

Ethical Exit in Business and Management: Degrowth, Wantlessness, and Responsible Succession

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Abstract

This research investigates voluntary degrowth as an ethical leadership strategy via a covert qualitative case study of a late-career pharmaceutical founder who implements strategic consolidation, equity repurchase, and personal austerity during the pinnacle of organisational success. Utilising degrowth economics, happiness research, wantlessness theory, and Self-Determination Theory, the paper examines whether voluntary withdrawal and portfolio reduction can represent an elevated form of corporate social responsibility. Through thematic analysis and abductive reasoning, the study formulates a conceptual model that connects degrowth orientation, intrinsic motivation, stakeholder justice, and long-term organisational resilience. The results contest growth-oriented paradigms and propose that ethical exit, succession planning, and consolidation could improve ecological sustainability and psychological well-being. The paper ends with ideas and hypotheses that can be tested with numbers in the future.

Keywords: degrowth, wantlessness, succession planning, voluntary retirement, corporate social responsibility, minimalism, ethical leadership

I. Introduction

Modern business systems are built around growth, scale, and getting the most value for shareholders. Vitality is linked to growth, while decline is linked to contraction. Nevertheless, ecological overshoot, market saturation, increasing inequality, and diminishing psychological well-being challenge the universality of growth as a normative goal.

Degrowth scholarship advocates for intentional reduction of production and consumption to achieve ecological sustainability and enhance human well-being (Kallis et al., 2012). At the same time, studies on subjective well-being indicate that income growth exceeding basic needs does not correspondingly enhance happiness (Easterlin et al., 2010). These lines of research come together to question the idea that welfare should be based on growth.

This paper examines whether voluntary corporate consolidation and executive withdrawal when executed intentionally and strategically constitute a superior ethical paradigm of leadership rather than managerial abdication. In particular, it enquires:

1. Can voluntary degrowth function as corporate social responsibility in oversaturated markets?
2. Does a lack of desire improve psychological and moral leadership?
3. Can succession planning be redefined as an ethical exit?
4. What circumstances make consolidation better for stakeholders?

I. Literature Review

Degrowth and Ecological Economics

Degrowth is the intentional reduction of material throughput to bring economies into line with the limits of the planet (Kallis et al., 2012). It questions GDP-centric measures and suggests sufficiency, fairness, and ecological restoration as fundamental goals.

Jackson (2009) stresses the need for "prosperity without growth," saying that stability doesn't have to mean constant growth. Degrowth changes the meaning of efficiency to mean sufficiency.

The Growth–Happiness Paradox

Easterlin et al. (2010) show that long-term economic growth doesn't always make people happier once their basic needs are met. Hirsch (2005) characterises happiness as positional; an increase in all incomes does not alter relative status. Schwartz (2004) posits that an abundance of choices may diminish satisfaction.

So, the psychological reason for growth may not be as strong once people have enough money.

Wantlessness and Disequilibrium

Mehta (1967) posited that economic and spiritual activities emanate from a shared origin: the dissonance between internal aspirations and external realities. Economic activity modifies the external environment; spiritual activity modifies internal conditions. Sustainable welfare necessitates sublimation rather than multiplication of desires.

This framework presents wantlessness as a mechanism for enhancing welfare rather than as a form of deprivation.

Intrinsic Motivation and Self-Actualization

Self-Determination Theory (Deci & Ryan, 2000) asserts that autonomy, competence, and relatedness are fundamental to well-being. Putting too much emphasis on external rewards like profits, status, and growth may make people less motivated from within. Career orientation may differ from calling orientation.

Succession Planning and Ethical Exit

Traditional succession literature underscores continuity and the preservation of performance. Nevertheless, there is scant research on ethical exit—the intentional surrender of control for the sake of broader welfare goals. This research situates succession planning within a degrowth paradigm.

II. Theoretical Framework

This research amalgamates four theoretical foundations:

1. Degrowth Economics: Reducing production and consumption promotes ecological justice.
2. Wantlessness Theory – Welfare comes from putting desires aside.
3. Self-Determination Theory: Intrinsic motivation improves well-being.
4. Stakeholder Theory: Corporate decisions need to take into account the well-being of all stakeholders.

All of these points of view support a change in how we think about corporate success, moving away from size and toward sufficiency and sustainability.

III. Methodology

Research Design

In order to investigate the phenomenon of voluntary withdrawal in modern socioeconomic and organisational contexts, this study uses a qualitative, theory-generating single-case research design. Because it allows for in-depth analysis of intricate social phenomena in authentic contexts and facilitates the development of theories and analytical generalisation, a case study approach was chosen (Eisenhardt, 1989; Yin, 2018).

