



# Commons Organizing: Embedding Common Good and Institutions for Collective Action. Insights from Ethics and Economics

Laura Albareda<sup>1</sup> · Alejo Jose G. Sison<sup>2,3</sup>

Received: 14 December 2018 / Accepted: 16 July 2020 / Published online: 11 August 2020  
© The Author(s) 2020

## Abstract

In recent years, business ethics and economic scholars have been paying greater attention to the development of commons organizing. The latter refers to the processes by which communities of people work in common in the pursuit of the common good. In turn, this promotes commons organizational designs based on collective forms of common goods production, distribution, management and ownership. In this paper, we build on two main literature streams: (1) the ethical approach based on the theory of the common good of the firm in virtue ethics and (2) the economic approach based on the theory of institutions for collective action developed by Ostrom’s research on common-pool resources to avert the tragedy of the commons. The latter expands to include the novel concepts of new commons, “commoning” and polycentric governance. Drawing on the analysis of what is new in these forms of organizing, we propose a comprehensive model, highlighting the integration of two sets of organizing principles—common good and collective action – and five problem-solving processes to explain the main dimensions of commons organizing. We contribute to business ethics literature by exploring the convergence between the ethical and economic approaches in the development of a commons organizing view.

**Keywords** Common good · Commons · Institutions for collective action · Commons organizing · Commoning · Subsidiarity · Polycentricity · Community-based enterprise

## Introduction

In recent years, business ethics and economic scholars have paid increasing attention to “the language of the commons” (Fournier 2013; Mele 2012; Meyer and Hudon 2019; Sison and Fontrodona 2012). This is supported by research that identifies different theories, constructs and practices related to commons organizational designs. It refers to the research on people working in common in the pursuit of the common good (Sison 2007) and the development of collective forms of common goods production, distribution management and

ownership (Hess 2008). To explain this, Bollier (2007, p. 28) refers to the growth of a “commons paradigm”.

In this paper, we claim that the current re-emergence of the long tradition of “commons” phenomena has been studied and supported by two different scientific approaches. The first is the theory of the common good in business ethics (Argandoña 1998; O’Brien 2008) and the second is the study of institutions for collective action theory in new institutional economics (Ostrom 1990; Aligica and Tarko 2013). In this context, understanding the difference between the “common good” and “common goods” is fundamental. Whereas the “common good” refers to what is shared and beneficial for the wellbeing of all members of a community achieved through collective participation (Mele 2009), the debate on “common goods” refers to economic goods, a limited set of resources shared by people that cannot be excluded from using them (e.g., a source of drinking water, an irrigation system); consequently, these resources are affected by over-use (Ostrom 1990).

Although both theories have emerged in different fields of research and evolved independently and mainly remain disconnected in the ethics and economic fields, they build

✉ Laura Albareda  
laura.albareda@lut.fi

Alejo Jose G. Sison  
ajsison@unav.es

<sup>1</sup> School of Business and Management, LUT University, Yliopistonkatu 34, 53850 Lappeenranta, Finland

<sup>2</sup> School of Economics and Business, University of Navarra, 31080 Pamplona, Spain

<sup>3</sup> Busch School of Business, Catholic University of America, Washington, DC, USA

on a similar research question: How does the pursuit of the common good and the development of collective forms of work and common resource management explain “commons organizing”?

As mentioned, this paper studies “commons organizing” by exploring the convergence between ethical (the common good) and economic (common resources/collective action) concerns. We use the term “commons” in plural because we argue that both nurture the current understanding of the commons organizing view. We embed implicit ontological assumptions of both theories, bridging the two different literatures (Suddaby et al. 2011).

The ethical approach is supported by the theory of the common good of the firm (Argandoña 1998; Fremeaux and Michelson 2017). Virtue-ethics scholars have primarily developed this theory, proposing the concept of business as a “community of persons” that work in common, based on cooperative activity to provide goods and services in an efficient, competitive and profitable way in favor of the common good (Mele 2009, 2012; Sison and Fontrodona 2012, 2013).

In contrast, the economic approach is mainly based on research analyzing (natural) common-pool resources held in common by a community of people, and, therefore, vulnerable to overuse. This results in the conceptualization of a social dilemma, described by Hardin (1968) as the “tragedy of the commons”. Hardin argues that individual self-interest averts collective action and finally results in the overexploitation of common goods. To further explore human cooperation, Ostrom (1990) proposes a novel theory, demonstrating the ability of communities of owners and users to develop institutions for collective action searching the collective benefit. Currently common goods are resources that require collective production, cooperation and mutuality. Examples of new common goods are knowledge commons, renewable energy, food sharing, farming, financial commons and currencies, commons health services, schools, community parks, ecological and genetic resources, internet which are produced, managed, distributed and owned by novel urban or digital communities. These communities have developed their own set of organizing rules to collectively manage and govern these resources (Hess 2008).

In this article, we define commons organizing as the processes by which communities of people work in common experimenting with new organizational designs that promote common goods production, distribution, governance and ownership in the pursuit of the common good. We use the term “organizing” (instead of organization) because we aim to understand the processes by which people make “ongoing efforts at coordination and control of activity and knowledge” to support new organizations (Cooren et al. 2011, p. 1149). Organizing refers to the challenge that individuals face to adopt universal problem-solving processes, including task division and allocation, rewards distribution

and knowledge flow (Puranam et al. 2014). Our goal is to better understand the commons organizing view, capturing the complexity that both theories bring. This convergence leads us to propose a model that explains what is new in commons organizing (Puranam et al. 2014). In this model, we assemble common good and collective action organizing principles resulting in five problem-solving process that stem from both theories.

Our research makes three contributions. First, by examining the convergence between both theories, we contribute to business ethics by explaining how virtues and collective action/human cooperation extends ontological considerations to commons organizing view. Second, we explore what is new in commons organizing, creating a model which embeds novel problem-solving processes and tensions. Third, we explore commons organizing as part of a broad prosocial organizing phenomenon.

## Commons Literature

To understand and illustrate the convergence of the two theories, we reviewed the main articles published in high-quality, mainstream business ethics, economic and political journals. We also reviewed books. The aim of this review was not for it to be systematic and historical or for it to represent an exhaustive meta-analysis; rather, our goal was to understand and illustrate the main differences in both theories as detailed in Table 1.

Furthermore, in this article, we aim to explore the two bodies of literature, combining each theory’s implicit assumptions. It is what Suddaby et al. (2011) refer to as “metaphorical bricolage”, that is, “the specific combination of selective metaphors that acts as a catalyst for bringing a unique and coherent new way of perceiving organizational life” for theory development (Suddaby et al. 2011, p. 242). We study the unique foundations of the ethical and economic approaches by exploring the roots of each theory.

## The ‘Common Good’ and Moral Virtues in the Ethical Approach

Virtue ethics scholars have primarily developed the “theory of the common good of the firm” (Argandoña 1998; Mele 2009, 2012; Sison and Fontrodona 2012, 2013) by working on the principle of the common good based on Aristotelian Ethics, Thomistic philosophy and Catholic Social Teaching. This research has been published in specialized business ethics journals over the last two decades (O’Brien 2009; Fremeaux and Michelson 2017).

The concept of the common good emphasizes Aristotle’s original concept of all human beings, as citizens, sharing what is beneficial for all the members of a given political

**Table 1** Comparative analysis of the ethical and economic approaches

Concepts	Ethical approach Theory of the common good of the firm	Economic approach Institutions for collective action theory
Fields of research	Business Ethics: Virtue Ethics	Economy: New Institutional Economy
Ontology	Normative, ethics and virtues	Positivism, human cooperation/collective action as social phenomenon
Main sources	Common good of the firm (Mele 2009, 2012; Sison 2007; Sison and Fontrodona 2012) Aristotelian ethics Thomistic ethics Catholic social teaching	Institution for collective action (Ostrom 1990) Community-based enterprises (Peredo and Chrisman 2006; Haugh 2007) Polycentric governance (Ostrom 2010) Commoning (De Angelis 2017)
Human behavior	Personalism (Mele 2009) Personal fulfillment and community flourishing	Self-interest (Olson 1965) The tragedy of the commons (Hardin 1965)
Theory	Communities of people that work for the common good The production of goods and services necessary for human flourishing Subsidiarity principle Teleological approach to the firms to achieve the common good of organizations and society	Local communities of owners share the ownership of common-pool resources and develop a set of common design principles to collectively manage these resources Common-property regime in which a group of resource users share rights and duties towards a resource Collective incentives to generate collective benefits, trust and social capital
Capitalism	Aspirational: solving the challenges of market capitalism	Transformative: critical transformation of markets capitalism

community. Adapted to contemporary societies, virtue ethics proposes three main common good dimensions (Mele 2009). First, there is a teleological dimension: the ultimate cause which all society strives to achieve, the common good for all its members (O’Brien 2009). Second, human beings benefit from the common good by belonging to different organizations in social life (Mele 2009). Third, the common good is created by all the members of these communities, searching for human flourishing and human dignity (Fremeaux and Michelson 2017).

