Master Thesis U.S.E.

The Role of Steward-Ownership in Creating Stakeholder Value – An Analysis Between Starters and Switchers

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ABSTRACT – It is increasingly expected of organizations to implement stakeholder theory into their business models, but this can be challenging due to the absence of a devoted ownership structure. For successful implementation, steward-ownership is researched as a potential solution. A grounded theory research was conducted to analyze the link between stakeholder theory and steward-ownership, the strategy behind this, and the differences among starters and switchers. Therefore, the following research question was answered: *How do organizations adopting steward-ownership create stakeholder value? And how does this differ between starters and switchers?*. Qualitative data from twelve conducted in-depth interviews with stewards of steward-owned organizations were analyzed that provided insights into the strategy in these organizations to create stakeholder value and what the role of steward-ownership was. The findings of this analysis showed that steward-ownership can be seen as a viable structure to implement stakeholder theory, because it is a credible approach that allows more time for stakeholder engagement, balancing stakeholder interests and building a community. Whereas a difference is found in long-term perspective of switchers and the uninterest of financial stakeholders of starters, steward-owned organizations adopt a broader range of stakeholder groups and values.

KEYWORDS – stakeholder theory, steward-ownership, strategy, grounded theory

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1. Introduction

In this research, the link between steward-ownership and stakeholder theory is researched, because a more stakeholder-oriented approach towards business models and strategies with a corresponding ownership structure is necessary to mitigate the socio-ecological effects of climate change caused by organizations (Kavadis & Thomsen, 2021; Purpose Foundation, 2017).

The risks of climate change became more prevalent due to the spread of neoliberalism in the 1980s, causing elimination of price controls, deregulation of capital markets, and lowered trade barriers (Boas & Gans-Morse, 2009). Along with this, shareholder ownership of organizations, with a primary goal of creating shareholder value, became prominent (Friedman, 1970; Boas & Gans-Morse, 2009). In a shareholder-ownership structure, shareholders have the decision making and profit-sharing rights of a company. It can lead to better organizational performance, as it maximizes the company's value and profitability, by increased innovation, efficiency, and productivity (Friedman, 1970). However, it can also lead to potential misalignment between owners and other stakeholders, short-termism, and managerial myopia (Dalton et al., 2007; Freeman et al., 2000). Whereas these aspects have led to economic growth (Hansmann & Kraakman, 2001), they have also caused organizations to trespass planetary boundaries and exploit natural and social resources (Hummels & Argyrou, 2021). With the rising risks of societal challenges, it was increasingly signaled that a change needed to take place.

To balance the creation of economic, ecological, and social value into business models (Porter & Derry, 2012), more emphasis has been put on frameworks such as creating shared value by Porter and Kramer (2011). The concept of shared value refers to a business approach that seeks to simultaneously generate economic and stakeholders value, and address social and environmental concerns (Porter & Kramer, 2011). By adopting this strategy, organizations can increase their competitiveness, build a stronger reputation, and establish a more sustainable model for the future (Porter & Kramer, 2011). However, a fundamental critique is that the framework overemphasizes economic growth as the primary driver of social progress, failing to address systemic issues (Beschorner & Hajduk, 2017). Therefore, a more stakeholder-oriented approach in business models was needed (Yoshikawa et al., 2021).

An additional reason to implement this, is that it is expected of organizations in certain countries, including the Netherlands, the country to which the analysis of this study applies. Implementing a stakeholder-oriented approach, also called stakeholder theory, suggests that organizations exist to serve the interests of all its stakeholders, not just shareholders (Freeman, 1994). Also, it suggests that with specific aims and activities, stakeholder value can be created (O'Riordan & Fairbrass, 2014; Nalick et al., 2016). Although it can be expensive and hard to balance the interests of all stakeholders, it can create long-term success, social responsibility, reputation, employee retention, and innovation (Freeman, 1994). However, it can be challenging to implement it, because financial systems and ownership models often prioritize founders and funders (Børsting & Thomsen, 2017). Therefore, as there is no ownership structure dedicated to stakeholder theory yet, it is necessary investigate one.

To address this conflict, the emerging ownership structure steward-ownership aligns the interests of entrepreneurs, workers, investors, and society (Gary, 2019). It prioritizes long-term sustainability, societal impact, and ethical values over short-term financial gain. The structure is based on two principles, self-governance and profits serve purpose. To elaborate, self-governance implies that ownership is transferred to a legal non-profit entity, such as a foundation or trust, and that ensures that the organization stays aligned with its mission. The company is operated by its stewards, who are chosen for their dedication to the company's mission and values. These stewards may include the founders, employees, or other stakeholders (Gary, 2019). Additionally, profits serve purpose signifies that profits should serve the mission and are either used to reinvest in the organization, repay investors, share with stakeholders, or donate to charity. Therefore, these two principles relieve the pressure to maximize shareholder value and ensure that the organization operates in accordance with its values and principles (Gary, 2019; Purpose Foundation, 2017). These principles align with stakeholder theory as they allow management decisions to consider the interests of a wider range of stakeholders, and fulfill the needs of different stakeholder groups beyond shareholders (Freeman, 1994, Purpose Foundation, 2017).

According to prior research, steward-ownership emphasizes responsibility to all stakeholders and long-term value creation. It leads to better long-term decisions, stable ownership, and increased company longevity. Whereas job security and fair compensation for employees are promoted, financial underperformance is a perceived disadvantage. However, steward-owned organizations perform well in terms of profitability, growth, and sustainable investments (Thomsen, 1996; Hermann & Franke, 2002; Thomsen & Rose, 2004; Thomsen, 2017; Dawson et al., 2018; Thomsen et al., 2018). Nonetheless, whereas these findings focus on the outputs of steward-ownership, a comprehensive understanding of the strategy behind it is needed to effectively link it to stakeholder theory. This is also important for founders and managers for evaluating its effectiveness, replication, improvements, challenges, and promotion for wider adoption (Teece, 2010).

Moreover, there are organizations adopting steward-ownership when starting an organization (starters), while other organizations switched to steward-ownership in a later business stage (switchers) (We Are Stewards, 2023). These starters and switchers encounter different challenges and benefits in transforming their operations and strategies (Hockerts & Wüstenhagen, 2010), and therefore, researching both strategies is important for founders and managers to make informed decisions.

Consequently, this research aims to add value to the current stream of literature through exploring the link between steward-ownership and stakeholder theory by addressing two literature gaps. First, as stakeholder theory does not prescribe a specific ownership structure for organizations, but an ownership structure is necessary to successfully implement the theory, steward-ownership can be seen as a potential solution for this. However, the aspects of stakeholder theory present in steward-owned organizations first need to be explored. Second, whereas current literature describes the advantages and disadvantages of steward-ownership for stakeholder value (Thomsen, 1996; Hermann & Franke, 2002; Thomsen & Rose, 2004; Thomsen, 2017; Dawson et al., 2018; Thomsen et al., 2018), the strategy behind these outputs is unclear. Also, it is imperative to investigate this for starters and switchers, as this might differ. Hence, to address the research gaps identified, the following research question is answered: *How do organizations adopting steward-ownership create stakeholder value? And how does this differ between starters and switchers?*.

To answer the research question, it is required to consider multiple perspectives. First, a theoretical research of the current stream of literature provides the concepts and links between shareholder and stakeholder theory, strategy and stakeholder value creation, and stakeholder theory and steward-ownership. Second, it is needed to find the aspects of stakeholder value creation that are present in steward-owned organizations and the strategy behind there, and compare these to the ones found in literature. The results from both starters and switchers is researched, as these processes might differ. The results are provided through a grounded theory with a qualitative, multiple case study approach, because the research is explorative (Gustafsson, 2017), with a potential for generalization (Yin, 2009). Therefore, the sub-questions that are answered are formulated as:

1. What aspects of stakeholder value creation are present in steward-owned organizations? And how does this differ between starters and switchers?
2. What are the advantages and disadvantages of steward-ownership in creating stakeholder value? And how does this differ between starters and switchers?

