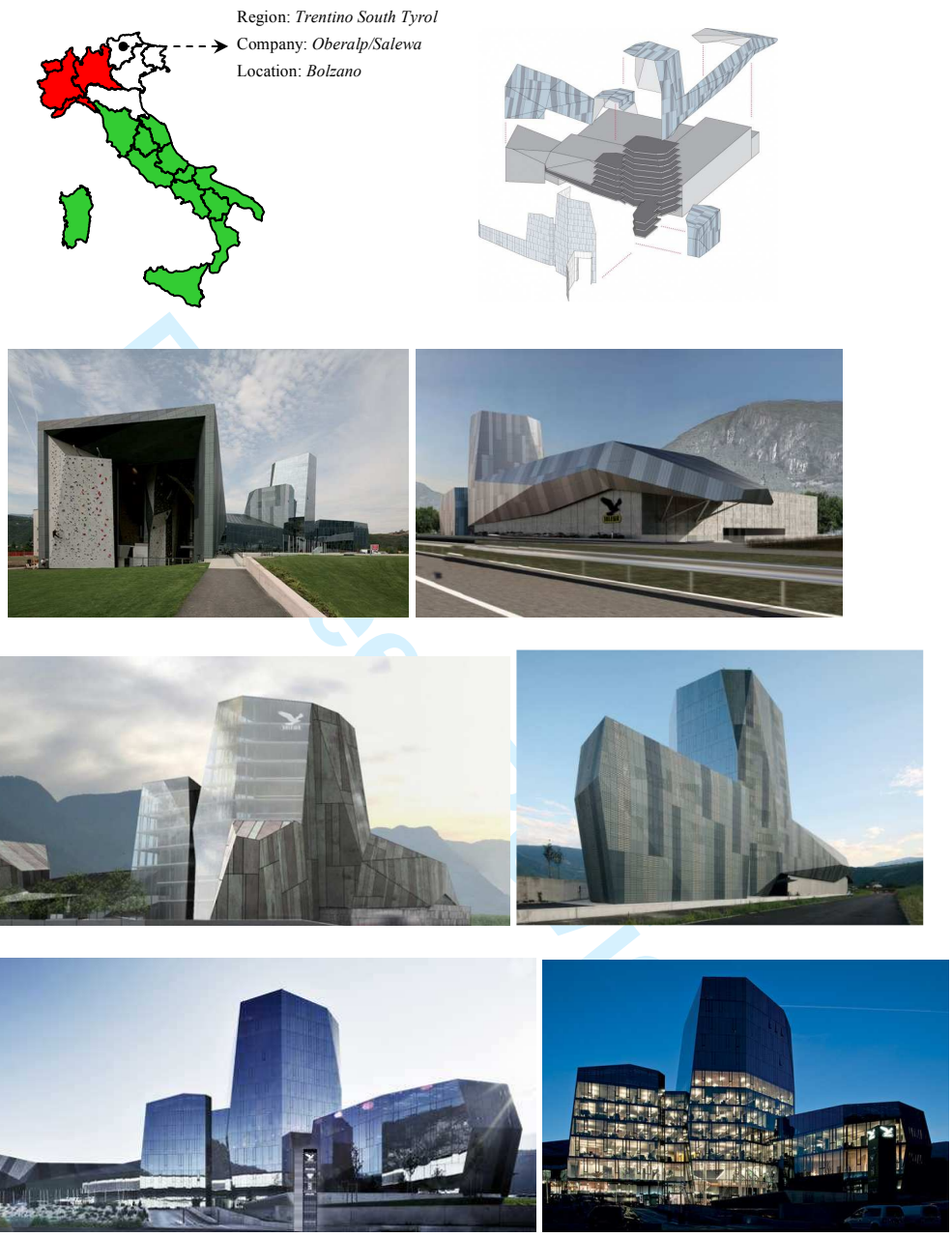
Figure 6 - Headquarters of Oberalp/Salewa