An established pharmaceutical company's (fictionalized) late-career strategic consolidation is exemplified by this case. It records executive-level choices about:

- Strategic portfolio reduction
- Initiatives for equity buybacks
- Executives' voluntary withdrawal
- Shift to more straightforward personal and professional lives

Together, these choices represent a calculated retreat in a business setting focused on expansion. The organization purposefully maintains its anonymity in order to preserve sensitive strategic information and maintain confidentiality. To maintain analytical validity, the empirical context does, however, retain enough structural and industry-specific detail.

Position on Philosophy

The study is based on an interpretivist epistemology, which holds that participants' lived experiences and interpretations provide the best understanding of organisational realities, which are socially constructed.

The study's methodology is based on abductive reasoning. The analysis iteratively switches between pertinent theoretical frameworks and empirical observations rather than testing existing theory deductively or developing theory solely inductively. The development of more complex explanatory arguments regarding strategic withdrawal, growth disillusionment, and identity realignment is made possible by this back-and-forth movement.

Time Frame and Context of the Case

In order to enable longitudinal engagement with the case, data was gathered over a period of nine months. Instead of depending only on retrospective accounts, this longer time period allowed for the observation of withdrawal processes as they developed. By documenting changing interpretations, conflicts, and tactical choices, the longitudinal design increased the findings' credibility.

Data Collection and Sources

To improve methodological rigour and guarantee triangulation, several data sources were used. Among them were:

- 18 interviews that were semi-structured and lasted between 30 and 60 minutes each
- Four additional interviews
- Six casual conversations
- Archival materials and internal organisational documents
- Observational records and field notes

Senior executives, mid-level managers, and other pertinent stakeholders who are directly involved in strategic decision-making processes were among the participants.

Themes such as growth perceptions, strategic consolidation, ethical considerations, identity shifts, and withdrawal motivations served as a guide for the semi-structured interviews. Every interview was audio recorded and verbatim transcribed.

Through triangulation, the utilisation of multiple data sources improved construct validity and made it possible to cross-verify emerging patterns.

Analytical Strategy

The analysis of data used a systematic, multi-stage coding process:

Step 1: Open Coding

The first coding was done inductively to find meaning units and patterns that kept coming up. Terms like "identity beyond profit," "ethical dissonance," "growth fatigue," and "strategic exit" came up.

Step 2: Axial Coding

Codes were organised into broader categories that showed how different constructs were related. These included:

- The illusion of growth
- Moral conflict
- Separation of identity
- Planned withdrawal
- Legacy orientation

Step 3: Putting the ideas together

By repeatedly comparing data to literature (such as materialism, degrowth, and renunciation theory), constructs were improved and turned into conceptual dimensions. We kept analytical memos throughout to keep track of interpretive decisions and make the process more rigorous.

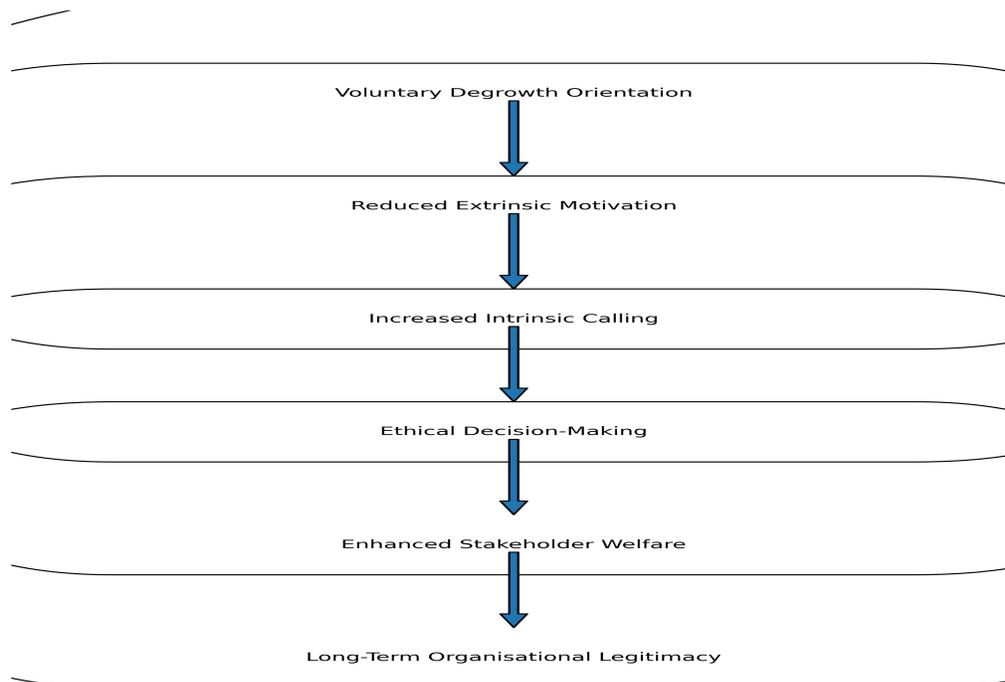
We used NVivo (or a manual coding process if that was needed) to keep track of the data in an organised way.