This approach is based on normative ethics, applying the concept of virtue ethics and moral character to the analysis of the firm. Moral virtues emphasize the capacity of individuals to build and develop a set of virtues or excellent traits that shape moral character (Sison 2007). Moral virtues comprise justice, courage, honesty, courage and friendship. Virtues also enhance the “interior strengths for good behavior” (Mele 2009, p. 239) and determine the consequences of human actions while promoting the common good through their work in organizations.

**The Theory of the Common Good of the Firm**

The theory of the common good of the firm proposes four main aspirational dimensions to the firm (Mele 2009; Sison and Fontrodona 2012).

First, businesses are considered communities of persons that work in common for the common good (Mele 2012; Sison and Fontrodona 2012). The communitarian dimension emerges when people work together sharing the same goal (Mele 2012) and support meaningful work (Sison and Fontrodona 2012). The development of moral virtues guides

human action in undertaking professional work (Mele 2012). Work facilitates the development of moral virtues by enabling individual fulfillment and flourishing for workers and managers (Mele 2012). As a result, companies can become virtuous organizations (Mele 2012).

Second, analogous to Aristotle’s notion of the political community’s common good, Sison and Fontrodona (2012, p. 212) define the common good of the firm as “the production of goods and services necessary for human flourishing.[...] The common good of the firm is the work in common that allows human beings not only to produce goods and services (the objective dimension), but more importantly, to develop technical or artistic skills and intellectual and moral virtues (the subjective dimension).” This subjective dimension is based on internal results, the knowledge and skills which are acquired by workers and managers who develop meaningful virtues and habits.

Third, the principle of subsidiarity explains how companies create the common good (Sison and Fontrodona 2012). Managers must align and enhance the three levels of subsidiarity (individual or micro-level, organizational or meso-level and societal or macro-level), integrating them organically to achieve the common good of the firm (Sison and Fontrodona 2012). Subsidiarity refers to the principle that all social and economic issues should be dealt with and managed at the level closest to the problem and its resolution. The firm as a community is the subsidiary player acting as an “intermediary organization” between the State or society and the individual.

Fourth, the theory proposes an aspirational perspective supported by a teleological approach to the firm which aims to achieve the common good of organizations and

society (Fremaux and Michelson 2017). The theory supports “a humanistic business ethos” to achieve a more complete humanity (Mele 2012, p. 97) based on a humanistic management model. This also has ethical implications for the firm regarding the implementation of corporate social responsibility, mutual cooperation and human dignity. Furthermore, the common good of the firm should be aligned with what is good for all stakeholders (O’Brien 2008; Sison and Fontrodona 2013).

### The Common Good in Pluralistic Organizations

A critical dimension of this theory is how Aristotle’s approach to the common good can be adopted to 21<sup>st</sup>-century pluralistic organizations and societies. Aristotle originally defined the common good in the context of a particular Greek society in which only a third of its populace was considered a “citizen”. For Aristotle, by striving to be virtuous, all citizens in the city-state could achieve *eudaimonia* or flourishing. Mele (2012) argues that, by being virtuous, all individuals working in an organization can also flourish. As a consequence, the common good of the firm represents an aspirational goal for individuals and businesses, enabling organizations to successfully engage with capitalism, particularly in response to the current environmental crisis (Akrivou and Sison 2016) and adopting the concept of human rights and human dignity (Mele 2012).

Based on the personalist principle, Mele (2009, p. 233) argues: “Human rights are intrinsic to every human being and remain inviolable and inalienable, even if they are dismissed or trampled on by governments or by a community.” This takes place at different levels: the individual (micro) level, by respecting human dignity; the organizational (meso) level, through the performance of work in common; and the societal and economic (macro) level, bearing in mind social justice and the long-term sustainability of natural resources on which flourishing depends (Mele 2012; Akrivou and Sison 2016). The challenge is how virtue ethics support deontological ethical principles. This is possible by the notion of human dignity, supporting modern human rights and expanding the individual level to society and the economy. Mele (2009, p. 228) argues that “human rights are implicit in living the virtue of justice” at the meso and macro levels of society and the economy.

The common good of the firm must be “consistent with the common good of society” (Mele 2009, p. 235). At the same time, “the common good of any community is embedded in the common good of larger communities” (Mele 2009, p. 235). Mele (2009, p. 236) proposes four different conditions to achieve the common good of society and economy: (1) the economic condition, favoring human wellbeing; (2) the environmental condition, favoring the natural environment’s long-term wellbeing; (3) the organizational condition, favoring access to and satisfying basic social

needs and values, health, education, freedom, justice and solidarity; and (4) the human condition, based on the respect for human dignity and human rights as core values shared by the commons enterprises.

### Institutions for Collective Action in the Economic Approach

The theory of institutions for collective action is based on new institutional economy, analyzing organizations, institutions and individual behavior (Ostrom 1990). The theory works on the analysis of the social dilemma, mainly the “tragedy of the commons” (Hardin 1968). The goal is to explore a situation in which short-term interest clashes with long-term collective interests (Olson 1965). The theory of collective action offers insights to understand why and how people cooperate in groups and organizations in a sustainable way to achieve shared collective benefits for all. Ostrom (1990) originally studied this dilemma applied to common-pool resources. These are rivalrous goods that are shared by a community (e.g., forests, irrigation systems, etc.). Excluding their use by owners and beneficiaries is costly. Common goods are different from other economic goods, in particular, public goods (e.g., public education), which are also non-excludable but non-rivalrous. Public goods are accessible to all members of society but distributed by the State; consequently, individuals cannot be excluded from using them. Ostrom (1990) analyzes institutions for collective action based on design principles. These principles are shared by institutions created by local owners of common-pool resources to sustain the long-term collective interest and manage these resources.

In the last decade, scholars working on collective action have expanded the analysis to new commons (Hess 2008) and new theoretical concepts (Bollier and Helfrich 2012, 2015; De Angelis 2014; Fournier 2013; Linebaugh 2008). We study two new concepts: “commoning” and polycentric governance. We also introduce community-based enterprise theory as a core organizational form and business application (Haugh 2007).

### The Theory of Institutions for Collective Action

The main dimensions of Ostrom’s theory of institutions for collective action are as follows. First, the theory explains the conditions in which communities sharing the ownership of common-pool resources develop institutional arrangements to collectively manage these resources, solve supply problems and ensure their long-term sustainability. Ostrom (1990, p. 90) defined design principles as “essential elements or conditions that helps to account for the success of these institutions in sustaining the common pool resources”. Ostrom (1990) studied a set of eight design principles found

in all institutions for collective action: clear boundaries (regarding access to resources); rules regarding the appropriation and provision of common-pool resources adapted to local conditions; collective-choice arrangements that allow resource appropriators to participate in decision-making processes; effective monitoring systems to hold appropriators accountable; a scale of graduated sanctions for resource appropriators who violate community rules; and conflict-resolution mechanisms. To these we have to add the community's right to self-organization and self-determination which must be recognized by high-level authorities; and, finally, in the case of larger common-pool resources, support for multiple-layers or nested enterprises with small common-pool resources at the base level.

Second, common-pool resources are not open-access resources but common-property regimes "in which a group of resource owners shared rights and duties towards a resource" (McKean 2000, p. 30). Common-property regimes include a "bundle of rights" (Schlager and Ostrom 1992): the right to access a property; to extract certain units of a given resource (e.g., fish); to manage or regulate internal use patterns; to exclude/determine who has access; and to alienate (e.g., sell or lease the exclusion). Common-property regimes adopt different combinations of the five rights depending on the culture and country.

Third, the ability of communities to generate institutions for collective action is based on the development of incentives to generate collective benefits for all while minimizing individual free-riding and self-interested behavior (Ostrom 1990; Aligica and Tarko 2013). A key issue of collective action requires the development of social capital, reciprocity and trust among the individuals who live and work in a community and share common resources (Ostrom 2003).

### Expanding New Commons and Collective Action

Beyond traditional common-pool resources, in the last few years, scholars have expanded the concept to include "new commons" (Hess 2008). These encompass neighborhood or urban commons, knowledge commons, health commons or cultural commons among others. They are novel types of shared resources that have emerged in addressing environmental and social problems fostered by heterogeneous groups and communities in different geographies. These communities are different from traditional collective action communities and aim to achieve participatory management and share the provision, distribution and ownership of new collective goods. They enhance new forms of collective action but without "pre-existing rules or clear institutional arrangements" (Hess 2008, p. 2).