Furthermore, this study is conducted in collaboration with We Are Stewards, a foundation aimed at supporting the adoption and development of steward-ownership in the Netherlands. They help organizations implement steward-ownership and therefore have access to these organizations (We Are Stewards, 2023). The cases for the research are identified via their data base, and the data provided by these cases are analyzed and compared to literature for reasons how steward-ownership is linked to stakeholder theory and what the strategy is behind this.

This thesis is structured as follows. The next section presents the literature review, which provides detailed information about the concepts that are relevant for answering the research questions. Also, it provides the aspects of stakeholder value creation, and the link between stakeholder theory and steward-ownership. Then, a comprehensive methodology that is used for this research, is described, including the research design, data collection, and data analysis methods. After this section, the empirical results are discussed. Finally, these results are interpreted, and the implications, limitations, and conclusions are addressed in the discussion section.

2. Literature review

2.1 Stakeholder theory

2.1.1 From shareholder to stakeholder theory

Shareholder-owned organizations focus on maximizing shareholder value and holds that an organization's primary responsibility is to generate profits for its owners or shareholders (Friedman, 1970). This shareholder theory, gained widespread acceptance in the 1980s, when hostile takeovers and leveraged buyouts became popular ways for investors to acquire organizations and maximize shareholder value (Friedman, 1970; Boas & Gans-Morse, 2009). On one hand, shareholder ownership can lead to better performance, as it aligns the interests of shareholders with those of the organization (Friedman, 1970). These interests maximize the organization's value and profitability, due to increased innovation, efficiency, and productivity. On the other hand, critics argue that it places too much emphasis on short-term gains at the expense of long-term sustainability and ignores the interests of other stakeholders, such as employees, customers, and the environment (Freeman, 1984; Dalton et al., 2007). Therefore, a more stakeholder-oriented approach is needed (Yoshikawa et al., 2021).

Hence, stakeholder theory suggests that an organization should consider the interests of all stakeholders, including shareholders, employees, customers, suppliers, and the community in which it operates (Freeman, 1994). The theory argues that by addressing the needs and concerns of all stakeholders, an organization can create long-term value and sustainable success. Therefore, performance is measured by the ability to create value for all stakeholders, not just financial stakeholders. The advantages of stakeholder theory include higher social responsibility, enhanced reputation, better employee retention, and increased innovation (Freeman, 1994). However, it also has disadvantages, such as the challenge of balancing the interests of the various stakeholders, higher expenses, a lack of accountability, and the possibility of stakeholder disputes (Phillips R. , 2003).

2.1.2 Stakeholder value creation

To understand how organizations can create value for stakeholders, it is important to consider the strategy behind it (Teece, 2010). Porter and Kramer (2011) introduced the concept of creating shared value (CSV), which aims to generate economic value while addressing social and environmental issues. Organizations can achieve this by redefining their purpose and integrating solutions to societal challenges into their core operations. For instance, an organization operating in a developing country could invest in education and training programs for local workers, benefiting both the organization and the community. By addressing social and environmental challenges, organizations can find new markets and opportunities for growth. This approach leads to increased competitiveness, a better reputation, and a more sustainable organization model.

Critics argue that the CSV framework has limitations. They claim that it overlooks broader social and political issues, fails to address power dynamics between organizations and stakeholders, and does not comprehensively tackle environmental challenges. Furthermore, the framework is criticized for overemphasizing economic growth without adequately addressing systemic issues such as inequality and poverty. To address these limitations, a shift towards a more stakeholder-oriented approach of value creation is necessary. This approach should consider a broader range of social and political issues, empower stakeholders, comprehensively address environmental challenges, and prioritize social progress beyond economic growth (Yoshikawa et al., 2021).

Organizational aspects of stakeholder value. The organizational aspects of stakeholder value can be classified in five stakeholder groups, including societal stakeholders, financial stakeholders, customers, business partners, and employees (Freudenreich et al., 2020). First, societal stakeholders comprise a wide range of actors representing the perceived needs in the natural environment and society, including communities, government, external agencies, media, and academia, and representors of the natural environment (Bocken et al., 2013). Through regulations and social norms, societal stakeholders provide value to an organization by providing and maintaining a stable operating environment, and contributing to ecological and social impacts (Darnall et al., 2010; Lee, 2011; Stubbs & Cocklin, 2008). In turn, the organization contributes to the ability of societal stakeholders to fulfill their roles by making its actions transparent for evaluation of the legality and legitimacy of its operations, paying taxes, and supporting non-governmental organizations (NGOs) through membership fees, donations, or employee volunteer programs (Freudenreich et al., 2020).

Second, financial stakeholders, including investors, shareholders, and creditors such as banks, provide financial resources to the organization (Freeman et al., 2000). The exchange between the organization and its financial stakeholders is characterized by providing a portion of the organization's financial profits to its financial stakeholders in exchange for the provision of financing options for the organization's ongoing or future operations. Value creation in this relationship also entails non-monetary aspects, such as an improved diversified investor's portfolio (Freudenreich et al., 2020). Third, according to the customer value proposition, consumers are the recipients of the goods and services that the organization provides (Woodruff, 1997). In return, they pay for the product or service and provide personal data and information about consumption preferences and the value creation process, including product designs and innovativeness (Stubbs & Cocklin, 2008; Payne et al., 2008; Rauter et al., 2017).

Fourth, business partners, including suppliers, production inputs or services, logistic partners, consultants, and operations providers, fulfill organization needs related to production processes, which include research and development, procurement of inputs, and the production processes (Al-Debei & Avison, 2010; Freudenreich et al., 2020; Osterwalder & Pigneur, 2010; Upward & Jones, 2016). In return they receive payments from the organization and non-monetary benefits they consider valuable, such as the opportunity for recurring contracts or other and enhanced reputation (Freudenreich et al., 2020). Fifth, employees are an essential stakeholder group that provides knowledge, capabilities, and activities (human capital) to the organization. In exchange, the organization increases employee satisfaction by paying fair wages and salaries, training to help employees improve their skills and expertise, and provides social benefits and holidays (Freudenreich et al., 2020).

Consequently, an overview of the aspects of stakeholder value is given in Table 1.

Table 1

Overview of stakeholder value aspects

	Societal stakeholders	Financial stakeholders	Customers	Business partners	Employees
Values for stakeholders	Contribution to fulfil their roles	Financial earning	Goods and services that fulfil needs/wants	Revenues,	Employee satisfaction
		Non-monetary values		Non-monetary values	
Actions of company	Transparency	Portion of profits	Production	Purchases	Fair wages and salaries
	Paying taxes	Diversified portfolio	Proposing customer value	Recurring contracts	Trainings
	Supporting NGOs			Reputation	Social benefits and holidays
Values for company	Stable operating environment	Capital	Revenue	Fulfil needs in production process	Human capital
	Ecological and social impact		Personal data		
Actions of stakeholder	Regulations and social norms	Provide financial resources	Provide information	Research and development,	Provide human capital
			Buy products	Procurement of inputs	
				Production processes	

Organizational aspects of stakeholder engagement. Stakeholder engagement is an essential process for organizations seeking to create value for their stakeholders. Through stakeholder engagement, organizations can gain valuable insights, enhance decision-making processes, build trust and a positive reputation, and foster collaboration. These outcomes contribute to the achievement of sustainable and mutually beneficial results for both the stakeholders and the organization. It refers to several aims and activities of stakeholder relations. The aims describe the goals of stakeholder engagement (Novoa et al., 2018) related to the expectations of both the stakeholders and the organization. These aims include strengthened stakeholder relationships (Davila et al., 2018), problem-solving, and reaching consensus (Manetti & Toccafondi, 2012, Patzer et al., 2018). Furthermore, the range of activities are needed to enable dialogue and collaboration between an organization and its stakeholders. These activities, as defined by O'Riordan and Fairbrass (2014), include communication, collaboration, consultation, dialogue, and joint decision-making. Engaging in dialogue and collaboration enables organizations and stakeholders to develop mutual understanding, facilitate learning, exchange knowledge, and address complex and challenging issues. Stakeholder feedback and criticism are viewed as valuable opportunities for value creation and improvement. To support these engagement efforts, organizations are encouraged to actively participate in the community and establish long-term partnerships (Kumar et al., 2019)

Consequently, an overview of the stakeholder engagement aspects is given in Table 2.

