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STAKEHOLDER THEORY AND VALUE CREATION

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Abstract

What does it mean that companies must “create value” or “be managed” for “all their stakeholders”? In this paper we aim to show what creating economic value and appropriating economic value mean, in order to demonstrate that, so long as we confine ourselves to an exclusively economic concept of “value” and though it may be possible (at least in theory) to achieve economic optima, we will not achieve sustainable, conflict-free management because we will be omitting important aspects of reality. We therefore propose broadening the concept of value, based not on criteria external to the company but on the core relationship between the company and its stakeholders. This allows us to identify a whole range of “values” that take stakeholder theory to a higher level.

Keywords: Company, Interest groups, Income, Stakeholders, Value.

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> "… the key idea about capitalism is that the entrepreneur or manager creates value by capturing the jointness of the interests [of the stakeholders]. Yes, sometimes the interests are in conflict, but over time they must be shaped in the same direction."
>
> Freeman (2008b, p. 165).

Introduction

One often reads in the literature that firms must be "managed" not only "for shareholders" but, more generally, "for stakeholders" (Freeman 2008; 2007; Harrison et al., 2010); or that they must "create value for all stakeholders" (Post, Preston, and Sachs, 2002); or even that they must "create the greatest possible value for all stakeholders" (or for some category of stakeholders, such as employees or consumers). What does this mean? What "value" are we talking about?

In this paper I propose one possible way to answer these questions. First, I discuss how economic value is created, not only for owners but for all stakeholders – that is, the "social (economic) value" or the "total long-run value of the firm" (Jensen, 2008, p. 167) – and how that value is distributed, appropriated or captured. After that, I broaden the concept of value, ending with the conclusions.

This paper takes the point of view of stakeholders, not of the firm. Accordingly, I pass over certain highly relevant themes that are amply covered in the literature on strategy, social responsibility and business ethics, such as the advantages that taking account of the stakeholder perspective can have for strategy preparation and implementation, or for the creation of competitive advantages (Simon et al., 2007), or for financial performance (Taylor and Sparkes, 1977), or the business case for corporate social responsibility (Kurucz et al., 2008), and many others. Nor am I concerned here with the equally relevant problems of stakeholder identification (Mitchell et al., 1997) or stakeholder management models (Preble, 2005). Nor do I dwell on the definition of what a stakeholder is, as the traditional definitions given by Freeman (1984), Carroll (1993) and others are adequate.

Economic Value Creation

In neoclassical theory, economic value is created when the price that consumers pay for goods and services is greater than the cost of producing them. The cost of producing goods and services is the opportunity cost of the resources (i.e., the gain that could be obtained from the best alternative use of the resources), and it is assumed that it is neither necessary nor possible to pay any more or less for the resources, given the competition in the goods and factor markets. The only resource that does not receive a market price is capital, i.e., ownership of the firm, which instead receives the residual value or profit.

In the neoclassical model, the economic value generated is the sum of the consumer surplus and the producer surplus. The consumer surplus is defined as the difference between the highest price that consumers would be willing to pay for a good or service and the price they actually pay, while the producer surplus is the difference between the price at which sellers actually sell and the cost of the resources employed. The question of value maximization boils down to that of the consumer surplus and the producer surplus or residual value, attributed to the owner. This is not to say that other stakeholders do not also receive a surplus, merely that the task of determining the amount of the surplus and distributing it is transferred to the resource markets (labor, finance, commodities, etc.).

If a product is able to satisfy consumers' present needs better without losing any of its capacity to satisfy future needs, then more value will be created because buyers will be willing to pay a higher price for the product.[1] And if a producer uses better technology, combines resources more efficiently or pays lower prices for them, again more economic value will be created. In the neoclassical model, therefore, the problem of value creation is separate from that of value distribution. If the stated conditions are met, consumers receive their surplus, the providers of resources receive their opportunity cost, and the company's owners appropriate the producer surplus or profit, which is an incentive for them to make decisions that maximize profit and, also therefore, present and future efficiency.[2]

As a consequence of all the above, an economic optimum – in terms of the maximization of "social value" (Jensen, 2001) for the economy as a whole – is attained. If consumers maximize their utility and companies maximize profit for their owners (i.e., the expected present value of the shares, assuming a long-term, stochastic view) (Mossin, 1977), the social (economic) value created will be maximal (Williamson, 1984).[3] For that to happen, however, certain conditions must be met: perfect competition (or sufficient competition, cf. Stigler, 1957) in all markets; markets for all goods and services, present and future (i.e., there can be no goods without a price); free entry to and exit from all markets; availability, to all concerned, of sufficient information on the prices, characteristics and availability of the goods and services for all to be able to make optimal decisions; non-existence of public goods; absence of positive or negative

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[1] Bowman and Ambrosini (2000) distinguish between use value, as perceived by the buyer, which is subjective and specific to each individual, and exchange value, which expresses the price the consumer is willing to pay for the good.

