

Social Value Creation in a Stakeholder Oriented Business: A Case Study

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The integration between business and society is a priority in current business world and it is an emergent area of research in the extant literature. Business organizations are pursuing the interdependency between business and society by means of business ethics, corporate social responsibility and shared values. Stakeholder orientation is the cornerstone of these new initiatives and it is growing in future. Therefore, this paper intends to explain the nature of a stakeholder oriented business organization with its social value creation. Based on interpretivism philosophy researchers adopted a qualitative embedded single case study design methodology. The organization under study is a small scale manufacturing company in Kandy working with multiple stakeholders and we call it as Beta for confidentiality reasons. Data was collected using secondary sources and by conducting in-depth interviews with the owner of the company, self-employed rural artisans and suppliers who were selected using judgmental sampling method. Data analysis involves transcription, summary and keyword development. The final stage of analysis was conducted by cross-tab analysis and interview findings are even analyzed using discourse analysis. As per the analysis Beta has shown that stakeholder oriented business approach maintains a strong relationship with stakeholders by focusing on multiple stakeholder interest and deep stakeholder understanding. The company works collaboratively with rural artisans, private sector organizations and small scale suppliers. The continuous stakeholder dialogue is a salient feature in this business approach. The extended organization concept is evidenced on the foundation of stakeholder orientation which contributed to environmental sustainability and inclusive growth. Social value creation of stakeholder orientation was evidenced through income enhancement, improvement in living conditions, citizenship enhancement and social capital development. Researchers contend that it is important to uncover each stakeholder's unique social issues in social value creation and conclude that a connectivity can be created between business organization and social issues.

Key words: Stakeholder orientation, Social value, Business and society, and Case study method