Table 2

Overview of stakeholder engagement aspects

Aims	Activities	Strengthened by
Strong stakeholder relationships	Communication	Long-term relationships
Problem-solving	Collaboration	Community participation
Reaching consensus	Consultation	
	Dialogue	
	Joint decision-making	

2.1.3 A need for an ownership structure

Stakeholder theory is not based on an ownership structure because it argues that an organization is not just a property of its owners, but rather a complex entity that exists to serve the needs and interests of various stakeholders. According to stakeholder theory, an organization has a social responsibility to create value for all its stakeholders, not just to maximize profits for its owners or shareholders. Therefore, the focus of stakeholder theory is on creating a sustainable and mutually beneficial relationship between an organization and its stakeholders, rather than on the ownership structure of the organization (Phillips et al., 2003).

It can also be difficult to implement a stakeholder approach, because traditional financial systems and ownership models present a conflict between the interests of founders and funders (Børsting & Thomsen, 2017). Therefore, to successfully implement stakeholder theory in an organization, it is needed to present an ownership structure that can ensure the successful implementation.

2.2 Steward-ownership

2.2.1 What is steward-ownership?

Globally, steward-ownership has grown in popularity in recent years as a means of addressing the flaws of traditional shareholder ownership structure (Purpose Foundation, 2017). The structure of steward-ownership commits organizations to two key principles, self-governance and profits serve purpose (Gary, 2019). The first principle, self-governance implies, that an organization is not owned by its shareholders, but ownership is transferred to a legal non-profit entity such as a foundation or trust. Therefore, it is ensured that the organization remains aligned with its mission because this entity acts as the company's "steward", ensuring that it is run in accordance with the values and principles outlined in its mission statement. The second principle, profits serve purpose, implies that the profits in a steward-owned organization are a means to a goal, rather than the goal itself. The organization is for-profit, but the profits generated should serve the mission and are therefore either reinvested in the organization, used to repay investors, shared with stakeholders, or donated to charity (Gary, 2019).

Furthermore, the mission is operationalized by the stewards in the organization, who are chosen for their dedication to the organization’s mission and values. They have a duty to the organization and its stakeholders and are held accountable for their actions (Purpose Foundation, 2017). Stewardship is not limited to the founders, although they play an important role in the organization’s formation. The founders are the individuals who founded the company and may have invested their own money and time to get it off the ground, however, they do not have direct ownership of the company. Instead, they can become stewards themselves or work as employee-stewards for the company (Purpose Foundation, 2017).

Depending on the legal and regulatory framework in which the organization operates, steward-ownership structures can take various forms, but all commit to the same two principles (Gary, 2019). This commitment distinguishes steward-owned models from other ownership structures, such as family-owned businesses, cooperatives, and B Corporations. Unlike family-owned businesses where both voting and economic rights are inherited by blood relatives, steward-owned companies select successors based on their competence and alignment with the company's values. While cooperative arrangements grant each stakeholder one vote, they still view the company as a tradable commodity for the benefit of its members. In contrast, steward-owned companies, although they can be structured as cooperatives, separate economic and voting rights, eliminating any incentive for selling. Furthermore, steward-ownership alters the fundamental power structure of a company, setting it apart from B Corporations, which commit to a specific purpose but do not fundamentally change the power dynamics (Purpose Foundation, 2017).

Additionally steward-ownership is increasing in popularity. Some examples include international outdoor clothing company Patagonia, German wind turbine manufacturer

Enercon, and the Danish brewery Mikkeller. In the Netherlands, there are around one hundred steward-owned organizations. One well-known example is the bank Triodos Bank, but there are also other examples such as resource separation service de Clique, business lunch provider de Buurtboer, and amusement park de Efteling (We Are Stewards, 2023).

2.2.2 Steward-ownership and the link to stakeholder theory

Whereas organization implementing steward-ownership need to serve the mission, organizations implementing stakeholder theory need to serve the stakeholders (Freeman, 1994; Gary, 2019). The binding commitment of the two principles of steward-ownership enables a relation to stakeholder theory.

First of all, the self-governance principle causes a long-term preservation and independence of a company's mission (Gary, 2019). The legal implementation of these principles varies among organizations, but all steward-ownership models share the common goal of ensuring that capable, talented, and values-aligned successors inherit the company's steering wheel. Control over the organization cannot be acquired through monetary means or inheritance alone. In this sense, steward-ownership presents a distinct approach to power allocation within a company. This alternative distribution of power guarantees that management decisions consider the interests of a wider range of stakeholders beyond economic shareholders (Purpose Foundation, 2017).

Secondly, because the profits are means of supporting the organization’s mission, rather than a goal themselves, the inherent tension between maximizing profits and preserving the mission is resolved (Gary, 2019). By separating economic and voting rights, no individual owners, employees, or external stakeholders have the entitlement to profit at the expense of the organization’s success. Therefore, no party is personally incentivized to prioritize profit over purpose. This ensures that the organization can make decisions that benefit the entire organization, and is therefore a good foundation to fulfil the needs of different stakeholder groups, rather than solely focusing on themselves or capital providers (Purpose Foundation, 2017).

Furthermore, implementing steward-ownership offers several advantages for stakeholders. Steward-owned organizations make better long-term decisions, have stable ownership structures, and experience fewer firm transitions, leading to increased company longevity compared to other ownership models (Thomsen et al., 2018). Another advantage is that employees in steward-owned companies enjoy greater job security, enhanced representation in corporate governance, and fairer pay (Herrmann & Franke, 2002). While one perceived disadvantage of steward-ownership is the potential for financial underperformance compared to shareholder-owned organizations (Thomsen, 1996; Herrmann & Franke, 2002), studies have shown that steward-owned companies perform at least as well, if not better, in terms of profitability, growth, return on equity, and organizational value. They excel in areas requiring sustained, long-term investment rather than short-term profit maximization (Thomsen, 1996; Herrmann & Franke, 2002; Thomsen & Rose, 2004). Although steward-owned organizations lack monitoring by residual claimants and access to equity finance (Thomsen, 1996; Herrmann & Franke, 2002), they have found ways to overcome these challenges and perform effectively.

However, although these findings relate to the outputs of steward-ownership in creating stakeholder value, an understanding of the strategy behind it, including its advantages and disadvantages, is essential for evaluating its effectiveness, improving and replicating the model, identifying potential challenges, and promoting wider adoption (Teece, 2010).

3. Methodology

3.1 Research design

The research that was conducted is qualitative research with an inductive approach, because the research is exploratory and is used to build theory (Gustafsson, 2017). Given the lack of theory about steward-ownership, this research used a grounded theory approach which is a specific qualitative research methodology that was developed by Glaser & Strauss (1967). It aims to develop theories or explanations based on empirical data collected through systematic and rigorous methods, such as interviews or observations. It involves a process of constant comparison and analysis of the data to generate concepts, categories, and eventually a theory that is grounded in the data itself (Charmaz, 2014; Clark et al., 2021; Corbin & Strauss, 2015). Unlike traditional approaches, this methodology does not rely on existing literature and theories. Instead, it collects data first and then develops a new theory, keeping researchers engaged and interacting with the emerging analyses (Charmaz, 2014).