[2] What we here call value creation and appropriation is discussed elsewhere as rent creation and appropriation (Rumelt, 1987). Here we shall not distinguish between the different types of rents (Peteraf, 1994), nor between rents (Ricardian or efficiency rents: the difference between the price received and the minimum price needed to start the transaction) and quasi-rents (the difference between the actual price and the minimum price needed to continue the relationship) (Milgrom and Roberts, 1992; Castanias and Helfat, 1991). There are also other definitions of rent and quasi-rent, e.g., Stigler (1966).

[3] For a demonstration and discussion of the conditions in which this takes place, see Winch (1971).

externalities (i.e., nobody bears the costs, risks or benefits of actions performed by other agents with which he does not have a market relationship), and so on.

In practice, needless to say, these conditions are never met. If some agents have market power, if there are externalities, or if information is asymmetric or insufficient, the promised social efficiency will not be achieved, the model will lose legitimacy, and managing firms will become more complicated. If the opportunity cost of the factors employed in production is not determined on competitive terms in the resources market, the different markets cannot be considered in isolation from one another, and the value chain ceases to be a set of givens in which the company has no say. Moreover, value is not created by the independent contributions of isolated factors but by cooperation among the factors (Freeman et al., 2004). The question of value creation is therefore tangled up with that of the distribution or appropriation of value. Lastly, there are ethical and social issues that affect the outcomes and legitimacy of the process. If we want value to be created for stakeholders, we need to broaden our analysis to include all these complications.

Let's look at an example of all the above. The process starts with the creation of value for consumers.[4] This can be achieved by offering higher quality or more durable products that meet consumers' needs more fully; or through practices that encourage consumers to attribute value to the goods or services (e.g., by adding information about the goods, or by delivering experiences at the time of consumption, etc.),[5] so that consumers are willing to pay a higher price for the products. This is an ideal situation in which, if there is competition in the goods market, the consumer surplus will increase or, if there is no competition, the increased surplus will be distributed between the producer and consumers.

However, the seller may also do things which, rather than improving consumer satisfaction, reduce consumers' freedom of choice, now or in the future;[6] or which conceal information that is relevant to the consumers' purchase decision (e.g., information about risks associated with the product), and so on. In all these cases there may be an upward shift in the demand curve and increased value creation; but the effect this will have on the buyer will be different, in terms of long-term utility, trust building (including longer-term relations between seller and buyer), and so on. In cases like this, has "value" been created for the consumer-stakeholder? Are these actions socially efficient? Do they constitute a sustainable strategy for the firm?

The consumer surplus may also increase as a result of the firm's reducing the price at which it sells. This may happen, for example, if there is competition in the goods market, which affects both the consumer surplus and the producer surplus (and that of the producer's competitors). However, firms may also engage in practices aimed at shutting out possible competitors, so that the firm can appropriate part of the consumer surplus in the long run. Lack of competition-opens the door to other strategies – price discrimination, creation of captive markets, and so on by which firms seek to appropriate the consumer surplus. What does "creating (economic) value for consumer-stakeholders" mean in cases such as this?

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[4] As Priem (2007) points out, value creation is primarily a demand-side process. If consumers are unwilling to pay the price, the supposed value creation disappears: the product does not have a built-in value that is waiting to be identified by a buyer who will pay for it. This ties in with the ideas of Mises (1949).

[5] Actions that increase the "size of the pie" (Gulati and Wang, 2003).

[6] For example, by encouraging consumption by children, old people, or people who are less able to control their buying decisions, or by causing addictive consumption habits, or by linking future purchases to present decisions, etc.

Equally, there may be situations where consumers capture the producer surplus.[7] This may occur because consumers have market power, either spontaneously or by design (through pressure groups, new regulations, etc.); but it may also be because of a company strategy aimed at beating competitors (cash or bulk discounts, price cuts, etc.), or for other reasons (special offers for disadvantaged groups, etc.). Lastly, it may be due to consumer initiative, such as when consumers are willing to pay higher prices for fair-trade products.