To study this phenomenon, scholars have defined two novel concepts:

### Commoning

This is based on the act of "doing in common" (Bollier and Helfrich 2015; Fournier 2013). De Angelis (2017, p. 10) defines commons as a "social system" including three dimensions: (1) a pool of material and immaterial resources; (2) a plurality of people (community) who collectively share, use, produce, reproduce and distribute commons resources; and (3) commoning as the practice of horizontal 'doing in common'. Commoning refers to experimenting with new organizational designs to produce and distribute new commons, generating new labor divisions and allocations to support governance with collective action principles defined by the community members. De Angelis (2017, p. 30) claims that commoning is the creation of "use value for a plurality" which becomes a community, "claiming and sustaining the ownership of the common good" through the creation of "relational values." This promotes collective forms of common resource governance and ownership in the pursuit of the common good, including collective entrepreneurial experiments, cooperatives, community-based enterprises and peer production initiatives.

In practice, commoning implies a high degree of experimentation (Bollier and Helfrich 2015). Bollier and Helfrich define it as a "joint action" to co-create solutions, common products and services together, including "a cooperating approach to meet shared goals" for long-term sustainability (2015, p. 1). In this context, commoning refers to a social system that "aim[s] to change the relations and practices that constitute the capitalist system" (De Angelis 2017, p. 85). Beyond profit accumulation, new commons care about values and collective human rights, solidarity, ecology and social wellbeing. Commons create the conditions for the long-term resilience of community self-organization while transforming the all-encompassing systems: the capital, state, commons and ecological systems.

### Polycentric Governance

This refers to the capacity to expand institutions for collective action to larger sets of social-ecological resources, for example, from a forest to world biodiversity or the atmosphere and climate change (Ostrom 2010). Polycentric governance shifts towards a complex form of collective action that includes "multiple centers of decision-making and authority with overlapping jurisdictions (local, national, regional and even international) which interact through a process of mutual adjustment during which they frequently establish new formal collaboration or informal commitments, and their interactions generate a regularized pattern of overarching social order" (McGinnis 2016, p. 5). These centers integrate novel communities within a self-organized system, without any central authority (Ostrom 2010). They

are able to support collective action with an overarching set of organizing rules among the centers (Aligica and Tarko 2013).

### Community-Based Enterprise Theory

Community-based enterprise theory is the business application of the economic approach. This theory studies how “a community acting corporately as both entrepreneur and enterprise in pursuit of the common good” (Peredo and Chrisman 2006, p. 310). This theory has developed different concepts: community-based enterprises (CBEs) (Peredo and Chrisman 2006) and community-led social ventures (Haugh 2007). In general, they refer to similar phenomenon, but, while community-based enterprise research studies the entrepreneurial model and how a community becomes a single joint collective actor based on the available community skills and a multiplicity of goals (Peredo and Chrisman 2006), the community-led social venture focuses on the processes underlying the ability of communities “to take greater responsibility for their own socioeconomic development” (Haugh 2007, p. 161).

This theory has three main dimensions:

First, the community is at the core of the entrepreneurial act. CBEs are promoted and launched by “community members acting corporately” (Peredo and Chrisman 2006, p. 310). Communities create value for concrete needs, achieve economic benefits, produce new products and services and, primarily, enhance the wellbeing of the

community (Dentoni et al. 2018). To expand the theory, Haugh (2007, p. 161) argues that they “have the potential to deliver benefits over and above economic and financial outcomes [...] to revitalize communities via meeting local needs, developing the capacity of a community to be independent, and generating social capital between individuals and communities.”

Second, CBEs are driven by community-based resources and their own community skills, knowledge and culture. They depend on community participation and social capital (Peredo and Chrisman 2006). Thus, CBEs embrace their traditional knowledge and the participation of their members in work and management (Dentoni et al. 2018).

Third, CBEs are based on non-hierarchical governance structures which include collective decision-making, community-based assemblies and boards of trustees, ensuring they are inclusive and incorporate representatives of all the different community members (Peredo and Chrisman 2006).

### Commons Organizing: A Comprehensive Model

Building on this literature review, we propose a comprehensive model which includes two main dimensions as illustrated in Fig. 1. We integrate implicit ontological assumptions to bridge both theories (Suddaby et al. 2011). First, we develop a set of organizing principles built on the integrative analysis of both theories. The concept of “organizing

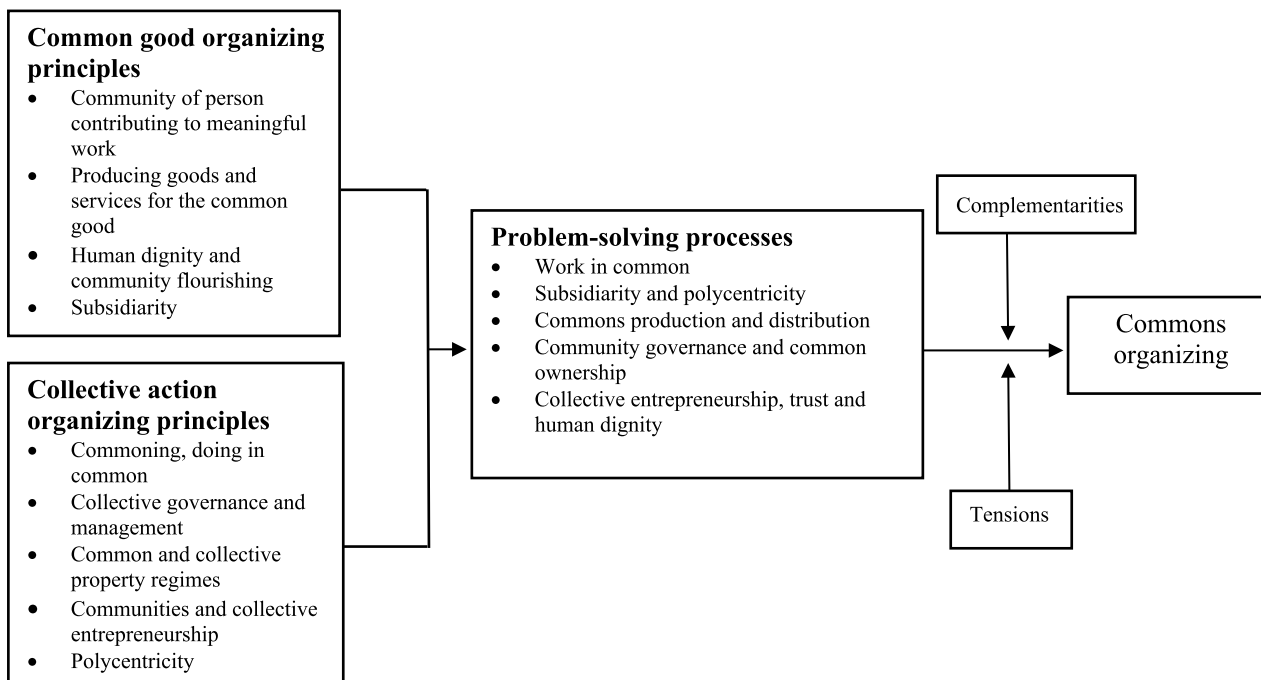


Fig. 1 Commons organizing model

principles” is based on Ostrom’s (1990) understanding of institutions for collective action. Her eight design principles described above are a synthesis of the mechanisms and procedures that groups of owners and users adopt to self-regulate how they organize collective action. In our model, the organizing principles are a synthesis of our findings from our literature reviewing both, ethical and economic approaches.

The second part of the model aims to examine what is new in commons organizing. Based on Puranam et al. who study how novel forms of organizing apply “a set of solutions to four universal problems that all organizations confront” (2014, p. 163), we study commons organizing by differentiating between four main organizing problems: task division, task allocation, reward distribution and information flow. Task division refers to how commons organizing distributes and organizes novel tasks in new projects and ventures. Division of labor explains the separation of tasks in different economic systems (centralized or decentralized) and with an implicit architecture or a clear structure. Task allocation studies how key work is done by assigning responsibilities. It ensures that the tasks are done and distributed properly among the members. The provision of rewards refers to how communities motivate individual people to cooperate and execute their tasks, bearing in mind the reward system, whether monetary or not. Finally, information flow encompasses how information is distributed to coordinate actions and interactions (Puranam et al. 2014).

We examine these four problems by searching for convergence between the two theories. Our research thus reveals five main problem-solving processes which explain commons organizing beyond the four problems. Commons support novel organizational configurations regarding work in common, common production, governance, ownership, the collective movement and economic sustainability.

### Common Good: Organizing Principles

Drawing on the theory of the common good of the firm, our model includes four common good organizing principles.

- (1) A community of persons contributing to meaningful work: Joining a community allows people to work in common for the common good while expanding their virtues, acquiring technical, intellectual and artistic skills and developing their moral character (Sison and Fontrodona 2012).
- (2) Producing goods and services for the common good: The common good is based on the production of goods and services needed for a given community to flourish. And, helping this society flourish through productive and meaningful work allows people to develop virtues and their intellectual and moral skills. This aligns the

economic function of the firm with the common good (Sison and Fontrodona 2012, 2013).

- (3) Human dignity and community flourishing: Participating in meaningful work for the common good fosters the growth of human dignity. The common good involves individual fulfillment, human dignity and community flourishing (Mele 2012).
- (4) Subsidiarity: Every task needed by a society should be assigned to the lowest-level group or community that can perform it. The main responsibility falls on small groups or communities that can solve the problem themselves (Sison and Fontrodona 2012).