Furthermore, a multiple case study approach was used, which has several benefits over a single case study approach, of which the main one is the potential for generalization (Yin, 2009). Multiple steward-owned starters and steward-owned switchers were selected, because when it comes to transformation, both emerging and established organizations face different benefits and challenges when changing their operations and strategies (Hockerts & Wüstenhagen, 2010). Whereas emerging organizations often have a more agile and flexible structure and fewer stakeholders to please (Acs & Audretsch; Stock et al., 2002), established organizations have more resources, established relationships with more stakeholder groups, but also need balance the different expectations of them (Hockerts, 2006; Hockerts & Wüstenhagen, 2010).

The objects of this study were steward-owned organizations, and the units of observation were the stewards of these organizations. Although the official role description was different among organizations, all participants were stewards. Only organizational factors were considered in this study because they can be influenced by ownership, whereas other factors, such as market factors, are controlled by external forces rather than the organization itself. Moreover, the research population that is represented had inclusion and exclusion criteria. Since We Are Stewards is only focused on the Netherlands, the first inclusion criterion was that organizations must be based in the Netherlands. The second inclusion criterion was that organizations must be active in stakeholder value creation, because otherwise it was not possible to examine the link with steward-ownership. The last inclusion criterion was that the steward-owned organizations were either steward-owned starters or switchers, because both implementation stages needed to be explored. The ownership structure was an important variable for this research to draw the right conclusions, therefore the only exclusion criterion was that if the ownership structure of an organization was unclear, it was excluded from the research.

Furthermore, to gather these cases, purposeful sampling was used with the aim of using the limited resources and identify and select information-rich cases most effectively (Palinkas, et al., 2015). It ensured a research population best suited for researching the link between steward-ownership and stakeholder theory (Eisenhardt & Graebner, 2007). Additionally, it was consistent with the goal of qualitative research, a depth of understanding, and thus useful for this research. As We Are Stewards has compiled a list of Dutch steward-owned organizations, the cases were found through this data base. There was no right number of cases to include for comparative purposes (Yin, 2009), and by performing the criteria check, twelve suitable cases were identified, including eight switchers that are all established organizations, and four starters of which three start-ups and one established organization. This way, a good representation of different steward-owned organizations in the Netherlands was provided while gathering enough data to get an overall overview, and the ability to finish the research in time. For confidentiality purposes, these cases are not referred to by the name of the organization, but as starter (ST) or switcher (SW) with a corresponding number to present the different participants.

3.2 Data collection

For data collection, semi-structured interviews were conducted, which allowed for in-depth understanding and for the respondents and the researcher to shape the interview by, for example, changing the order of the topics discussed or by elaborating further on a topic (Ritchie et al., 2013).

The first step in data collection was to work out an out an interview guide which included the prepared topics and interview questions based on the results of the literature research (Morris, 2015). Hence, the topics and questions covered information about stakeholder value, stakeholder engagement, and the advantages and disadvantages of steward-ownership and the strategies behind these. This interview guide was sent to all interviewees prior to the interview, which allowed them to prepare the interview and ask questions if something was unclear. This interview guide is included in Appendix A, and was used for all interviews, because after the first two interviews the guide was reviewed with the findings provided and it was not necessary to change it. However, one question was different in the interview guide of the switchers, asking about the experienced differences in stakeholder value creation after switching to the steward-ownership structure. Also, follow-up questions that emerged during the interviews were different with each interview, because the method for this study was grounded theory and the process of collecting data was iterative. These questions mainly included how the situation described by the interviewee was dealt with, what role steward-ownership played in it, or questions to clarify it.

Furthermore, to increase traceability, the second step included to collect general information about the interviewees and organizations on relevant webpages, including the organization's website and the website of We Are Stewards. Also, interviewees were asked to fill in an information sheet prior to the interview, which provided basic information about the company and the interview questions. Eleven out of twelve completed the sheet in advance, and one provided these answers verbally during the interview. This information sheet is included in Appendix B.

During the third step, the interviews were conducted. Interviewees, who were the stewards of the organizations, were asked to identify arguments on how stakeholder value was created and what the role of steward-ownership was in this process. The interviews were conducted in Dutch, because the interviewees were all Dutch and this resulted in more comprehensive answers (Jovchelovitch & Bauer, 2000). The minimum length of the interviews was 20 minutes and the maximum length was 55 minutes. Furthermore, four interviews were conducted physically face-to-face, which has the advantages of the ability to control the interactions, to ensure respondence of the interviewee, to ask complex questions, and to make use of probe mechanisms (Morris, 2015). Due to distance or planning issues for the interviewee, the other eight interviews were held online through videocalls in Microsoft Teams, to sufficiently resemble real life conversation with face-to-face contact (Ritchie et al., 2013). To analyze the interviews in a later stage, the audio was recorded on an external device. Moreover, leading questions were avoided during the interviews, to ensure that the interviewee would not respond in the direction that provided the desired outcome.

Consequently, Table 3 is presented with information about the cases and the corresponding interviewee.

Table 3

Respondent overview of the interviews

Respondent	Category	Business stage	Organizational structure	Industry	Steward-ownership structure	Position	Interview duration in minutes	Physically or Microsoft Teams
ST1	Starter	Start-up	Flat	Agriculture	Neutralized capital	Team	00:30	Physically
ST2	Starter	Start-up	Flat	Technology	Golden share	Founder	00:45	Physically
ST3	Starter	Start-up	Flat	Technology	tba	Founder	00:45	Microsoft Teams
ST4	Starter	Established	Flat	Retail	Neutralized capital	Director	00:45	Physically
SW1	Switcher	Established	Flat	Education	Managing foundation	Team	00:45	Microsoft Teams
SW2	Switcher	Established	Flat	Healthcare	Golden share	Director	00:45	Microsoft Teams
SW3	Switcher	Established	Flat	Consulting	Managing foundation	Founder	00:55	Microsoft Teams
SW4	Switcher	Established	Flat	Sports	Neutralized capital	Founder	00:20	Microsoft Teams
SW5	Switcher	Established	Hierarchical	Consulting	Managing foundation	Director	00:30	Microsoft Teams
SW6	Switcher	Established	Hierarchical	Deathcare	Managing foundation	Director	00:35	Microsoft Teams
SW7	Switcher	Established	Hierarchical	Lottery	Managing foundation	CEO	00:40	Physically
SW8	Switcher	Established	Hierarchical	Retail	Managing foundation	Founder	00:30	Microsoft Teams