All of the above shows that the notion of "creating value for consumers" covers a wide range of possible situations. Everything we have said here in relation to consumers will also apply to other stakeholders. For instance, a company may provide incentives for its employees to acquire specific human capital, which will increase the employees' productivity and create value for the firm as a whole. The result, however, may be higher pay for the employees, or a reduction of their opportunities and an increase in the cost of switching to a different employer. The same may occur with specific physical or organizational capital; this is not a problem where the capital goods are owned by the company, but it may be a problem if they are owned by the company's suppliers. Similarly, the company may transfer certain more or less explicit risks or costs to other stakeholders.

As we indicated earlier, all stakeholders may compete for a share of the value created by the rest, whether they have contributed to creating it or not. The unions, for example, may put pressure on the company in an attempt to capture part of the owners' extraordinary profit; or management may distribute part of the surplus among the employees in order to ensure peaceful industrial relations or obtain other benefits (e.g., having an alliance with employees tends to enhance management's bargaining power vis-à-vis the company's owners), or simply as a means of transferring value from shareholders to employees.

These problems may affect other agents who are not directly related to the company's production process. For example, the company may offload part of the costs of pollution or congestion (externalities) on those other agents. As a result, the company will have earned a surplus that is not, in fact, socially optimal.

In a stakeholder model, therefore, the theory of value creation implies that: 1) all those who create or capture value, or who in their relationship with the firm assume risks, either inside the firm (owners, managers, employees) or outside the firm (consumers, suppliers), or who suffer the impact of the firm's externalities or misinformation (local community, environment, future generations, society at large), must be considered stakeholders – at least for the purpose of value distribution, which is what concerns us here; 2) maximizing value for consumers and resource providers is not enough to guarantee a social optimum, as there are other relevant stakeholders to be considered, and 3) in relations between stakeholders and the company, there are other variables to be taken into account besides the exchange of goods or services for a price, such as whether there are alternatives (alternatives that limit market power), whether information is provided (including the means to process it and use it rationally), whether protection is available against negative externalities (whether those affected have the means to defend themselves against externalities), and so on.

[7] All rent appropriation is always limited by the size of the rent itself; if the result for stakeholders becomes negative (less than their opportunity cost, adjusted for any exit costs), the relationship will be broken off.

Even so, maximizing economic value for all stakeholders does not guarantee maximum value for each individual stakeholder; it does not even guarantee an efficient and fair distribution of value. We therefore need to consider how value is shared, distributed, appropriated or captured.

Capturing Economic Value

What factors explain the actual appropriation of value from the production process? We can consider the appropriation of value from three angles: 1) as the outcome of negotiation or confrontation between stakeholders and the company, and in some cases between some stakeholders and others, each with their relative power; 2) as the outcome of a company strategy to achieve economic or non-economic results in the long run, and 3) as the outcome of actions that depart from the logic of power and approach the logic of gift or gratuity.

1) From the first point of view, rent appropriation is seen as the outcome of a battle between the company and its stakeholders, the outcome depending on the relative power of each side.[8] Economics provides clues as to the nature of that power. The power of employees, for example, will depend, first, on the characteristics of the good or service market concerned, namely:

   a) The price elasticity of its demand: where demand for a product is rigid, employees will be better able to appropriate a large proportion of the consumer surplus. The elasticity of demand depends on whether, and how readily, substitute goods are available; whether the goods in question are luxury goods or primary necessities; and whether the price of the goods represents a large or a small proportion of consumers' income.

   b) The company's market power: the employees of monopolistic companies tend to have relatively higher earnings.

   c) The scope for stakeholder coalitions aimed at appropriating the rents of other stakeholders, or of the company (we already explained, for example, how managers may join forces with employees to capture a share of profits).

   There are also factors relating to the particular resource market, most importantly:

   d) The elasticity of the demand for the resource in question, which will depend on the elasticity of the demand for the good, the existence and proximity of substitutes for the resource,[9] and the expenditure on that resource as a percentage of the price of the good.

   e) The degree of competition in the resource market, i.e., the degree of bilateral monopoly between the demand side and the supply side,

   f) The costs of replacing some resources with others, or of abandoning the transaction.[10]

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[8] Note that it is not the "objective" importance of a resource that determines its bargaining power.
[9] That is why generic labor does not generate rents, unlike differential or specific labor (Bowman and Ambrosini, 2000).
[10] Which explains the loss of bargaining power of the owners of specific capital, especially in the long run (Porter, 1980).