### Collective Action: Organizing Principles

Drawing on the theory of institutions for collective action, our model includes five organizing principles.

- (1) Commoning: The praxis of doing in common, when pluralities of people which become communities collectively produce, distribute, share, manage and govern commons resources through decentralized forms of doing in common (De Angelis 2017).
- (2) Collective governance and management: All people in the community participate cooperatively in the governance of the commons project or venture, with different roles, collective goals and labor mechanisms, participating in decision-making and deliberation and also in management and operations (Bollier and Helfrich 2015). This is based on trust and social capital (Ostrom 2003)
- (3) Common and collective property regimes: New commons are collectively owned. There are different types of common property (when users share the ownership rights co-equally without divisibility of the units) and collective property (when users share the ownership, but the units can be divided for private use) (Peredo et al. 2018).
- (4) Communities and collective entrepreneurship: This refers to how communities behave as entrepreneurial actors to create new initiatives for the common good to achieve economic sustainability (Haugh 2007). Communities respond to collective needs, generating new commons products and services and achieving collective benefits for all (Dentoni et al. 2018).
- (5) Polycentricity: Collective action also includes nested layers of interconnected communities. This fosters the coexistence of a polycentric movement of communities that mutually adjust in a large commons movement but without any central authority; instead, there is an overarching set of principles and shared goals (Ostrom 2010).

## Commons Organizing Processes

Based on the integration of the organizing principles, our model includes five problem-solving processes that explain novel form of commons organizing as illustrated in Table 2: (1) work in common; (2) subsidiarity and polycentricity; (3) commons production and distribution; (4) community governance and common ownership; and (5) collective entrepreneurship, trust and human dignity. Below we study each of these processes. We support our analysis with illustrative examples. These examples are based on secondary data from scientific publications which study commons organizing cases. That notwithstanding, our selection of illustrative examples does not aim to explain concrete problems but, rather, understand how problems affect the illustrative cases, studying the complementarities and tensions that emerge. We show how the five problems do not always appear individually in all the cases; rather, they complement each other. We see how these tensions, dualities and paradoxes (Smith and Lewis 2011) are normal dimensions of commons organizing processes. Our analysis also highlights how these tensions show the difficulties of implementing commons organizing.

### Work in Common

Commons organizing proposes a new way of working cooperatively and dividing tasks (Puranam et al. 2014), integrates the concepts of work in common based on the theory of the common good of the firm and doing in common (commoning) from the theory of collective action.

Work in common explains how individuals divide their tasks to produce shared goods (objective dimension) while supporting the development of individual and collective skills and virtues (subjective dimension) (Sison and Fontrodona 2012). It encourages decentralized forms of community work based on key virtues, cooperation, participatory work, deliberation, creativity and integrity. In addition, commoning generates communities of work and practice (Wrenger and Snyder 1999), fostering cooperative work that develops new collective identities and novel experimentation (Dentoni et al. 2018). This cooperative work generates new work practices within the communities (e.g., brainstorming, collaborative technology, knowledge-sharing, co-learning, deliberative practices, visualization and connecting ideas) (Helfrich 2015).

Exploring novel forms of task division, work in common transforms the boundaries between voluntary and wage labor, including a deep respect for human dignity and rights. It is based on the need to promote fair and transparent labor practices, equal economic benefits distribution and reinvestment of the benefits, collective and transparent participatory

governance, membership control and management of the enterprise, open information, participating in bottom-up deliberation and collective decision-making and equitable financial distribution (Sison and Fontrodona 2012, 2013). Regarding the analysis of commoning, it also adds reciprocity and community labor as part of task division. It is a “network of reciprocity (reciprocal labour)” and “a network in which all the community participates (community labour)” (De Angelis 2017, p. 23).

An illustrative case of work in common is knowledge commons. These include data and information and intellectual and cultural knowledge which are collectively created, shared and managed by a community of creators and users, mainly through internet and digital resources (Hess and Ostrom 2003). Knowledge commons depend on the work of multiple people who have different specialized tasks (e.g., scientists, software programmers, lawyers, editors and reviewers) (Hess and Ostrom 2003). A main issue is based on how to manage the community (that works in common) and its governance (the rules that govern the knowledge commons platforms). This tension can be seen in the Creative Commons (CC) case. The latter faced an important challenge when developing a participatory and decentralized governance model (Dobush and Quack 2010). CC is a non-profit organization founded in 2001 with financial support from Stanford University and the Center for Public Domain in the United States. CC’s main goal is to support knowledge commons through the provision of legal tools, licenses and public domain tools, free of charge to the public, to grant copyright permissions for creative work. CC was first launched in the United States with a license version. It then expanded to other countries, engaging novel scientific communities in Europe and other regions. This led to the challenge of how to “legally translate (“port”) its license modules into other jurisdictions” (Dobush and Quack 2010, p. 14), forcing a move in the field of open content licensing. The original CC community generated new affiliates as a form of political franchising that supported CC as a brand in many different countries (Dobush and Quack 2010).

Although CC grew and generated multiple distributed communities around the world, CC’s governance was mainly centralized under a board comprising the original group who launched the commons project (Dobush and Quack 2010). They decided to launch a novel project called iCommons (2005) to create a democratic governance structure with democratic participation and deliberation, while the CC board would keep the brand and the product based on expertise. However, iCommons faced a significant challenge which Dobush and Quack (2010, p. 17) refer to as a “double movement: More and more activist license users without any legal background [were] gravitating towards the organization whereas legal professionals [were] drifting away from it.”



**Table 2** Commons organizing—different problem-solving processes

Commons organizing processes	Definition	Commons organizing illustrative cases—Tensions
Work in common	Commons organizing is based on groups of people (communities) that work in common (ethical approach), adopting meaningful work to achieve the common good and produce common resources (economic approach)	<i>Knowledge commons: creative commons:</i> Tensions emerge between communities of work distributed across multiple jurisdictions with democratic participatory governance
Subsidiarity and polycentricity	Commons organizing is based on decentralized task division and allocation, supporting multiple local community-based initiatives that work at the closest level to understand the commons problem (subsidiarity, ethical approach). However, they can mutually interact and adjust and generate a large commons movement guided by autonomous initiatives that mutually adjust without a central authority (polycentricity, economic approach)	<i>Community-based energy initiatives and renewable energy cooperatives, RE cooperatives:</i> Tensions emerge between the communities of producers and users which need to deal with market-based energy utility companies, which is guided by profit maximization energy utility companies individually The growing of large networks of community-based energy initiatives need to cope with legal status and market mechanisms to regulate how to sell the excess energy produced to the grid
Commons production and distribution	Commons organizing generates novel forms of production and distribution of shared resources (ethical approach), promoting novel forms of peer production and sharing and promoting community flourishing (economic approach)	<i>Food commons. Foodsharing.de:</i> Tensions emerge regarding open-access platforms and food security and health regulations
Community governance and common ownership	Commons organizing is based on democratic governance and deliberative participation through which members of the communities participate in decision-making and management (ethical approach). At the same time, this is possible through the development of common and collective forms of ownership (economic approach)	<i>Co-housing, Groene Marke in Zutphen:</i> Tensions emerge due to the collective management of commonly-owned spaces and projects' long-term economic and ecological sustainability
Collective entrepreneurship, trust and human dignity	Commons organizing transforms individual challenges into collective action behavior, enhancing a form of collective entrepreneurship based on participation by a plurality of people. People are engaged through trust-building (economic approach) and the search for human dignity (ethical approach)	<i>Finance commons. Instituto Banco Palmas:</i> Tensions emerge between non-market practices, trust-building, market practices and economic sustainability

This led to a tension between work in common and network governance. iCommons was finally suspended in 2008.

### Subsidiarity and Polycentricity

Commons organizing also explores further task division and allocation (Puranam et al. 2014). Commons organizing involves two key complementary dynamics which explain this allocation: subsidiarity based on the ethical approach and polycentricity based on the economic approach.

The emergence of commons organizing combines multiple and distributed local community-based initiatives founded on experimental practices that emerge in small groups, neighborhoods or digital communities. Commons organizing is based on decentralized task allocation, supporting multiple small community-based initiatives that aim to cope with environmental and societal challenges, providing new goods and services at the closest level. Subsidiarity refers to the principle that resources are better managed at the lowest level of those immediately harmed or benefited (Sison and Fontrodona 2012). Subsidiarity supports local problem-solving initiatives and avoids any form of excessive centralization, control over decision-making, bureaucratization and paternalism (Sison and Fontrodona 2012). Tasks are mainly allocated to the lowest possible group or community which can cooperate and perform the required tasks (Haugh 2007). Local communities, cooperatives and smaller ventures become the main form of commons organizing as they are directly connected to new commons challenges (e.g., housing, food, energy, knowledge, arts, education and health).