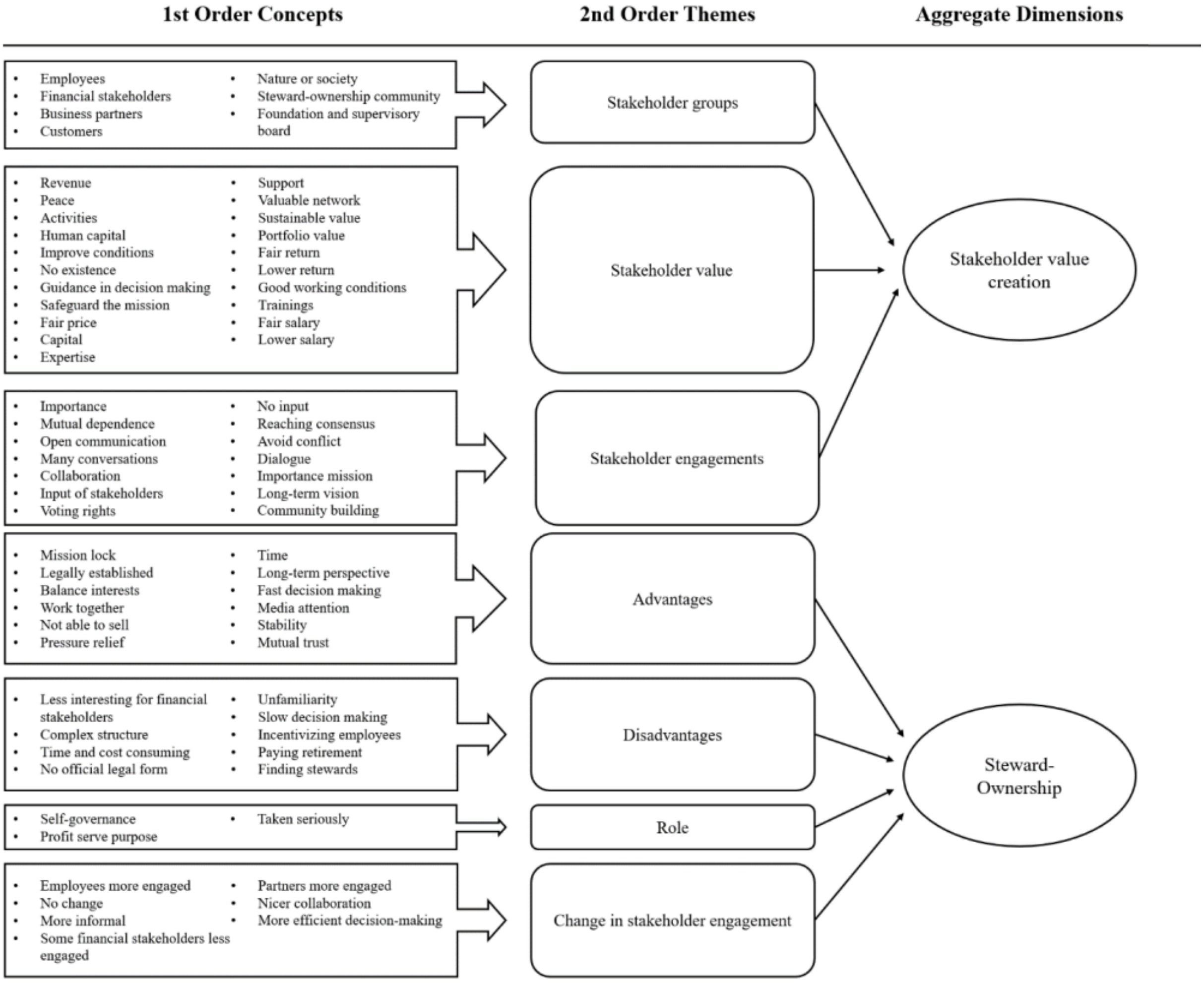
3.3 Data analysis

After the data collection, the data was analyzed to draw meaningful conclusions (Yin, 2015). First, the interviews were transcribed verbatim, which ensured that the exact wording, tone, and nuances of the participants' statements were captured and preserved. Thus, not only what was said, but also how it was said, was taken into account (Poland, 1995).

Hereafter, the interviews were uploaded into the computer software NVivo12 and coded. The Gioia method was used for this, because this is in line with a grounded theory approach. In the first phase of open coding, transcripts were read thoroughly, and the data was analytically interpreted, enabling its deconstructing (Corbin & Strauss, 1990). After this was finalized with all interviews, the open codes were grouped and labelled into first-order codes based on informant-centric terms and codes. Then, these first order codes were combined into second-order themes that were centric to the research concepts. This combination resulted in a qualitatively rigorous demonstration of the data's relationships. Finally, the second-order themes were transformed into aggregate dimensions, forming clusters that represent the culmination of the analysis (Gioia, Corley, & Hamilton, 2013). This comprehensive set of first-order concepts, second-order themes, and aggregate dimensions formed the foundation for developing the data structure presented in Figure 1.

Figure 1

Data structure



The last step in data collection included translating the data back to English, in which interpretation bias was a risk. However, ambiguity and bias was minimized by the researcher by acknowledging and critically examining the context surrounding of the data, ensuring a more objective analysis and interpretation of the results (Ritchie et al., 2013).

3.4 Ethics considerations

During data collection and analysis, ethics consideration were accounted for to not violate generally accepted rules on ethics in academic research. Firstly, consent of all interviewees was asked for, by informing them about the research and asking their consent to participate, to be recorded, and to use their names for acknowledgements. Secondly, to ensure confidential handling of the data, data was pseudo-anonymized by using respondent numbers consistently and stored on YoDa, a research data management service aimed at securely storing large amounts of research data (Utrecht University, 2023). Furthermore, after the transcription of the interviews, the recordings were saved on YoDa and deleted from the external device. Lastly, to ensure validation, all steps in data analysis were discussed with the thesis supervisor, and the final analysis was shared with the company supervisor.

4. Results

In the following section, the results are presented in order of the sub-questions in the introduction. Firstly, the aspects highlighted by interviewees of stakeholder value creation in steward-owned organizations are discussed, whereafter the strategy, including the advantages and disadvantages, of steward-ownership are discussed.

4.1 Stakeholder value creation

4.1.1 Stakeholder groups

There are seven main stakeholder groups identified in steward-owned organizations that are similar among starters and switchers. The first two important stakeholder groups, following all participants, are the employees and nature or society. Ten interviewees stated that the third important stakeholder group are the business partners. The fourth and fifth important stakeholder groups, following nine participants, are the customers and the foundation and supervisory board. The last two important stakeholder groups are societal stakeholders, following eight participants and financial stakeholders following seven participants.

Less prevailing is the steward-ownership community, which according to three participants is what the organization is part of as a steward-owned organization. Also, two interviewees mentioned that competition is an important stakeholder group.

4.1.2 Stakeholder value

The seven most prevailing stakeholder values in steward-owned organizations are similarly discussed among starters and switchers.

According to the insights provided by eight participants, customers play a vital role in accomplishing the mission by providing revenue when buying products and engaging in activities. Furthermore, six participants acknowledged that human capital of employees is necessary for achieving the organization's mission. These provisions of revenue and human capital are highlighted by a participant with the following quote: *‘’Important stakeholders are the* *employees, without their effort we wouldn't be able to operate, and the customers who buy our products (SW4).''*.

In addition, following all interviewees, steward-owned organizations create value for nature or society by striving to improve ecological and social conditions through their mission. This is illustrated by a participant with the following quote: *''The world benefits from strong social organizations and through our mission, we raise funds for these organizations and raise awareness of their work (SW7).''*. Also, these participants highlighted that the value created by this stakeholder is foundational, as the organization would not have existed without this stakeholder group. Lastly, the role of the foundation and supervisory board in steward-owned organizations is to provide guidance and support in the decision-making processes, which contribute to the overall mission and its safeguarding. This was emphasized by nine interviewees, and illustrated by a participant with the following quote:

> *When we were working on the strategy, we met with the foundation and the supervisory board. An external consultant interviewed them both, and we had separate sessions with the foundation and the supervisory board, and one with them together. So, they really have an influence on how we set up and implement the strategy. Their involvement is important (SW6).*

Furthermore, there are six less prevailing stakeholder values highlighted by steward-owned organizations, though similar between starters and switchers. The first two values are created by financial stakeholders following four participants and include long-term capital and expertise to accomplish the mission. The second two values, following three participants, are fair prices for products and services offered to both business partners and customers. This value for customers is illustrated by a participant with the following quote: *''We experiment with solidary prices. As a customers you can choose to pay the minimum, the fair, or the more than fair price for the products (ST1).''*. Fifth, the steward-ownership community creates value by offering support to the organization, following three participants. The last value is highlighted by a participant and is created with competition, by not fighting but working together, peace is created. Also, a recommendation of two interviewees is that the government could create value by stimulating and promoting steward-ownership more by, for example, tax incentives.