These factors may be exogenous; or they may be specific to the resource, the product, or the markets in which the company operates; or they may be induced by the company, the owners of the resources, or the authorities, through actions aimed at reducing or increasing dependence on a resource (e.g., the requirement for certain professional qualifications); the actions undertaken to find (or suppress) substitutes; the creation of (or attack upon) cartels and unions that limit competition; many regulations, and so on.[11]

Insofar as the distribution of value is the result of confrontation between relative bargaining powers, the attitudes of stakeholders may range from: 1) more or less resigned acceptance of the current state of affairs, where no rents are being created or can be created in the near future; to 2) maintenance of the status quo, so as to be able to continue to appropriate the rents that are already being appropriated, or 3) confrontation, so as to create and capture rents that cannot currently be appropriated, or so as to prevent other stakeholders from appropriating such rents. These three dynamics are likely to be present in relations between many companies and their stakeholders, and will make it impossible to go beyond purely economic value creation.

Is there a way out of this situation? It seems to us that there are two. The first is to establish generally accepted rules of justice that regulate the distribution of the economic value that is created (Freeman, 2008b) and, where applicable, to translate those rules into law. The problem is that the rules we have at present do not coincide with one another and are not generally accepted. For example, the libertarian solution (Freeman and Phillips. 2002; Nozick, 1974) requires respect for existing property rights and a minimal state that respects the free market and is not active in the redistribution of rents; whereas the liberal (in Europe, we would say "social-democratic") solution (Rawls, 1971) proposes that ideal starting conditions be created on which, "behind the veil of ignorance," all would agree and which, in practice, would give rise to a preferential option in favor of the more disadvantaged. It seems unlikely that the utilitarian, Marxist, feminist or other theories will be any more widely accepted, as the conditions they establish come from some kind of convention, dialogue or external rule and are not derived from the nature of the decisions to which they refer.[12]

2) The second way out of the conflict over the distribution of rents is the cooperative solution, which leads us to the second way of approaching the problem of value distribution, namely, as the result of a strategy to maximize profit – or achieve other results – in the long run. The main point here is to think of stakeholder management as the key to achieving competitive advantages that will enable sustained growth of economic value through, for instance, cost and risk reduction, employee or customer loyalty building, more favorable treatment from regulators or public opinion, the acquisition of reputation and legitimacy in the eyes of the financial markets, synergistic value creation, or business opportunity creation (Kurucz et al., 2008).

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[11] These actions may be considered "rent-seeking", at least in general terms.

[12] The argument that all stakeholders have the same rights is not a good guide when choosing criteria for the distribution of value (Gibson, 2000). That all people have equal dignity is one thing; that they all have equal rights to the economic value in which they have collaborated, however indirectly (or even not at all), is quite another.

This approach adds an optimistic note to the confrontation over rent capture: it does not eliminate the conflict, but it does mitigate it by offering the expectation, at least in the long run, of a more or less continuous increase in value-generating capacity, so that stakeholders can reasonably expect the situation to improve for everybody, i.e., a rising tide will lift all boats.

This solution is not without its difficulties, however. One of them is that it provides incentives to exclude weaker stakeholders from the value distribution, as when companies and unions agree on solutions that produce results at the expense of the environment or of minorities. Another difficulty is that the conflict will reappear as soon as these expectations are frustrated, or as soon as a particular stakeholder group is adversely affected by trends in technology, demand, competition, regulation or other factors: so long as stakeholder relations are governed by the struggle over rents, any balance will be precarious. In any case, this approach – which is very widespread in the literature and in business practice – fails to go beyond purely economic value creation.

3) Lastly, there are situations where a company renounces rent capture, or voluntarily and unilaterally attributes rents to a stakeholder. Examples would be when a company pays salaries above the recipients' opportunity cost (the current market wage); or when it hires disabled employees on salaries above their marginal productivity; or when it pays higher prices for raw materials (fair trade); or when it helps its supply chain partners meet strict conditions regarding labor rights, human rights, or care for the environment. In all these cases, the company "overinvests" in its stakeholders (Freeman et al., 2007).