But, beyond subsidiarity, we study how commons expand beyond local communities and generate heterogeneous networks, a movement embedding larger networks of digital, urban and rural communities that mutually interact for the common good, without any central authority. This leads to multiple and distributed initiatives to raise awareness about new global commons concerns (Bauwens 2017). This dynamic can be explained by the polycentric governance concept (Ostrom 2010) which illustrates how different and diverse community-based initiatives work autonomously but share overarching goals and some organizing rules to support a commons movement (McGinnis 2016). This creates a sense of solidarity, including multiple interconnected but independent initiatives with overlapping jurisdictions and responsibilities (Mele 2012).

An illustrative case of this subsidiary-polycentric structure is the spread of local community-based energy initiatives and renewable energy cooperatives in different European cities. They represent a large movement to transform the renewable energy system's production and distribution, mitigate climate change and support the transition to a low-carbon economy (Bauwens 2017). This is based on local

communities who launch new renewable energy projects using their own buildings and resources. They launch new projects for decentralized renewable energy production, investing in novel initiatives and sharing the ownership and management of a community renewable energy infrastructure. They allow people to work in common and produce and consume common resources (renewable energy) (Bauwens 2017). This movement is expanding in countries such as Denmark, Germany, Spain and the UK. Their efforts represent a decentralized and self-organized model of renewable energy production as a new type of commons. This generates tensions with traditional energy markets, mainly with utility companies which treat energy as a private resource. Their existence also requires establishing new mechanisms which address the legal status of these cooperatives and market mechanisms that regulate how these communities sell the excess energy they produce to the grid. At the EU level, community-based energy enterprises have created a federation called RE Cooperatives. They are also embedded in the international cooperative movement (Bauwens 2017).

### Commons Production and Distribution

The third process of commons organizing refers to novel forms of production and distribution of shared resources and collective goods (Ostrom 2010). It connects with novel forms of task allocation and reward distribution (Puranam et al. 2014) combining two organizing principles: producing new products and services for the common good of society (ethical approach) and peer production and sharing (economic approach).

Many communities of people join together to collectively produce and distribute new commons such as co-housing, renewable energy community-based initiatives, arts commons or health commons at the community level. The common good of the firm highlights producing goods and services as a means to satisfy societal needs and help individuals flourish (objective dimensions), the development of immaterial goods in the pursuit of individual wellbeing and the support of individual flourishing (subjective dimension) (Sison and Fontrodona 2012).

To complement this, the economic approach proposes new forms of peer production, also known as mass collaboration (Benkler and Nissenbaum 2006). Peer production has been applied to digital and knowledge commons (e.g., software projects). It refers to the "collaboration among large groups of individuals, sometimes in the order of tens or even hundreds of thousands, who cooperate effectively to provide information, knowledge or cultural goods without relying on either market pricing or managerial hierarchies to coordinate their common enterprise" (Benkler and Nissenbaum 2006, p. 394). Commons peer production enhances social innovation based on cooperative production (digital platforms). It

requires a large set of volunteers working together for common open-community software projects, supporting and producing new services based on open-access and open-commons knowledge (e.g., Apache, Linux and Wikipedia).

Lately, scholars have extended the notion of peer production beyond online communities. Benkler (2017) applies it to a broad set of new cooperative practices: crowdsourcing, online labor markets, prize systems and open collaborative innovation. He argues that peer production transforms the nature of production and management, combining three main elements: decentralized problem-solving, multiple motivations (including prosocial behavior beyond economic profits) and separating governance and management from property and contract. Peer production thus extends beyond the current boundary of the firm, transforming market-based institutions and the foundations of economic growth (Benkler 2017). It also explores novel forms of rewards, blurring the boundaries between voluntary and salaried employment, a central element in the development of commons organizing. Many people working on peer production initiatives act voluntarily without a formal contract and salary (e.g., online communities). New commons and collective action scholars call for novel forms of reward distribution based on “commoning” (De Angelis 2017). Thus, commons organizing is struggling to experiment how to achieve long-term economic sustainability that is aligned with collective action and sharing, sustaining new forms of community-based jobs and reward systems.

Therefore, commons distribution underscores the concept of sharing, which is at the center of collective action theory (Ostrom 1990, 2003). Commons organizing also connects with collaborative consumption which has grown considerably in the last few decades due to the internet and the emergence of the sharing economy (e.g., carpooling). Sharing is a consumer behavior that involves communal commoditization beyond markets, supporting people consuming together. Sharing enhances collective responsibilities such as taking care of and not overusing resources so that they can be sustained by communities of users (Belk 2010). In the case of commons, sharing and collaborative consumption refer to people coordinating the acquisition, distribution and consumption of commons resources (e.g., education). Communities promote collaborative forms of consumption (e.g., community purchasing groups, sharing services, car and mobility sharing, community co-housing or co-based renewable energy initiatives).

An illustrative case of commons production and distribution can be studied in the development of foodsharing urban commons. One case is foodsharing.de, a grassroots food rescue network present in different German cities. This network aims to manage foodsharing as a commons (Morrow 2019). “Foodsharing.de is a volunteer-run organization and online logistics platform founded in 2012 in Germany to support

de-centralized food rescue and peer-to-peer food sharing activities” (Morrow 2019, p. 202). The network is managed through an online platform and other facilities, including “public refrigerators” for local communities. In 2018 it had more than 200,000 registered users (Morrow 2019).

Foodsharing.de foments people sharing and distributing food. It depends on volunteering and includes different roles, including warehouse managers, refrigerator stewards and web programmers. Foodsharing.de was originally proposed as an open-access platform. However, in the last few years, foodsharing.de members have acknowledged that its open access is a key challenge, generating significant tensions. Looking to collective action theory, they have attempted to define commons distribution mechanisms and assign responsibilities to members to ensure the group’s sustainability. Morrow (2019) studied the implementation of multi-level foodsharing governance which included five essential design principles: Trust, safety, quality, traceability and responsibility. A second main tension for foodsharing.de relates to current food safety regulations in Germany and Europe. Existing norms do not recognize foodsharing. This reveals the fundamental contradiction of governing food as a common good because food is mainly regulated as a private good (Morrow 2019).

## Community Governance and Common Ownership

The fourth process of commons organizing explores novel forms of community governance and common ownership. Regarding the two theories, commons organizing combines participative governance (ethical approach) and democratic governance and common and collective ownership regimes (economic approach). It includes reward distribution and information flows, but it also introduces new dimensions to Puranam et al.’s (2014) framework. Commons organizing is based on community-based governance and deliberative participation in which members of the communities, volunteers and employees participate in collective decision-making processes and management, adopting common-ownership regimes.

In the ethical approach, the analysis of governance results in the need for manager and employee participation to “contribute, achieve and benefit from the common good of the firm” (Sison and Fontrodona 2012, p. 232). It transforms the vision of the firm in support of participatory governance. Sison and Fontrodona (2012) argue that managers and employees are better positioned to know the needs of the company. They explore the notion of the common good and good governance, combining balanced governance practices, power distribution, fair rules, procedures and governance structures. To achieve these goals, they include equal opportunity employment, performance and merit-based promotion

and compensation, transparency and labor-related conflict resolution.

On the other side, the economic approach includes community governance (Bollier and Helfrich 2015) with community-based enterprises and collective and common property regimes as transformative concepts (Peredo et al. 2018). Commons organizing involves collective and democratic governance. Here, too, members of the communities, volunteers and employees participate in collective decision-making processes and management, supporting deliberation, participation and distributive governance mechanisms (Peredo and Chrisman 2006). Commons organizing governance is not based on a hierarchical structure but on equal participatory decision-making processes (Dentoni et al. 2018). This empowers community members to engage in the governance process, ensuring transparent information flows and deliberation (De Angelis 2017).

Beyond that, commons organizing is based on the emergence of new types of common and collective property regimes (De Angelis 2017). Commons can adopt two main types of property regimes as studied by Peredo et al. (2018). The first is to create a common property regime (Ostrom 1990; McKean 2000). In this case, commons is “an asset over which a group of persons share ownership rights”, but they “share these rights co-equally”, meaning that these rights are not divisible among individuals (Peredo et al. 2018, p. 592). The second option is based on a collective property regime, which differs from the previous type because commons are “an asset in relation to which members of a group have property rights that are held jointly but divisible” (Peredo et al. 2018, p. 592).

An example illustrating the tension between community governance and common property regimes is co-housing. The latter is based on communities of people who share the common ownership or part of the ownership of a building, the aim being to support common spaces and services (Tummers 2017). People join together to build commonly-owned buildings by which they share common spaces, including community centers, gardens and parking facilities, land and community centers (e.g., shared kitchens and dining facilities, laundry services, gardens and recreational services). Regarding their legal structures, they can organize themselves as homeowner associations or housing cooperatives. However, this generates an important tension between collective, common ownership and private ownership (Tummers 2017). While a part of the co-housing is common, other parts can be private.

