Positive Ethical Deviance Inspired by Moral Imagination*
The Entrepreneur as Deviant

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The purpose of this paper is to extend the concept of positive ethical deviancy and moral imagination to the entrepreneurial environment. We specifically explore the connection between moral imagination and positive ethical deviance in firms that, from their inception, display positive deviance from established ethical industry norms. Our analysis identifies firms that do not deviate positively under pressure, or for other externally imposed reasons, but instead those that make a conscious and deliberate choice to adopt new and often radical approaches to ethical issues from the ground up, distinguishing them from standard entrepreneurs in the same industry. This exploration uncovers two elements present in these entrepreneurial firms that support the positive ethical deviance: visionary leadership and resulting structures or activities that sustain that vision. This examination of positive deviancy and moral imagination in an entrepreneurial context is vital because of the potential role that entrepreneurial firms can play in changing the rules of the game and the institutions that govern them, thereby creating a new, higher norm, and raising the industry standard overall.

Keywords: positive ethical deviance, workers’ rights, business ethics, moral imagination, entrepreneurship, visionary leadership

1. Introduction

Few issues strike an emotional chord as powerfully and as centrally as how humans treat fellow humans. In our world today, we are either heartened by stories of magnificent generosity or saddened by reports of the inhumane treatment of others. Though thankfully few of us must face the latter in our daily lives, we may in fact have the ability to impact the decisions that lead to such treatment. For example, the past decade has evidenced the power of the united voices of the consumer, the labor advocate and the media in effecting positive ethical changes in the global labor poli-

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