This approach may be a more "human" form of the same economic value maximization model – a way, perhaps, of avoiding any conflict over value distribution by offering additional economic compensation to win over the firm's employees, customers or investors. This may occur as part of a "relational" approach to human action in companies, or as a means of building better relations with employees or in a company's value chain. On the other hand, the company may be trying to achieve something more than economic results, as human relations have value in themselves (Bruni and Zamagni, 2007; Donati, 2009, 2010; Zamagni, 2007).[13]

In short, the actions we are considering here escape the logic of rent appropriation, where certain agents try to capture the value created by them or others; they even escape the logic of exchange, where what is sought is a balance between value given and value received, as in the free market. Instead, the actions we are referring to adhere to the logic of gift or sharing, where a person gives more than he receives, without expecting anything in return – or better still, seeking reciprocity from the other, not in order to recover the surplus given but in order to develop the other's capacity to give, i.e., to generate in the other a value that is not simply economic (Argandoña, 2010; Bruni and Zamagni, 2007; Sacco et al., 2006; Zamagni, 2007). In other words, these are actions that create (and use) trust and that seek to elicit cooperation, beyond any consideration of whether or not they generate an economic return.

Yet if relations between companies and stakeholders are governed by these criteria, can we still talk about value creation and value appropriation? What value are we talking about?

[13] Of course, these lasting relationships also have an economic dimension, because they make it possible to create more value (but not necessarily to appropriate more value) and favor investment in valuable intangibles (trust, loyalty, reputation) and specific capital (Hillman and Keim, 2001).

What is "Value" for a Stakeholder?

What do we mean when we say that a company creates, or should create, "value" for its stakeholders? So far we have been referring to economic value, but there are other ways of understanding what that "value" actually consists of.[14] What can a stakeholder be seeking when he starts an occasional transaction or a lasting relationship with a company? Let's take the example of an employee.

1. An employee may be seeking an "extrinsic" result, which the company will provide as a consequence of the relationship and which may be an economic good or service, or something non-economic. He may be seeking remuneration, or he may be seeking intangible results, such as career promotion (which will also have economic consequences), recognition (Frey and Neckermann, 2009), and so on.

2. An employee may be seeking "intrinsic" results, which are not provided by the company but which arise within the employee himself, and which may be psychological (satisfaction with the job or with the results achieved) or operational (operational learning, i.e., acquisition of knowledge, capabilities, etc.).

3. An employee may be seeking results in other people (satisfaction of customers and suppliers, success of other employees and managers, etc.), which will give rise to "evaluative" learning in the employee himself, i.e., learning about how to take the interests of others (and his own interests) into account.

Based on this classification of the results of an action, we can identify six types of "value":

1. Economic extrinsic value (economic value). This is created through collaboration among employees and may be appropriated by either side, as we explained earlier.

2. Intangible extrinsic value, which is provided by the company, e.g., recognition, some kinds of training, etc. This is not part of the economic value created by a company, although it may be a form of participation in intangible value (e.g., the personal status that comes from working for a highly regarded company). Intangible extrinsic value may be complementary to economic value (besides salary, employees will also expect the company to give them recognition), or a substitute for it (an honorary distinction may be a form of remuneration, in place of a salary increase), although the latter probably only to a limited extent (recognition cannot completely take the place of remuneration).

3. Psychological intrinsic value, such as satisfaction with the work done. This is generated in the agent himself. It is not part of the economic rent creation process and cannot be appropriated by the company or other stakeholders, although they may help to create or destroy it. In an employee, it may be a (partial) substitute for extrinsic value (besides the satisfaction of working for the company, employees will need a minimum of remuneration).

4. Intrinsic value that takes the form of operational learning (acquisition of knowledge and capabilities). This is created in the agent, not in the company, but probably with the cooperation of other stakeholders. It is not part of the economic value created by the company, although it may contribute to the creation of economic value in the future. It may also be a (partial) substitute for economic value.

[14] What follows is based on the ideas of Pérez-López (1991, 1993); cf. Argandoña (2008a, 2008b).