Additionally, there are several differences highlighted among starters and switchers. Whereas two starters stated that societal stakeholders create value by providing a valuable network, a switcher stated that the organization creates sustainable value for this stakeholder group by operating the mission. According to a starter, the organization adds value to the portfolio of financial stakeholders, and whereas two switchers stated a fair return is offered to them, another switcher stated that this is lower than at another organization. For business partners, a switcher mentioned they wanted to engage with them because it added value to their portfolio. For employees, whereas according to two switchers good working conditions and trainings are offered, offering a fair salary is mentioned by half of the starters and two switchers. However, according to another participant, this salary could be lower than at another organization.

4.1.3 Stakeholder engagement

When analyzing stakeholder engagement in steward-owned organizations, all interviewees mentioned that this is important for them. A reason for this, following nine participants, is that there is a great mutual dependence among stakeholders and the organization, which is summarized by a participant with the following quote:

> *We are all dependent of each other, so there is no purpose of focusing on our own goals while the stakeholder is going down because they are not surviving. It is a mutual problem, so the stakeholders are interwoven with us (SW8).*

The main aspect of how stakeholders' expectations are measured and managed, following all interviewees, is through active and open communication with stakeholders about what is going well, what needs improvement and how the organization can establish this. A participant illustrated this with the following quote:

> *Then we just sit together in a good conversation and we check like hey, what are the steps in collaboration that are needed to do better? So you do that, to some extent, in a joint effort (SW8).*

Also, the most prevailing strategy stated by eight participants to measure the impact of actions to accomplish the mission, is communicating actively with internal and external stakeholders, what it is they are doing, why it is important, and how they can help each other. Furthermore, illustrated by a participant with the following quote: *‘’There is a lot of collaboration with stakeholders which causes strong relationships (ST2).’’*, summarizes that ten interviewees highlighted that main aspects of stakeholder engagement are collaboration with different stakeholders, and having strong stakeholder relationships.

Following ten participants, for stakeholder engagement and satisfaction, a main aspect mentioned was to give stakeholders an active role in the organization to provide feedback, either through voting rights or with frequent input moments. For employees, this is illustrated by a participant with the following quote: *‘’Everyone within the company has some sort of voting right, has a say (SW1).’’*. Nonetheless, according to a participant, the government as a societal stakeholders doesn’t have an input or voting rights in the organization.

Furthermore, the organizations try to avoid conflicts, to not stand opposite of each other, but work together to solve the problem. They try and find a consensus when conflict arises, which is mentioned by nine interviewees. This is illustrated by a participant with the following quote:

> *We're not in some kind of fighting model or needing to go the extra mile. The main goal is to actually realize the ideals, so you always try to find a solution with each other (ST4).*

The main aspect to accomplish this is through open communication and having a constant dialogue with stakeholders, according to eight interviewees. Furthermore, whereas three participants mentioned that the mission is more important than stakeholder satisfaction, another participant highlighted that a longstanding stakeholder relationship sometimes means a small mission drift. Another main aspect is that *‘’We actually have built a whole ecosystem around it (ST3).’’*, which summarizes what seven participants mentioned as actively building a community. A participant mentioned that this has not happened yet, but is a plan for the near future.

A long-term vision was mentioned by six switchers and one starter. Especially for business partners, stakeholder engagement is based on having a long-term relationship following three switchers. A participant summarized the importance of this in the following quote:

> *In this [business partner engagement] we see, as an instrument for somewhat positive steering, long-term relationships. And you do it this way, because with the suppliers, you want trust. ... If you enter into a long-term partnership, I think you also force each other to take this seriously and not to do business with each other for the short deal. So, I think that's an important element (SW6).*

4.2 The strategy behind steward-ownership

All interviewees agreed that the two principles of steward-ownership, self-governance, summarized by this quote of a participant: *‘’Steward-ownership helps for the basis, because the company is of itself (ST1). ’’*, and profits serve purpose, explained with the following quote of a participant: *‘’Due to this ownership structure we are forced to run the company in such a way that we use all the profit we have in a way that we ultimately contribute to the mission (SW7).’’*, lead to numerous advantages and disadvantages in stakeholder value creation.

4.2.1 Advantages of steward-ownership

There are five similar key advantages highlighted by interviewees in how steward-ownership impacts stakeholder engagement. First, the main advantage mentioned, is that *''Steward-ownership helps with mission lock (ST1).''*, which summarizes what all participants highlighted as steward-ownership as a means to accomplish the mission. Second, because of the steward-owned structure, *''There is no financier who puts a huge yoke on the company all the time, which makes you have to scale (ST1).''*, which summarizes the pressure relief of financial stakeholders that is expressed by seven participants. Because of this, they mentioned that additional time is available, which is illustrated by a participant with the following quote:

> *It's [steward-ownership] really different, it's otherwise such a waste of time to have to fight with your own shareholders. And, that is surely something involving in great organizations too, even if they work with a high-impact vision, you constantly have that battle (SW8).*

Third, following ten participants, because steward-ownership is legally binding, it is a means to be taken seriously by stakeholders, both commercially and socially. This is illustrated by a participant with the following quote: *''It [steward-ownership] helps incredibly in being able to focus on impact, because people can actually no longer doubt your intentions if they really understand how you are structured (SW3).''*. Fourth, steward-ownership is mentioned by nine participants as a means to balance the interests of different stakeholders, which is illustrated by a participant with the following quote:

> *Then you finally get to steward-ownership, you get to the stewards, who are the representatives of the stakeholders. So, that's how we try to ensure that the entire governance is not governed autocratically... so that we can already grab the interests of various stakeholders (ST2).*

Fifth, the following quote summarizes what seven participants highlighted as steward-ownership as a means to build a community: *''Based on the idea of steward-ownership, we try to give the community an active role (ST3).''*.

A difference among starters and switchers is that having a long-term perspective as a result of the steward-ownership structure, is a main advantage mentioned by five switchers and a minor advantage mentioned by one starter. This is illustrated by a participant with the following quote: *''It's just a luxury to work in a company where the ownership structure allows you to think long term (SW7).''*. Other aspects, only mentioned by a switcher, are positive media attention, stability of the organization, and efficient decision making.

Less prevailing but similar for starters and switchers following four participants, include that steward-ownership is a means to have mutual trust and to not be sold to an investor with different ideals. Another advantage is that *''Steward-ownership makes you look at a goal together instead of standing opposite of each other (SW8).''*, which summarizes the statement of three participants that steward ownership is a means to work together.

In addition, the main aspect in stakeholder value creation that changed when implementing steward-ownership, is that employees are more involved in the company, following five interviewees. This is illustrated by a participant with the following quote:

> *Where you see a lot of differences is with the people who work for us. They don't feel that they are working for their owner, contributing to the value that the owner could then sell independently. And that really brings a different, most positive vibe (SW4).*

Other aspects that changed, following one switcher, were a more informal and pleasant way of working together, more efficient decision-making, and more satisfied suppliers.

4.2.2 Disadvantages of steward-ownership

The main disadvantage of steward-ownership for stakeholder value creation is highlighted by a participant with the following quote:

> *What we think at the organization, is that the systems in the Netherlands are not yet equipped for it [steward-ownership]… With two civil-law notaries, a tax specialist and a steward-ownership expert, we spent four months setting up the structure like this (ST3).*

This summarizes what eight interviewees stated as the disadvantage of the unfamiliarity of the concept at the moment in the Netherlands, causing it to be time and cost consuming to implement the structure. Also, a participant stated that: *''In the current economy, it is common that you have to pay for your retirement with the sale of your company, if you are a business owner. And there is not really a solution for that yet (SW4).''*, which illustrates that the unfamiliarity of the concept is a disadvantage for a founder in being able to pay for retirement. Another participant mentioned that because of the unfamiliarity, it takes substantial time to explain the structure to stakeholders.