To make sure it works on reliability: After two weeks, coding was looked at again, we talked to two academic colleagues about what we had done, to validate our data. also looked into cases that were contradictory to develop deeper insights on our research outcome.

Conceptual Model

The model proposes that:

Figure 1: Conceptual Model of Voluntary Degrowth Orientation



Source: Developed by authors

IV. Findings

Theme 1: Degrowth as Harm Reduction

Portfolio rationalisation got rid of unnecessary products and wasted resources. Degrowth served as proactive corporate social responsibility.

Theme 2: Ethical Exit as Leadership Maturity

Voluntary withdrawal was organised through:

- Talking to each other early
- Buy-back of equity
- Continuity of governance

Withdrawal was not giving up, but rather taking care of the institution.

Theme 3: Wantlessness and Psychological Realignment

Lessening of material aspiration was linked to:

- Move toward an intrinsic purpose

- Not caring about performance validation
- Focus on social projects

Theme 4: Succession as Value Transfer

Succession planning stressed the importance of philosophical continuity, not just the ability of managers to do their jobs.

Empirical Findings

The verbal narrations and themes show that withdrawal wasn't caused by not having enough money, but by feeling that development goals and basic beliefs weren't in line with each other.

One senior executive, who was around 51 years old, said, *"We were growing every quarter, but something felt empty." Growth became a number instead of a meaning."*

Another 47-year-old participant says, *"We were financially safe. The departure has nothing to do with money. It was about not wanting to be taken over by something that didn't fit who we were anymore."*

These sections show the idea of identity detachment, which is when performers start to mentally disconnect themselves from measures of monetary achievement. Ethical conflict also came up a lot:

"We could grow faster if we made a deal, but that would mean giving up what we believe in." This corroborates the theoretical framework of moral dissonance before strategic disengagement. From these verbal excerpts, we offer empirical proposals for additional systematic investigation.

Empirical Propositions for further inquiry

Proposition 1: Companies that voluntarily limit the number of products they offer in saturated markets will earn more trust from their stakeholders.

Proposition 2: Leaders who are wantless show more intrinsic motivation and moral sensitivity.

Proposition 3: Voluntary executive withdrawal improves organisational legitimacy when paired with structured succession planning.

Proposition 4: Degrowth strategies diminish ecological impact without a corresponding decrease in long-term stakeholder value.

Proposition 5: Intrinsic calling orientation serves as a mediator in the relationship between voluntary austerity and psychological well-being.

Hypotheses for Quantitative Testing

H1: A focus on degrowth is linked to a lower level of product proliferation.

H2: A focus on degrowth is linked to a positive view of corporate social responsibility.

H3: Intrinsic motivation acts as a mediator in the relationship between voluntary austerity and ethical leadership judgement.

H4: Structured succession planning affects how executive withdrawal affects the stability of organisational performance.

H5: Wantlessness orientation is linked to materialistic value orientation in a bad way.

H6: Companies that use selective consolidation strategies say that their long-term stakeholders are happier than companies that use aggressive expansion strategies.

V. Practical Implications and Conclusion

- Responsible reduction could be a part of CSR.
- Founders should include ethical exit in their rules for running the company.
- The philosophy of degrowth should be a part of executive education.
- Boards need to change how they measure success beyond just making more money.

Conclusion

Perpetual expansion in finite ecological systems is inherently unstable. This study indicates that responsible leadership may encompass:

- Consolidation over unnecessary expansion
- Redistributing instead of accumulating
- Withdrawing instead of taking over; ethical exit, when it is well-planned and based on morals, can be the best example of corporate social responsibility.

Degrowth is not a decline; it is a disciplined level of sufficiency.

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Ethical Protocol Followed in this Case

This study adheres to established qualitative research ethics guidelines.

Covert Case Clarification

The term “covert case” refers exclusively to anonymization of organizational identity to protect participants and sensitive strategic information. The study did **not** involve covert data collection.

Informed Consent

All participants:

- Received written information sheets explaining the research purpose.
- Signed informed consent forms.
- Were informed of their right to withdraw at any time.
- Approved audio recording.

Anonymisation Procedures

- Organizational name replaced with a pseudonym.
- All personal identifiers removed.
- Contextual details altered where necessary without distorting analytical meaning.
- Data securely stored in encrypted digital format.

