The Added Value of Virtue

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Abstract: Recently we have seen rising concern about unethical business behaviour and the roles that values play in both marketing and entrepreneurship. Research has shown that values are one of the more critical and lasting contributions that a founder can bring to an organisation. The entrepreneur’s individual values play a primary role in shaping organisational strategy, structure, culture and marketing. Nonetheless research also indicates that there is no clear understanding or remit of moral evaluations. The purpose of this theoretical paper is to explore the role of certain of these values in the entrepreneurial organisation and to consider their application, in particular, to marketing.

This paper proposes that some founder values can be grouped into a set of social values that are distinctive in that they bear an admirable mark of excellence, or virtue. Through a synthesis of the literature on the concept of virtue, from Classical (Aristotle) to Enlightenment (Adam Smith) and beyond, we develop a new appreciation of the concept. Borrowing mainly from the literature of normative philosophy, virtue theory is brought to bear on entrepreneurship and organisational theory to discern possible benefits in the form of efficiencies, effectiveness and practical value. Virtue revisited offers both a broadening and deepening of the dialogue within entrepreneurship and marketing to include something more profound than mere “good”, “moral”, “sustainable”, or “responsible” pursuits. The application of this virtue construct enables us to make explicit those implicit values that underlay our capitalist societies; we can appreciate the linkages between the micro of the individual entrepreneur and the macro of an efficient and effective market-based system.

This updated notion of virtue is used to identify the various forms in which “virtuous” activity is operationalised within entrepreneurship. Applied virtue is perhaps most easily identified in the marketing messages of particular companies. We note the increase of marketing campaigns containing statements of the virtuous conduct that warrants our purchase, often at a premium. However, thus applied, we question the underlying motivation and long-term benefits of such declarations. The paper addresses the question: In an entrepreneurial setting, what is the added value of virtue?