5. Transcendent value, which consists of evaluative learning (acquisition of virtues or vices). This is generated in the agent himself as a consequence of his own decisions. It alters the agent's ability to assess the consequences of those decisions for himself and for other agents. It is not part of the economic value created by the firm; it cannot be appropriated by the company; and employees create it in themselves, even if they do not seek or expect it. It affects an agent's ability to make decisions in the future that are capable of generating all the types of value mentioned here; that is to say, it affects the consistency of an action (Argandoña, 2008b). Transcendent value is necessary, therefore, for relations between the company and its employees to develop in such a way that everybody's needs continue to be met in the future. In this sense, it cannot be replaced by any other type of value. Transcendent value belongs to the sphere of ethics.

6. Value that consists of positive or negative externalities, i.e., value that is felt by agents other than those with whom the relationship or transaction is conducted. For example, relations between employees and the company may result in harm to the environment; or they may generate knowledge that spills over to other people; or they may motivate others to engage in corrupt acts (bad example), etc. This type of value (or disvalue) does not appear directly in the relationship between a company and its employees; yet it affects them throughout the resulting evaluative learning process – which is a way of internalizing the effects of this value.

These different types of value are present in all the relations between a company and its stakeholders. To a greater or lesser extent they are generated in every action, often without the interested parties even realizing it. Some are cumulative, sometimes with limits (operational and evaluative knowledge does not have diminishing returns, unlike the satisfaction derived from extrinsic value and psychological intrinsic value). They may be positive or negative (the economic value may be less than the opportunity cost; evaluative learning may be negative and destroy people's ability to make consistent decisions in the future). And they may generate more or less value – including economic value – in the long run, because operational and evaluative learning improve the ability of the company and of individuals to generate more extrinsic value.[15]

If we broaden the concept of "value," the notion of "creating value for all stakeholders" takes on a new meaning – one that goes beyond economic extrinsic value to include other types of value which stakeholders need, even if they do not know it, in different proportions and for different "uses." Now, therefore, we can talk about the different processes by which different types of value are created. And these different types of value are related to one another in different ways: some are substitutes, others are complements, and all are necessary (including economic value, especially in an economic organization), but in different senses.

However, it is not a matter of "adding" other types of value to economic value, just as corporate social responsibility does not consist of adding ethical responsibilities to other social, political or economic responsibilities (Argandoña, 2008c; Kurucz et al. 2008). Nor is it enough merely to broaden economic value creation to include all stakeholders. Rather, it is a matter of broadening the concept of value, so as to give access to other dimensions.

[15] The stakeholder theories based on the common good (Argandoña, 1998) are precisely a means of explaining how that non-economic value is created to which all contribute and of which all also receive, though without any claim to equivalence. Cf. also Argandoña (2011).

"Maximizing value for all stakeholders," which was an impossible task so long as we limited ourselves to economic value, is now possible. And "appropriating value" now also means something different, as some types of value cannot be appropriated. All the different types of value are generated cooperatively, at least insofar as producing goods and services is a social activity. Some of them may be enjoyed non-cooperatively (rent capture), while others *must* be shared, at least in intention, otherwise they cannot be created. The value that consists of evaluative learning, for example, demands that a person internalize the effects of his own actions on others, not because of some peculiarity of the person's preferences (altruism) but because of the very structure of the value thus created, and because of the demand for consistency in actions. Without a willingness to give disinterestedly, some types of value simply cannot be created.

Finally, "managing the firm so as to serve all stakeholders" is now possible because the challenge is not to share a scarce resource but to generate non-exclusive value which everybody needs. And that is a challenge which, though entrusted to managers, must be addressed by all.

Conclusions

Stakeholder theory has been praised for overcoming the narrow view which says that the company's sole purpose is to maximize economic value for shareholders (Freeman, 2008b). Introducing value creation for all stakeholders broadens the framework of management, bringing it closer to a more realistic economic optimum, generating new cooperative value creation capabilities, and overcoming some conflicts. So long as the focus remains on economic value, however, any solutions adopted will be insufficient, because the processes of capturing that value will always be liable to conflicts of all kinds. If the amount of economic value generated in the company increases, some will wonder why they cannot have a bigger share and, if they can't, why they shouldn't appropriate the share of others. So, the criticisms leveled against the stakeholder model (Melé, 2002, 2009) are justified.

In this paper I have proposed a broadening of the point of view of stakeholder theory. If the value created in companies is not just of one type, but of several, it is possible to find better ways of creating economic and non-economic value in a sustained way, so that all the stakeholders, who help to create that value, also share in its enjoyment, albeit in different and changing ways over time, so that the economic optimum (efficiency criterion) is guaranteed and management is improved.

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