Chapter 6
Identity and Externalities toward Sustainability

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EXECUTIVE SUMMARY

This chapter describes a case study referring to a project named DIScourse in COmmunity of practices through TEcnologies (DI.CO.TE.)1. The project takes place in Southern Italy from 2009 through 2012; it involves 60 Small and Medium Enterprises (SMEs). Within a psychological point of view and a socio-constructivist approach, the main scope of the project is to introduce “externality” as a concept able to introduce and develop innovative practices for SMEs for environmental, economic, and social sustainability.

Two focus group discussions involving 14 entrepreneurs and 106 questionnaires administered to employees were analyzed to explore various parameters of externalities, such as: (1) how externality is conceived; (2) the interplay between a sense of community and a re-definition and negotiation of identity; (3) the role of technology; the sense of belonging, and (4) the propensity to collaborate. Data are analyzed through both thematic discourse analysis and quantitative frequencies analysis. Results show that entrepreneurs hold a multidimensional definition of externality, mediated by their professional and private experience. Ultimately, the reflection on externalities sustains a sense of innovation connected to multi-membership and to re-negotiation of the sense of identity. Within this framework, technology is conceived as a tool supporting the appropriation and sharing of externalities.

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ORGANIZATION BACKGROUND AND SETTING

In 2001, in a region called Puglia, located in Southeast Italy, a Consortium named Costellazione Apulia\(^2\) (from now on it will be called Consortium) was constituted comprising ten Small and Medium Enterprises (SMEs) carrying on different types of businesses; some of them produced goods (e.g. software, furniture, supplies), and others provided services (e.g. theater, communication). All of them were united by the idea of exploring innovation and collaboration as a way of improving their own business, and as a way of preserving the quality of both the physical and cultural environment. As declared in a brochure\(^3\) published online, the Consortium organizational values are: (a) environmental sustainability, (b) enhancement of positive externalities, and (c) corporate social responsibility.

Companies became members of the Consortium by signing the cultural Statute\(^4\) summarizing the explicit norms, values and practices; shared and potentially activated in the Consortium. As specified in the Statute, the Consortium aims at promoting the growth of an ecologically and socially sustainable community through: (a) the analysis of local needs and market; (b) the design and delivery of training programs about research, innovation and long-life learning in and out of the firms; and, (c) the activation of good practices oriented to organizational learning and social wellbeing in corporate contexts.

Through time, the Consortium has grown and is presently composed of 60 SMEs, all joining the Statute and taking part in many of the activities of the Consortium.

Among the many activities the Consortium developed, one of activity is the participation in national and regional projects. These projects are in partnership with public institutions (such as the Universities of Bari, Foggia and Genoa, Politecnico of Bari, Municipality of Bari, Regione Puglia) and other private organizations. Just to give a sense of the projects that are being carried out, a short description of some of them is given below:

- **Ethic Laboratory**, aimed at promoting the development of Corporate Social Responsibility (CSR) in the Puglia region;
- **Low Resolution**, oriented toward the identification and development of some of the poor urban zones of the city of Bari;
- **Avanzare**, aimed at improving the recycling and circulation of goods and services usually at the sidelines of the ordinary course of business processes;
- **Tricycle**, designed for reinforcing a culture of sustainability as a driving force for competitiveness, and economic and environment development, with a special focus on proper waste management.

All of these projects convey the idea that the Consortium is seeking for innovative ways to merge social, economic, and environmental goals, by blending cultural and commercial activities. One of the main results stemming from these experiences is the idea that companies and entrepreneurs may be stimulated to take responsibility about environmental, economic and personal development. The Consortium became progressively more conscious that a specific reflection was needed about this responsibility. Everyday activities and professional practices could be re-analyzed by looking at their effects and consequences on a personal, social, and cultural level. In particular, companies have figured out that their organizational practices produce effects not only concerning their businesses, but also the culture and the environment around the businesses. Therefore, changing their organizational practices will also change more general aspects related to the impact of their businesses.

The participation in all these projects meant for the Consortium a tremendous growth in terms of a sense of community and an increase in the awareness about the need to innovate organiza-