Furthermore, there is one main difference found among starters and switchers. The following quote summarizes what three starters and one switcher stated about the uninterest of financial stakeholders: *''A disadvantage, a challenge, we notice is that we can't offer investors a super interesting investment (ST1).''*. Other differences include, finding people to fulfil the role of a stewards, following three switchers and one starter, incentivizing employees without targets, following two switchers, and inefficient decision making, following a starter.

In addition, whereas one participant stated that nothing had changed when switching, another stated that a disadvantage included that some financial stakeholders stepped out.

4.3 Interrelationships of results

Figure 2 presents a model of the interrelationships of the findings of the aspects of stakeholder value creation in steward-owned organizations and the advantages and disadvantages of steward-ownership in enabling this.

4.3.1 Aspects of stakeholder value creation

Starting at the lower section of Figure 2, the results suggest that steward-owned organizations foster the creation of stakeholder value. Within these organizations, a total of seven stakeholder groups are identified, including two additional stakeholder groups. The first, and most important, stakeholder group includes nature or society. For this stakeholder group, the most value is created by operationalizing the mission that aims to improve social of ecological conditions. Conversely, it creates value for the organization as it serves as its fundamental purpose of existence. The second important stakeholder group is the foundation or supervisory board, which creates value for the organization by providing guidance and support in decision-making processes, and ensuring that the mission is safeguarded.

Furthermore, stakeholder engagement is found to play an active role in steward-owned organizations. Especially active and open communication with stakeholders is found crucial in the stakeholder engagement aspects. For stakeholder satisfaction, stakeholders are frequently asked for input, either through voting rights or input moments. Also, strong stakeholder relationships, problem-solving and reaching consensus are aimed for in steward-owned organizations by active communicating, collaborating, consulting, having a dialogue and joint decision-making activities. These are strengthened by community participation. Whereas a difference among starters and switchers is found that switchers are more focused on the long-term, there are no major differences found in the other aspects of stakeholder value creation.

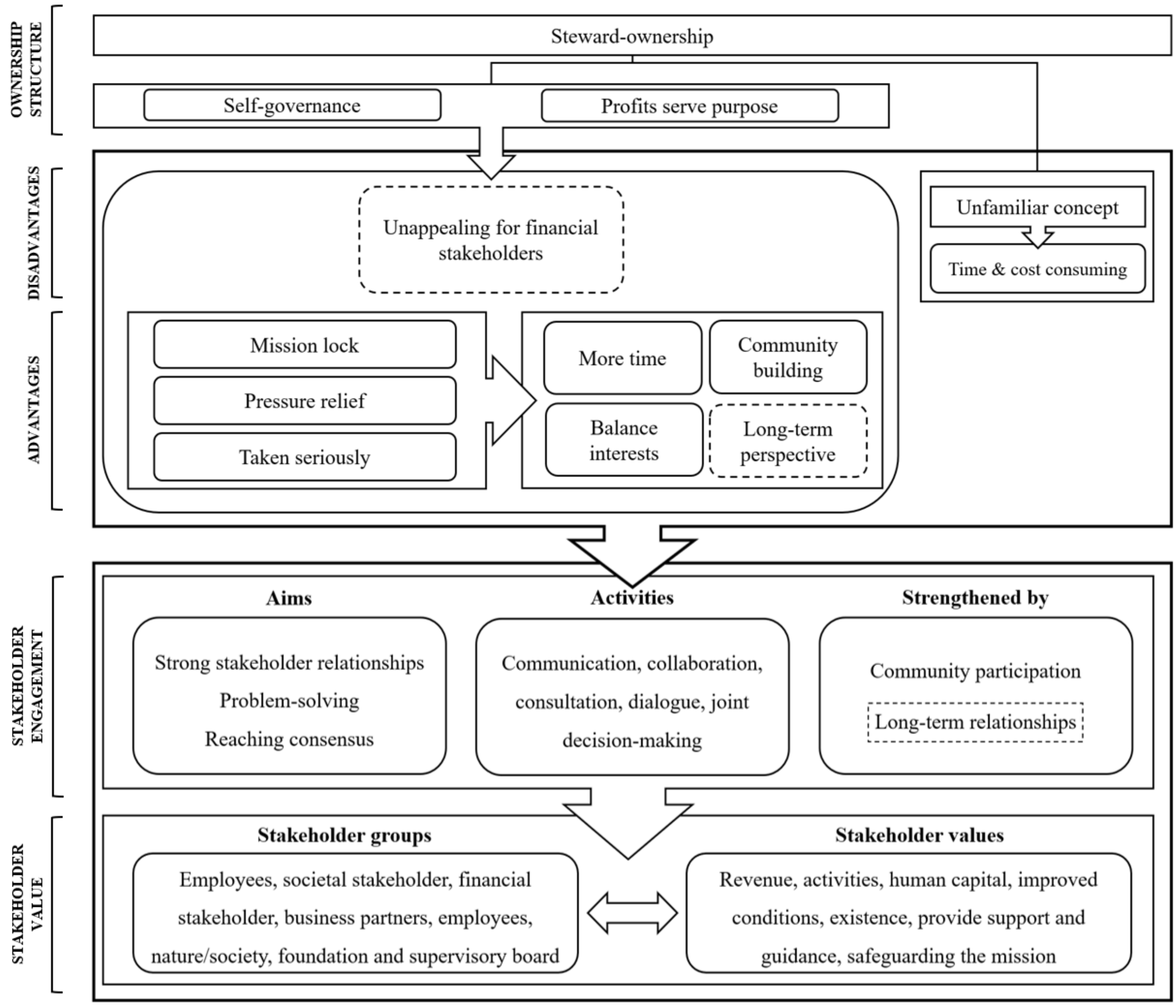
4.3.2 Advantages and disadvantages of steward-ownership

Analyzing the upper section of Figure 2, the results suggest that the two principles of steward-ownership, self-governance and profits serve purpose, are found to play a significant role in creating stakeholder value. These principles cause that there is no pressure of financial stakeholders to generate short-term value, and a mission lock. Also, because these principles are legally binding, the organization is taken seriously by stakeholders, both commercially and socially. Consequently, these elements contribute to a greater availability of time for engaging with stakeholders, balancing their different interests, and building a community, which enhance greater stakeholder value creation. Similar to the results in stakeholder engagement, a difference was found that switchers are more able to focus on the long term due to these elements. Another difference was found that starters find it hard to find interested financial stakeholders.

On the right side of Figure 2, the results suggest that a substantial disadvantage of steward-ownership is that the systems in the Netherlands are not yet equipped for it, causing the unfamiliarity of the concept to be very cost and time consuming to implement it.

Figure 2

The role of steward-ownership in stakeholder value creation



5. Discussion

This research aimed at exploring the link between steward-ownership and stakeholder theory and the strategy behind steward-ownership in creating stakeholder value. The link with stakeholder theory was explored because there is no specific ownership structure for organizations prescribed in stakeholder theory, whereas this is necessary to address the conflict of financial systems and ownership models and therefore to be able to successfully implement it (Børsting & Thomsen, 2017). Steward-ownership has been explored as a potential solution for this, because the binding commitment of the two principles of steward-ownership enables a relation to stakeholder theory. However, it was first needed to research the aspects of stakeholder value creation in steward-owned organizations, because this was lacking in current literature. Furthermore, although prior research investigated several advantages and disadvantages of stakeholder value in steward-ownership, only outputs are provided. An understanding of the strategy behind it was essential for evaluating its effectiveness, identifying potential challenges, and promoting wider adoption (Teece, 2010). This was researched in steward-owned starters and switchers, because they can encounter different benefits and challenges in (Hockerts & Wüstenhagen, 2010).

To explore these gaps, interviews with stewards of steward-owned organizations were conducted who provided insights on how stakeholder value creation was operationalized in their organization and what the advantages and disadvantages of the steward-ownership structure was in this.