Ethical Safeguards

- No deception was used.
- Sensitive disclosures were treated confidentially.
- Findings were shared with key participants for validation (member checking).
- Ethical Statement

Ethical Declaration

The author asserts that this study was executed in complete adherence to recognised qualitative research ethical standards. All participants gave their informed permission, their privacy and identities were scrupulously protected, and no dishonest methods were used. All data were saved safely and only used for this research work. The research adheres to standards of integrity, openness, and respect for participants throughout the whole process.

Annexure: Case Study on Degrowth and Wantlessness

Disclaimer

This case study is based on real events personally experienced by the authors. The authors have attempted to faithfully recreate events, decisions, and conversations from memory. In order to maintain anonymity and confidentiality, the names of individuals, organizations, and places have been changed. The exhibits included in this case present analogous real-world events from other national contexts to aid conceptual understanding and are not intended to imply direct factual linkage.

Case: Degrowth, Wantlessness, and Ethical Capitalism at Aquapharma

Happiness is not something readymade. It comes from your own actions”
– Dalai Lama

It was a Sunday morning in October 2023. Mr. Ajay Parekh, CEO and Managing Director of Aquapharma, was spending his customary quiet time in his garden, sipping morning tea and reading newspapers. On this particular day, he had invited his daughter Anisha (Chief Financial Officer) and his son Abhay (Chief Human Resources Officer) to join him.

Ajay Parekh expressed pride in his children and acknowledged their role in scaling Aquapharma over the last two and a half decades into a reputed pharmaceutical company. He then revealed an unexpected decision: upon turning sixty-five, he intended to relinquish all executive and board positions within the company.

While both Anisha and Abhay urged him to reconsider—citing his health, experience, and the company’s growth prospects—Parekh clarified that his decision was not driven by fatigue or dissatisfaction. Instead, he felt compelled by a higher purpose. He articulated concerns about the prevailing growth-oriented business philosophy, particularly the pharmaceutical industry’s tendency to flood markets with marginally differentiated products, creating an illusion of choice and contributing to environmental degradation and consumer fatigue.

Parekh proposed a principled shift toward degrowth: deliberately reducing Aquapharma’s retail drug portfolio by approximately 40%, focusing instead on intensified research and development aimed at discovering new cures. He argued that sustainable well-being required sustainable use of resources and that unchecked growth perpetuated the “problem of plenty,” harming consumers, ecosystems, and society at large.

As part of this transition, Parekh proposed that the company buy back his 30% equity stake using its cash reserves. The funds would be redirected by him toward social ventures. He emphasized that degrowth should extend beyond business into personal life, advocating austerity, wantlessness, and self-motivation as pathways to ethical conduct and self-actualization.

The case concludes with Anisha and Abhay reflecting on whether concepts such as degrowth, wantlessness, austerity, and self-actualization can serve as viable guiding philosophies for both business strategy and personal fulfilment.

Exhibit 1: Renunciation and Minimalism as a Path to Fulfillment

A Chinese millionaire businessman, Liu Jingchong, renounced his wealth and material possessions to become a Buddhist monk. After an epiphany in 2012, he chose to live in isolation in the mountains of Shaanxi Province, pursuing a minimalist life centered on meditation, reading, and self-sufficiency.

For two years, Liu lived without electricity in a straw hut, growing his own vegetables and focusing on inner development. He later joined a Buddhist temple, exchanging corporate success and material abundance for communal living and spiritual practice. His experience reflects the philosophy of wantlessness and voluntary simplicity, challenging dominant narratives of success defined by accumulation and consumption.

Source: Daily Mail (2015)

Exhibit 2: Analytical Framework Linking Degrowth and Wantlessness

This exhibit presents a conceptual framework connecting the principles of degrowth in business with wantlessness and austerity at the individual level.

At the organizational level, degrowth emphasizes deliberate downscaling of production, reduced dependence on mass consumption, prioritization of social and ecological well-being over profit maximization, and redirection of resources toward meaningful innovation. In the context of Aquapharma, this is reflected in the proposal to reduce redundant drug offerings, limit market expansion, and intensify investment in research and development aimed at genuine medical advancement.

At the individual level, wantlessness represents voluntary restraint from excessive material accumulation, reduced dependence on external validation, and a focus on intrinsic motivation. Austerity, as articulated in the case, is not deprivation but conscious sufficiency—aligning personal conduct with ethical responsibility and long-term well-being.

The framework suggests that organizational degrowth and individual wantlessness are mutually reinforcing. Businesses that embrace degrowth reduce societal pressure toward overconsumption, while individuals practicing wantlessness weaken demand-side drivers of unsustainable growth. Together, they contribute to a regenerative economic model where success is redefined in terms of health, equity, resilience, and self-actualization rather than scale, speed, and surplus.

This framework positions degrowth not as economic decline, but as an ethical and strategic realignment of both institutions and individuals toward sustainable prosperity.