An illustrative case is Groene Marke (Green Commons) in Zutphen (Netherlands). It was initiated in 1991 as a real estate association and today includes 50 rental and home-owned spaces (Tummers 2017). The project was originally initiated by a single resident who wanted to build fifty residential units and a “green commons” area (Groene Marke) of about 4000 m<sup>2</sup>. The ensuing founders created a residents’

association which collaborated with a housing association, which was in charge of financial administration and supervision. They built a mixed-tenure structure, with 75% of the spaces allocated to private homes and 25% to low/medium-budget rental units, as well as some collective working spaces. The community of residents also had sustainability goals, including renewable energy (solar panels) and water. Homeowners could choose if they wanted to self-install wall-heating and solar panels. Renting these collective spaces also generated community income to support communal costs. Tummers (2017) studied different tensions that emerged regarding how to manage co-housing communities with common workspaces and private houses.

### Collective Entrepreneurship, Trust and Human Dignity

The final process enhances collective entrepreneurship supported by trust-building (economic approach) and human dignity (ethical approach). It encompasses novel forms of task allocation, reward distribution and information flows (Puranam et al. 2014).

Collective entrepreneurship shifts from individual to collective entrepreneurial practices and describes how collective identities mobilize their own resources and knowledge to generate new collective projects (Lounsbury 1998). Wijen and Ansari (2007) identify different drivers that lead skillful groups of people to support collective entrepreneurship and collective action. These ongoing processes also support commons organizing: transforming power configurations to create change, creating common ground, mobilizing participants, designing appropriate incentive structures and adopting ethical guidelines.

Lounsbury (1998) argues that collective entrepreneurship emerges due to two different factors: the marginality of the members and a broad social movement. Many commons initiatives emerge as community-based enterprises because individuals feel marginalized by public policies and welfare services (Morrow 2019). However, commons organizing initiatives adopt this entrepreneurial approach because they aim to cope with social and environmental challenges (De Angelis 2017). Commons organizing thus becomes a collective movement that supports the development of a social movement (Bollier and Helfrich 2015). At the local level, it involves forms of community-based enterprises which support collective entrepreneurship as a larger movement. According to Bollier and Helfrich (2012, pp. xv–xviii), commons represent a “generative paradigm” that fosters experimenting with new forms of organizing that are originally promoted at the community level but can expand to large networks.

As such, commons organizing becomes a collective entrepreneurial movement based on novel forms of reciprocity,

trust and human dignity. An important leverage is the process of trust-building among members of communities (Helfrich 2015). The successful engagement of people to take part in commons organizing for collective action is based on the capacity of the community to generate trust, reciprocity and strong social capital ties (Ostrom 1990). Institutions for collective action emerge through reciprocity between members of the community, searching for mutual and collective benefits. This generates trust based on reliability and confidence in others while supporting the long-term development of social capital. These interpersonal relationships help to develop a shared sense of identity, a shared understanding of the problem, shared norms and values and social capital (Ostrom 2003).

At the same time, commons organizing supports the human dignity concept in the ethical approach. Human dignity, cooperation and solidarity allude to the recognition that all human beings have a special value that is intrinsic to their very humanity and that should be respected and supported (Mele 2012). Commons organizing aims for the common good and human dignity to encourage the development of commons projects that create value for all stakeholders, the “implicit living in the virtue of justice” (Mele 2009, p. 228).

An illustrative case of collective entrepreneurship, valuing trust and human dignity is finance commons. Meyer and Hudon (2017, 2019) study the emergence of alternative financing projects which aim to support the common good and community flourishing. Finance commons support new ventures that aim to foster commons-based economic practices to promote community regeneration in low-income communities through commons-based financing entrepreneurial projects. These commoning practices challenge the economic model based on the private accumulation of capital (De Angelis 2014). Instead, finance commons propose new self-managed community banks and new currencies, serving local communities to address concrete problems such as unemployment and poverty.

Community development banks promote local solutions to economic challenges in local communities, while encouraging collective behavior and trust. The main goal is to create new financing mechanisms without the need for large banks that are not connected to local communities and their needs. Meyer and Hudon (2017) study five community currencies that have emerged in local communities: Time Dollar (USA), LETS (UK), Chiemgauer (Germany), Palmas (Brazil) and Trueque (Argentina). The Instituto Banco Palmas de Desenvolvimento e Socio Economia Solidaria (Brazil), for example, supports the emergence of community currencies and community development initiatives in multiple neighborhoods and municipalities in that country. It supports a network of 50 initiatives that operate under an overarching set of principles promoted by the Banco Palmas methodology. These principles support trust and social

capital but they also work to restore human dignity. That notwithstanding, many tensions emerge in finance commons between prosocial goals and banking practices (Meyer and Hudon 2019).

## Discussion

Drawing on a comprehensive perspective, we argue that research on commons organizing has not considered the convergence of two main approaches: the theory of the common good of the firm in business ethics and the theory of institutions for collective action in economics. Although the ethical and economic approaches build on different constructs and ontological assumptions, both explain why and how a plurality of people act cooperatively and develop novel communities to experiment with new commons organizational designs.

In this paper, we have searched for convergence between ethical and economic theories on commons, promoting ontological pluralism. We base this search on a “metaphorical bricolage”, a process which combines implicit assumptions as catalysts to bridge two theories (Suddaby et al. 2011). This assembling provides a comprehensive understanding of commons as a novel form of organizing based on virtues and human cooperation.

## Virtues and Human Cooperation

While the theory of the common good of the firm is based on a normative ethics approach, exploring how virtues are the ethical guide for the managers and employees of a firm to become a community of people working in common for the common good, the economic approach is based on the analysis of human behavior, aiming to explore novel contexts in which individuals cooperate and reciprocate beyond individual self-interest. The economic theory studies how groups of people sharing a common good create collective action institutions and instill commons organizing to create new value (Poteete et al. 2010).

The theory of the common good of the firm is sourced in strong philosophical principles. The theory emphasizes that moral character and human dignity (Mele 2009) are core elements to understand the nature of commons organizing processes. Virtues guide individuals in their actions in common to achieve the common good (Sison and Fontrodona 2012). A virtuous individual is a wise person who understands the need to cooperate in novel communities that produce, distribute and govern new commons in the pursuit of the common good.

In contrast, the theory of institutions for collective action is based on a positivist approach, studying human behavior (cooperation, reciprocity, altruism) as a social phenomenon

(Poteete et al. 2010). New institutional economics seeks to study norms, institutions, social organizations and group formation (Ostrom 1990). Thus, collective action theory explores how groups of people move toward collective interest, designing new institutions to sustain common resource management and governance (Ostrom 1990).

The complementarities between these different ontological assumptions, moral virtues and human cooperation are key to understand our model. Both theories complement each other, providing a comprehensive perspective on how virtues complement and support human cooperation and collective interests beyond individual self-interest. Our model studies communities of people who work in common based on individual virtues (solidarity, integrity and common good) (Mele 2012); these communities overcome self-interested behavior and support social benefits and collective action (Ostrom 1990).

Our model contributes to the business ethics field by exploring the development of a commons organizing view, building on the intersection between virtues and institutions in human cooperation. It opens an unexplored territory which sees institutions, organizing, communities and virtues as deeply connected. Virtues bring novel moral and ethical arguments to understand institutions for collective action, contributing to the theory of human behavior. Commons organizing also has the potential to explain new types of voluntary communities in the twenty-first century that use digital tools and search for the common good, guiding a plurality of people on how to produce new collective goods and common resources, providing employment and work in common, coping with economic and social challenges and providing collective goods that are not fully met by public administrations and private organizations.

### What is New in Commons Organizing? Processes and Tensions

Our model provides a novel configuration, identifying organizing principles and processes which aim to capture the complexity of contemporary commons organizing. The convergence of both theories combines a set of complementarities based on problem-solving processes (Puranam et al. 2013), but it also explores new organizing tensions (Smith and Lewis 2011).

Although both theories have important differences regarding their ontologies, they share an understanding of work in common and common goods production, distribution, management and ownership as a key process for task division, task allocation and reward distribution. Our model reveals important challenges to the future of commons organizing. A main challenge is based on the long-term survival of commons organizing in market capitalism. That is, how commons organizing will economically sustain in the markets

competing with private goods. Urban and digital communities have been able to launch communitarian and collective forms of work in common for the common good (e.g., community-based energy initiatives, co-housing, car-sharing, food commons) that have growth in the last years supported by digital platforms and voluntary work. It is not clear how long this voluntary work can sustain these initiatives without adopting the mainstream norms of market competition. A second challenge is how commons organizing extend from small community-based initiatives toward larger networks of interdependent communities working in common. We have explored a successful case, the community-based energy initiatives growing in larger cities in Europe who has been able to join in the RE cooperatives in Europe.

