Stakeholder relationships in a non-profit network organization

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Background and aim

• In 2014, European Business Ethics Network (EBEN) released a call for research proposals focusing on:
  • the expectations of members and other stakeholders towards EBEN
  • how EBEN ExCom could better respond to these expectations
• Master’s thesis 2015:
  • Aim to describe and create understanding about the stakeholder relationships of a non-profit network organization (case EBEN)
    • Identification and classification of stakeholders
    • Identification and analysis of issues advocated by stakeholders
EBEN

• The mission of EBEN is to promote ethics and excellence in business, to increase awareness about ethical challenges in the global marketplace and to enable dialogue on the role of business in society.

• 18 National Networks, active groups in over 40 countries

• Main activities:
  • EBEN Annual Conference (20.–22.6.2016, Nottingham, UK)
  • EBEN Research Conference (8.–9.9.2016, Palermo, Italy)
  • EBEN Doctoral Workshop
  • EBEN Interests Groups

• www.eben-net.org / www.eben-net.fi
Theoretical framework

• Framework consists of stakeholder theory and stakeholder analysis
  • Stakeholder approach proposes that the purpose of business is to create value to all its stakeholders (eg. Freeman et al., 2010)
  • Previous research mostly on business organizations

• Identifies four main elements of stakeholder analysis
  • Stakeholder interests (Freeman, 1984)
  • Dependencies between organization and its stakeholders (Frooman, 1999; Mainardes et al., 2012)
  • Relationship contributions (Post et al. 2012)
  • Stakeholder advocated issues (Roloff, 2008; Bundy et al. 2013)
Data and analysis

• Data
  • Semi-structured interviews and stakeholder maps
    • 5 EBEN ExCom members
  • Internal EBEN documents
    • Minutes 2011-2013, webpages, articles
  • Open-ended survey to national networks via email
    • 15 survey replies

• Qualitative content analysis
# Stakeholder identification and classification

<table>
<thead>
<tr>
<th>Stakeholder group</th>
<th>Main actors</th>
<th>Classification (Post et al. 2002)</th>
<th>Influence relationship (Mainardes et al. 2012)</th>
</tr>
</thead>
<tbody>
<tr>
<td>National Networks</td>
<td>a) Smaller networks</td>
<td>Resource base</td>
<td>a) Dependent</td>
</tr>
<tr>
<td></td>
<td>b) Larger networks</td>
<td></td>
<td>b) Controller/Regulatory</td>
</tr>
<tr>
<td>Members</td>
<td>Academics, students, institutions, companies</td>
<td>Resource base</td>
<td>Controller</td>
</tr>
<tr>
<td>Companies</td>
<td>Partners, sponsors</td>
<td>Resource/industry base</td>
<td>Controller</td>
</tr>
<tr>
<td>Similar organizations</td>
<td>ABIS, CSR Europe, SBE, Academy of Management</td>
<td>Industry base</td>
<td>Controller</td>
</tr>
<tr>
<td>Other stakeholders</td>
<td>Local communities, institutions, teaching, affiliates, media, EU and political actors</td>
<td>Socio-political</td>
<td>Non-stakeholder, Regulatory, Controller</td>
</tr>
</tbody>
</table>
Issues advocated by stakeholders

1. Business ethics research
2. Business ethics education
3. Network as a social hub
4. Financial stability
5. Strengthening EBEN
6. Ethical business conduct
7. Political impact and public awareness
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TRUE OPPORTUNITIES
- Key issues for stakeholders
- At the core of EBEN’s strategy and identity
  → A true opportunity for developing the organization

INSTRUMENTAL OPPORTUNITIES
- Consistent with EBEN’s strategic frame

POTENTIAL CONFLICT
Discussion

• Contributions
  • Stakeholder research has focused on business organizations; approach well-suited for analyzing non-profit organizations and networks
  • A non-profit network an “ultimate” stakeholder organization: the organization’s objectives consist of the stakeholders’ objectives
    • Similar goals & different means may bear risk for the organization
  • Key elements of relationships between non-profit organizations and stakeholders: stakeholder contributions to the relationship, size and level of activity, and power and influence

• Managerial implications
  • Attention should be paid to what kind of value each stakeholder appreciates and what kind of value satisfies all stakeholders
  • Communication practices and exchange of knowledge subject for improvement
    • Increases transparency
    • Practices of stakeholder engagement an ongoing process
  • Relevant issues for future research
Thank you!

Questions & comments?

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