The link between stakeholder theory and steward-ownership. First, the link between stakeholder theory and steward-ownership was explored by identifying the stakeholder value creation aspects present in steward-owned organizations. The findings agree with Freudenreich et al. (2020) that there are five stakeholder groups. Nonetheless, the findings add value to this by suggesting that steward-owned organizations incorporate two additional stakeholder groups. Also, there are two stakeholder values created in steward-owned organizations that are not stated in this literature. The inclusion of these groups and values demonstrates a more holistic approach to organizational governance.

Furthermore, stakeholder engagement is found to play an active role in steward-owned organizations. Whereas a difference is found between starters and switchers in the long-term perspective of switchers, a reason for this could be that the starters interviewed were mostly start-ups, whereas the switchers were mostly established organizations (Table 3). This implicates that these differences could have been caused by the different business stages of the organizations and not by the fact that the steward-ownership structure was implemented in a different business stage. In the other aspects of stakeholder value creation, no major differences are found between starters and switchers, thus these findings add value to the literature of Hockers and Wüstenhagen (2010) by proposing that the differences among emerging and established organizations do not have to lead to differences in stakeholder value creation.

Consequently, these findings add value to the current stream of literature on stakeholder theory, by recognizing and including a broader range of stakeholder groups that have an impact on or are affected by an organization's actions. This leads to a more comprehensive, realistic, and ethically oriented approach to decision-making and organizational management.

The strategy behind steward-ownership in creating stakeholder value. Second, the strategy behind steward-ownership in creating stakeholder value was explored by identifying the advantages and disadvantages of the structure in this. Whereas the findings agree with prior research that the two principles of steward-ownership, self-governance and profits serve purpose, relief the pressure of financial stakeholders and ensure that the organization remains committed to the mission (Gary, 2019; Purpose Foundation, 2017), the findings add value to the steam of literature on stewards-ownership by providing additional aspects in the strategy behind steward-ownership in creating stakeholder value. Added values of these findings are that steward-ownership is a means to be taken seriously by stakeholders. Also, it is added that greater stakeholder value creation is possible due these aspects by increased time availability, balanced interests of different stakeholders, and community building. On the other side, it is added that it is very cost and time consuming to implement the structure. Although differences among starters and switchers are found, a possible reason for these are stated before.

5.1 Theoretical implications

There are three theoretical implications of these findings. First, the differences found between starters and switchers could have been caused by the different business stages of the organizations. Three out of four starters were in the start-up phase and one was an established organization. For increased generalization within this classification, it is recommended that further research is conducted among organizations that implemented steward-ownership at the start, but are not in the start-up phase.

Second, another difference highlighted by two participants, is that a starter mentioned that the steward-owned structure causes decision making to cost much time, whereas a switcher stated that it makes decision making more efficient. A possible reason for this is that there are different steward-ownership structures (Table 3), and it is therefore recommended to explore these different structures further.

Third, although the principles of steward-ownership lead to a greater availability of time to engage with stakeholders, it is very cost and time consuming to implement it. For increased efficiency of the use of this model, it is recommended to further research how to overcome this barrier.

5.2 Reflection for practitioners

There are two main implication of these findings for practitioners. First of all, it is expected of organizations, especially in the Netherlands, that the interest of all stakeholders are considered, not just shareholders. As this research concludes that steward-ownership creates the right environment in which stakeholder value can be created, this ownership structure can be used by managers and founders seeking to optimize stakeholder value creation.

Second, as it is a disadvantage that the steward-owned structure is unfamiliar, policy-makers can increase awareness by creating an enabling environment that encourages the adoption of steward-ownership, increases familiarity with the concept, and supports organizations in their transition towards this structure.

5.3 Limitations and future research

There were several limitations encountered during this research process. Firstly, the research focused only on organizations in the Netherlands due to the scope of We Are Stewards, which means that the findings are not generalizable throughout other parts of the world. Thus, it is recommended that this research is replicated in other countries, to make more compelling conclusions that can be generalized among different parts of the world.

Secondly, the stakeholder values created by and for stakeholders were not mentioned much during the interviews due to the limited questions asked devoted specifically to this topic. Although prior research found various outputs of this in steward-ownership, it is recommended to further investigate these outputs on stakeholder values in steward-owned organizations.

Lastly, further research into the concept of steward-ownership is highly recommended. Steward-ownership remains inadequately explored in existing literature. The small amount of resources that define steward-ownership further supports this. Future research could concentrate on establishing connections between steward-ownership and other significant areas, such as entrepreneurship. While this research attempted to link steward-ownership and stakeholder theory, additional studies are necessary to enhance the recognition of steward-ownership as a viable alternative to conventional ownership models.

5.4 Conclusion

Concluding, the answer to the research question: *How do organizations adopting steward-ownership create stakeholder value? And how does this differ between starters and switchers?*, is that steward-owned organizations create stakeholder value by recognizing a broader range of stakeholder groups and values, and by actively engaging with stakeholder. The legally binding principles of steward-ownership, self-governance, and profits serving a purpose, foster these creations by alleviating pressure from financial stakeholders and demonstrating the organization's commitment to its mission. Whereas differences are found in the long-term vision of switchers and uninterest of financial stakeholders in starters, steward-ownership is seen as a credible approach that allows more time for stakeholder engagement, balancing stakeholder interests, and building a community. Therefore, steward-ownership can be seen as a viable structure to implement stakeholder theory.

This is relevant as it contributes to theory building around stakeholder theory and steward-ownership. Also for practitioners, this is relevant as they are expected to implement stakeholder theory into their business models, and steward-ownership can create the right environment for this.

Finally, the research made efforts to enhance the validity and reliability of the findings through a grounded theory approach, triangulation of data, and clear documentation of the research process. However, the limitations of the study, such as the specific context and small sample size of one group, should be taken into consideration when interpreting the results and generalizing the findings to other settings.

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Appendix A

Interview guide

1. What are the steps involved in setting goals and objectives (strategic plan) for the company's mission: [name mission statement]?

Strategic plan – Stakeholder engagement

2. How does your company identify, prioritize and consider the needs and expectations of stakeholders in its strategic plan?
3. How does your company balance the interests of its stakeholder groups when making business decisions?
4. How do you handle conflicts or disagreements with different stakeholders? How do you handle trade-offs between different stakeholders?
5. How do you measure the satisfaction and feedback of stakeholders?

Strategic plan – Steward-ownership

6. How does the strategic plan of the business focus on the ownership structure and its alignment with the company's mission?

Strategic plan – Steward-ownership – Stakeholder engagement

7. To what extent does the strategic plan of the organization address the behavior of its stakeholders and how it aligns with the formal structure and procedures of the company?
8. How does the current ownership structure (steward-ownership) of your company impact its ability to create value for and from stakeholders? And what is the role of the stewards in this?
9. Can you explain the pros and cons of your current ownership structure (steward-ownership) in creating value for and from stakeholders?

Business stage – Steward-ownership

10. Switchers: What were the motivations to switch to steward-ownership as the structure for your company?
    a. Has the stakeholder engagement level changed when you switched to the current ownership structure?

    Starters: What were the motivations to implement steward-ownership as the structure for your company?

Closing questions

11. Do you have any final remarks or questions from your side?
12. Is it possible to contact you in a later stage when I need clarification about something that has been said during the interview?
13. Is it possible to use your name and the name of the organization in the acknowledgement of my thesis?

Appendix B

Information sheet

Introduction

Explanation and purpose of the research

Questions

1. What is the name of your company?
2. What does your company do and what is your role in the business?
3. When was the company founded, and what is the role of the founders?
4. Since when is the company steward-owned?
5. What is the company's mission statement?
6. What instruments does your company use to track progress towards achieving its goals and objectives for its mission?
7. Can you briefly explain the importance of stakeholder management in achieving these goals?
8. Which stakeholder(s) create the most value for your company? Briefly explain why.
9. Can you briefly describe a situation in which you had to balance the interests of different stakeholders?