At the core of commons organizing, we have studied different tensions, some of them emerging between moral virtues and human collective interest and how both influence the development of communities of people who work in common for the common good. These tensions arise between the development of communities that work in common dealing with democratic participatory governance. Other tensions emerge due to conflicting logics between commons community production and traditional markets, between commons production and market regulations and between common ownership and economic sustainability. These tensions emerge from the rights of communities to self-organize and sustain their common resources in the markets (Ostrom 1990). Commons organizing is based on a decentralized and communitarian form of working in common. In the twenty-first century, this traditional form of organizing has acquired new tools for decentralized task division and allocation which is only possible with today's new digital tools (internet, sharing platforms and blockchain) that enhance new forms of peer production and sharing.

Commons organizing thus underscores the need to support communities of people working together at the lowest possible level to deal with societal challenges, exploring the principle of subsidiarity in novel ways (Sison and Fontrodona 2012), a core issue in ethical theory. These initiatives also connect to larger networks that are able to mutually interact without any central authority and maintain their autonomy while searching for broad common goals and instilling shared organizing principles, that is polycentricity (Aligica and Tarko 2013).

Our model also helps enrich the interaction between the community-based and collective entrepreneurship concepts, exploring how community-based enterprises (Peredo and Chrisman 2006; Haugh 2007), as key commons organizing, interconnect as part of a large pro-social movement that generates novel forms of collective entrepreneurship (Lounsbury 1998; Wijen and Ansari 2007). Commons organizing processes refer to how communities of people establish rules and design principles to support community-based

enterprises. They create and share internet-based platforms to produce and distribute common goods and collectively govern and manage their ventures, organizations and platforms to generate expanding forms of institutions for collective action. Commons organizing can thus be studied within the framework of collective entrepreneurship (Lounsbury 1998) which sees the community phenomenon and the practice of commons as a social movement (Bollier and Helfrich 2015; De Angelis 2017). Future research should better explore these underlying tensions of commons organizing view.

## Commons as Part of Broad Prosocial Organizing

In this paper, we also aim to understand the nature of “commons organizing” as a phenomenon within the extensive prosocial organizing research field (Peredo et al. 2018). Human prosocial behavior refers to voluntary actions motivated by the ultimate goal of increasing others’ welfare, benefiting, comforting and sharing with others (Batson 2011). Scholars have studied prosocial motivation in businesses and organizations, supporting a broad prosocial organizing approach. Prosocial organizing has a long tradition and has had a significant impact on business (Doherty et al. 2017). This research combines the study of different forms of businesses, organizations, enterprises and ventures in which there is an important prosocial behavioral imprint (compared to economic drivers). Among prosocial organizing traits, Peredo et al. (2018) mention the spread of CSR, social enterprises and hybrid organizations. Other forms include community-based enterprises or B corporations and collective environmental entrepreneurship.

Although prosocial organizing encompasses different and diverse forms and concepts, “social entrepreneurship” or “social enterprises” are the most well-known (Peredo et al. 2018). Social enterprises include new ventures that aim to find sustainable entrepreneurial solutions to social and environmental problems with positive externalities internalized in the economic system (Santos 2012). Some scholars have expanded their analysis of social enterprises to identify hybrid organizations (Battilana and Lee 2014), examining how new ventures integrate a dual mission or logic, embedding social purpose and financial sustainability (Pache and Santos 2012).

Returning to commons organizing, in this article we study the development of novel forms of organizing driven by communities of people that work in common for the common good and common resources. The motivations for these communities include human virtues and human cooperation due to prosocial attitudes towards others (Batson 2011).

Commons organizing is part of broad prosocial organizing issue of research and contributes to theory development.

Although commons organizing adopts prosocial behavior, it does not fit with the hybrid approach supported by social entrepreneurship (Battilana and Lee 2014; Pache and Santos 2012). As described, the main goal of social enterprises is to cope with social issues and support financial sustainability (Doherty et al. 2014), enhancing entrepreneurial activities (Santos 2012). In contrast, the main goal of commons organizing is to support communities of people to produce, distribute, provide and share commons resources and to achieve the common good for the community’s flourishing (Bollier and Helfrich 2015; Sison and Fontrodona 2012). In the case of commons organizing, its hybrid nature or dual mission is motivated by prosocial behavior towards others, but this motivation is mainly found in the notion of achieving the common good (Mele 2009) and promoting collective action (Ostrom 1990).

Finally, analyzing commons organizing as part of prosocial organizing research highlights the importance of understanding how commons organizing adapts to the market economy. This generates many tensions as we have seen in the examples provided. Whereas the theory of the common good of the firm aims to cope with the negative and amoral behavior of firms and market distortions (ecological, social, labor and governance) (Sison and Fontrodona 2012), collective action theory is transformative and aims to build a novel space beyond the markets and the State (Ostrom 1990).

Sison and Fontrodona (2012) argue that the common good of the firm can be achieved by distributive justice, limiting individualism. To further explore this issue, Fremeaux and Michelson (2017) identify new types of firms attempting to achieve the common good in novel movements such as conscious capitalism and the economy of communion. To complement this, collective action also includes new movements like urban and knowledge commons that aim to generate alternative institutions beyond the State and the market (Bollier and Helfrich 2015). De Angelis (2017) adopts a very critical position, arguing that commoning refers to a “radical concept, fostering the participation of people in shaping their own lives and meeting their own needs,” transforming the rules of capitalism (Bollier and Helfrich 2015, p. 11).

## Conclusions

Novel organizational theories often emerge by assembling concepts, implicit assumptions and metaphors from different theories in diverse bodies of literature (Suddaby et al. 2011). In this paper, we have explored commons organizing view by creating a comprehensive model based on the common good and collective action organizing principles, along with

five problem-solving processes. We argue that the long-term tradition of commons has re-emerged in the last few decades with novel communities of people which promote collective forms of commons production, distribution, governance and ownership in the pursuit of the common good.

There is a need to support future commons organizing theory development by expanding empirical research on contemporary phenomena. Important avenues could include how and why people join commons organizing and explore tensions.

We also need to acknowledge this paper's limitations. These are primarily related to the lack of empirical analysis. A more in-depth understanding of commons organizing requires expanding our research to include novel case studies and extended empirical data to further our comprehension of the commons organizing phenomenon.

**Acknowledgements** Open access funding provided by LUT University. We would like to thank the Editors of this special issue, Helen Haugh, Marek Hudon, Camille Meyer and Ana Maria Peredo, and three exceptional anonymous reviewers, who contributed substantially to this manuscript.

## Compliance with Ethical Standards

**Conflict of interest** The authors (Laura Albareda and Alejo Jose G, Sison) declare that they have no conflicts of interest.

**Ethical Approval** This article does not contain any studies with human participants or animals performed by any of the authors.

**Open Access** This article is licensed under a Creative Commons Attribution 4.0 International License, which permits use, sharing, adaptation, distribution and reproduction in any medium or format, as long as you give appropriate credit to the original author(s) and the source, provide a link to the Creative Commons licence, and indicate if changes were made. The images or other third party material in this article are included in the article's Creative Commons licence, unless indicated otherwise in a credit line to the material. If material is not included in the article's Creative Commons licence and your intended use is not permitted by statutory regulation or exceeds the permitted use, you will need to obtain permission directly from the copyright holder. To view a copy of this licence, visit <http://creativecommons.org/licenses/by/4.0/>.

## References

- Akrivou, K., & Sison, A. J. G. (Eds.). (2016). *The challenges of capitalism for virtue ethics and the common good: Interdisciplinary perspectives*. Cheltenham: Edward Elgar Publishing.
- Aligica, P. D., & Tarko, V. (2013). Co-production, polycentricity and value heterogeneity: The Ostrom's public choice institutionalism revisited. *American Political Science Review*, 107(4), 726–741.
- Argandoña, A. (1998). The stakeholder theory and the common good. *Journal of Business Ethics*, 17(9–10), 1093–1102.
- Batson, C. D. (2011). *Altruism in humans*. Oxford, UK: Oxford University Press.
- Battilana, J., & Lee, M. (2014). Advancing research on hybrid organizing—Insights from the study of social enterprises. *Academy of Management Annals*, 8(1), 397–441.
- Bauwens, T. (2017). Toward a polycentric low-carbon transition: The roles of community-based energy initiatives in enhancing the resilience of energy systems. In N. Labanca (Ed.), *Complex systems and social practices in energy transitions* (pp. 119–145). London: Springer.
- Belk, R. (2010). Sharing organizing. *Journal of Consumer Research*, 36, 735–734.
- Belk, R. (2014). You are what you can access: Sharing and collaborative consumption online. *Journal of Business Research*, 67, 1595–1600.
- Benkler, Y. (2003). Freedom in the commons: Towards a political economy of information. *Duke Law Journal*, 52(6), 1245–1276.
- Benkler, Y. (2017). Peer production, the commons, and the future of the firm. *Strategic Organization*, 15(2), 264–274.
- Benkler, Y., & Nissenbaum, H. (2006). Commons-based peer production and virtue. *The Journal of Political Philosophy*, 14(4), 394–419.
- Bollier, D. (2007). The growth of the commons paradigm. In C. Hess & E. Ostrom (Eds.), *Understanding knowledge as a commons: From theory to practice* (pp. 27–40). Cambridge: MIT Press.
- Bollier, D., & Helfrich, S. (2012). Introduction. The commons as a transformative vision. In D. Bollier & S. Helfrich (Eds.), *The wealth of the commons: A world beyond market and state* (pp. 11–19). Amherst, MA: Levellers Press.
- Bollier, D., & Helfrich, S. (2015). Overture. In D. Bollier & S. Helfrich (Eds.), *Patterns for commoning* (pp. 1–12). Amherst, MA: Levellers Press.
- Cooren, F., Kuhn, T., Cornelissen, J. P., & Clark, T. (2011). Communication, organizing and organization. An overview and introduction to the special issue. *Organization Studies*, 32(9), 1149–1170.
- De Angelis, M. (2014). Social revolution and the commons. *South Atlantic Quarterly*, 113(2), 299–311.
- De Angelis, M. (2017). *Omnia sunt Communia: On the commons and the transformation to postcapitalism*. Chicago: The University of Chicago Press.
- Dentoni, D., Pascucci, S., Poldner, K., & Gartner, W. B. (2018). Learning "who we are" by doing: Processes of co-constructing prosocial identities in community-based enterprises. *Journal of Business Venturing*, 33(5), 603–622.
- Dobush, L., & Quack, S. M. (2010). Managing boundaries between organizations and communities: Comparing creative commons and Wikimedia. Working paper prepared for the 3rd free culture research conference, October 8–9, 2010, Berlin
- Doherty, B., Haugh, H., & Lyon, F. (2014). Social enterprises as hybrid organizations: A review and research agenda. *International Journal of Management Review*, 16(4), 417–436.
- Fournier, V. (2013). Commoning: On the social organisation of the Commons. *M@n@gement*, 16(4), 433–453.
- Fremaux, S., & Michelson, G. (2017). The common good of the firm and Humanistic Management: Conscious capitalism and economy of communication. *Journal of Business Ethics*, 145, 701–709.
- Hardin, G. (1968). The tragedy of the commons. *Science*, 162, 1243–1248.
- Haugh, H. (2007). Community-led social venture creation. *Entrepreneurship Theory and Practice*, 31(2), 161–182.
- Helfrich, S. (2015). Patterns of commoning: How we can bring about a language of commoning. In D. Bollier & S. Helfrich (Eds.), *Patterns for commoning* (pp. 26–49). Amherst, MA: Levellers Press.
- Hess, C. H. (2008). Mapping new commons. Working paper. Paper presented at The 12th Biennial conference of the international association for the study of the commons, Cheltenham, UK, 14–18 July. Syracuse University.



- Hess, C. H., & Ostrom, E. (2003). Introduction. In C. H. Hess & E. Ostrom (Eds.), *Understanding knowledge as a commons*. Cambridge, MA: MIT Press.
- Hudon, M., & Meyer, C. (2016). A case study of microfinance and community development banks in Brazil: Private or common goods? *Nonprofit and Voluntary Sector Quarterly*, 45(4), 116–133.
- Linebaugh, P. (2008). *Magna Carta manifesto: Liberties and common for all*. Berkeley, CA: University of California Press.
- Lounsbury, M. (1998). Collective entrepreneurship: The mobilization of college and university recycling coordinators. *Journal of Organizational Change Management*, 11(1), 50–69.
- McGinnis, M. D. (2016). *Polycentric governance in theory and practice: Dimensions of aspiration and practical limitations*. Paper presented at Ostrom Workshop, Indiana University, Bloomington, December 14–17, 2015. Draft Feb, 29 2016.
- McKean, M. A. (2000). Common property: What is it, what is it good for, and what makes it work? In C. C. Gibson, M. A. McKean, & E. Ostrom (Eds.), *People and forests: Communities, institutions, and governance* (pp. 88–107). Cambridge, MA: MIT Press.
- Mele, D. (2009). Integrating personalism into virtue-based business ethics: The personalist and the common good principles. *Journal of Business Ethics*, 88(1), 227–244.
- Mele, D. (2012). The firm as a community of persons: A pillar of humanistic business ethos. *Journal of Business Ethics*, 106(1), 89–101.
- Meyer, C., & Hudon, M. (2017). Alternative organizations in finance: Commoning in complementary currencies. *Organization*, 24(5), 629–647.
- Meyer, C., & Hudon, M. (2019). Money and the commons: An investigation of complementary currencies and their ethical implications. *Journal of Business Ethics*, 160(1), 277–292.
- Morrow, O. (2019). Sharing food and risk in Berlin's urban food common. *Geoforum*, 99, 202–212.
- O'Brien, T. (2009). Reconsidering the common good in a business context. *Journal of Business Ethics*, 85, 25–37.
- Olson, M. (1965). *The logic of collective action: Public goods and the theory of groups*. Cambridge, MA: Harvard University Press.
- Ostrom, E. (1990). *Governing the commons. The evolution of institutions for collective action*. New York: Cambridge University Press.
- Ostrom, E. (2000). Collective action and the evolution of social norm. *Journal of Economic Perspectives*, 14(3), 137–158.
- Ostrom, E. (2003). Toward a behavioral theory linking trust, reciprocity, and reputation. In E. Ostrom & J. Walker (Eds.), *Trust and reciprocity. Interdisciplinary lessons from experimental research* (pp. 19–79). New York: Russell Sage Foundation.
- Ostrom, E. (2005). *Understanding institutional diversity*. Princeton, NJ: Princeton University Press.
- Ostrom, E. (2010). Beyond markets and states: Polycentric governance of complex economic systems. *American Economic Review*, 100(3), 1–33. [Revised version of Nobel lecture delivered in Stockholm, Sweden, on December 8, 2009.]
- Ostrom, E. (2014). A polycentric approach for coping with climate change. *Annals of Economic and Finance*, 15(1), 97–134.
- Cache, A. C., & Santos, F. (2012). Inside the hybrid organization: selective coupling as a response to competing institutional logics. *Academy of Management Journal*, 56, 972–1001.
- Peredo, A. M., & Chrisman, J. J. (2006). Toward a theory of community-based enterprise. *Academy of Management Review*, 31(2), 309–328.
- Peredo, A. M., Haugh, H. M., & McLean, M. (2018). Common property: Uncommon forms of prosocial organizing. *Journal of Business Venturing*, 33, 591–602.
- Perilleux, A., & Nyssens, M. (2017). Understanding cooperative finance as a new common. *Annals of Public and Cooperative Economics*, 88(2), 155–177.
- Poteete, A. R., Jansen, M. A., & Ostrom, E. (2010). Pushing the frontiers of the theory of collective action and the commons. In A. R. Poteete, M. A. Jansen, & E. Ostrom (Eds.), *Working together. Collective action, the commons, and multiple methods in practice* (pp. 215–247). Princeton, NJ: Princeton University Press.
- Puranam, P., Alexy, O., & Reitzig, M. (2014). What's "new" about new forms of organizing? *Academy of Management Review*, 39(2), 162–180.
- Santos, F. M. (2012). A positive theory of social entrepreneurship. *Journal of Business Ethics*, 111(3), 335–351.
- Schlager, E., & Ostrom, E. (1992). Property rights regimes and natural resources: A conceptual analysis. *Land Economics*, 68(3), 249–262.
- Sison, A. J. G. (2007). Toward a common good theory of the firm: The Tasubinsa case. *Journal of Business Ethics*, 74(4), 471–480.
- Sison, A. J. G., Ferrero, I., & Guitian, G. (2016). Human dignity and the dignity of work: Insights from catholic social teaching. *Business Ethics Quarterly*, 26(4), 503–528.
- Sison, A. J. G., & Fontrodona, J. (2012). The Common good of the firm in the Aristotelian-Thomistic tradition. *Business Ethics Quarterly*, 22, 211–246.
- Sison, A. J. G., & Fontrodona, J. (2013). Participating in the common good of the firm. *Journal of Business Ethics*, 113(4), 611–625.
- Smith, W., & Lewis, M. W. (2011). Toward a theory of paradox: A dynamic equilibrium model of organizing. *Academy of Management Review*, 36(2), 381–403.
- Suddaby, R., Hardy, C., & Huy, Q. N. (2011). Where are the new theories of organization? *Academy of Management Review*, 36(2), 236–246.
- Tummers, L. (2017). *Learning from co-housing initiatives|A+BE|Architecture and the built environment*. No 14. PhD thesis. Delft: TU Delft
- Wijen, F., & Ansari, S. (2007). Overcoming inaction through collective institutional entrepreneurship: Insights from regime theory. *Organization Studies*, 28(7), 1079–1100.
- Wrenger, E. C., & Snyder, W. M. (1999). *Communities of practice. The organizational frontier* (pp. 139–145). 78: Harvard Business Review.

**Publisher's Note** Springer Nature remains neutral with regard to jurisdictional claims in published maps and institutional affiliations.