INVESTIGATING THE EFFECT SHARED VALUE HAS ON THE PERFORMANCE OF LISTED ORGANISATIONS: A MULTI-INDUSTRY PERSPECTIVE

By

Hannah-Claire Frack

A research report submitted in fulfilment of the requirements for the Bachelor of Commerce Honours in Strategic Brand Management at the Independent Institute of Education.

Vega School: Johannesburg
South Africa

Supervisor: Dr Tish Taylor

Submission date: 29 November 2021

Word Count: 13 548

ABSTRACT

The purpose of this none-experimental quantitative research was to determine the effect shared value has on the performance of listed organisations that are of all sizes and those of which reside within a multitude of South African business sectors. As a result, this research reviewed the various levels of shared value and their respective performance indicators as well as the shared value measurement process put forth by Porter, Hills, Pfitzer, Patscheke, and Hawkins (2012) whilst making use of the various levels of shared value.

Despite research being done in relation to the topic, there was little to no academia that looks approaches shared value from a South African quantitative perspective, which also focuses on all three elements of the triple bottom line; people, planet and profit (Reizinger-Ducsai, 2018; Kang, 2020). In addition, the effect of shared value on the overall health of an organisation has yet to be explored. As a result, there was a lack of meaningful data, methodology and measurement tools that specifically look at shared value as an investment and as a competitive strategy (Bergquist & Lindmark, 2016; Servera-Francés, 2019).

Bolstered by simple random sampling, a cross-sectional close-ended survey was distributed to 30 Chief Information Officers (CIOs) of listed organisations that partook in shared value initiatives relating to their most recent financial year. As a result, it was statistically proven that the incorporation of shared value can create both business and social values over a longer period of time. These values positively influence profitability, competitiveness, innovation, sustainability, brand equity and shareholder value; they ultimately facilitate improvements in the overall performance of an organisation. Lastly, a return on shared value initiatives may be fully realised through an enhanced level of competitiveness, which occurs over a longer period of time.

With shared value currently being in its early stages, it was difficult to gather meaningful data to measure performance. However, this particular research connects the notions of shared value put forth by Kramer and Porter (2011) with important financial and branding indicators. This research serves as an empirical and formal conceptualisation of shared value along with other important performance indicators. This research acts as a guide to South African organisations towards a prosperous future, full of performance opportunities. This research has thus enhanced the field of

business and brand decision making, which may guide organisations towards a more sustainable economic position whilst simultaneously enhancing their competitive advantage.

DECLARATION

I hereby declare that the dissertation submitted for the **Bachelor of Commerce Honours in Strategic Brand Management** to The Independent Institute of Education (The IIE) is my own work and has not previously been submitted to another University or Higher Education Institution for a postgraduate qualification.

29 November 2021

[redacted]

TABLE OF CONTENTS

TABLES

FIGURES

ANNEXURES

CHAPTER 1: INTRODUCTION

1.1 CONTEXTUALISATION

Shared value is not philanthropy, corporate social responsibility (CSR), or sustainability, but a new way for organisations to achieve sustainable economic success (Beschorner, 2017). Today's organisations are viewed as being prosperous at the expense of communities. This prosperous nature may aid a strong short-term business performance, however, in the long-term, harmful business practices will lead to minimal societal progress, reduced supplier feasibility, depleted natural resources and as a result consumers will not trust organisational offerings, thereby negatively affecting their rapport and brand equity (Park & Mool, 2014).

Organisations that recognise the opportunity to benefit society, whilst simultaneously harnessing economic benefits, will ultimately thrive in the long-term (Kramer & Porter, 2011). Organisations that aim to facilitate sustainable performance through shared value, will survive and [or] succeed within South Africa's rapidly changing business environment and volatile economy, especially when considering the effects COVID-19.

Prior the era of marketing 4.0, the interconnected relationship between society and business was not fully realised, resulting in profit driven strategies, disregarding two major elements of the triple bottom line; people and the planet (Wachira & Barnard 2020: Kotler, 2018). It is important to note that within the current business environment the mutually dependent nature of business and society has been perceived to be more informed and have a broader outlook. Beschorner (2017) and Bosch (2018) have further elaborated on Kramer and Porter's (2011) shared value stance, highlighting that once responsibility is taken and society is taken care of, society will return the favour, enabling organisations to gain a competitive advantage and possibly improve their economic position. Therefore, it has become apparent, that over the years both academia and organisations have progressively acknowledged the importance and need for shared value (Porter *et al.,* 2012; Park & Mool, 2014; Beschorner 2017).

To respond to external societal pressure, many organisations adopted corporate social responsibility (CSR) and [or] other short-term and often once-off charitable activities (Wachira & Barnard 2020). To address this, Kramer and Porter (2011: 6) introduced the shared value model, for “creating economic value in a way that also creates value for society,” which has been further discussed within the theoretical foundation. Seeing as this research aims to determine whether a relationship exists between the phenomena of shared value and business performance, by examining listed organisations on either the Johannesburg Stock Exchange (JSE) or AltX, within a multitude of South African business sectors. Furthermore, the research report will highlight if an investment into shared value is financially and competitively effective, by rejecting or failing to reject the proposed hypotheses. All of which will be aided through the review of the various levels of shared value and the corresponding performance indicators as well as the shared value measurement process.

1.2 RATIONALE

Academic literature has widely accepted the notion of shared value put forth by Kramer and Porter (2011). Over the past decade, literature has shown similar trains of thought regarding the creation and measurement of shared value whilst simultaneously noting that shared value as a concept has little shortcomings, unlike its relating concepts of philanthropy and CSR (Haskell & Pålhed, 2016; Salas-Molina & Bistaffa 2021; Michalove & Carroll, 2017; Militaru, 2019).

Despite this, the COVID-19 outbreak has triggered heartfelt reactions from the private sector to support communities with philanthropy and CSR initiatives. Such initiatives were not economically sustainable, nor could they be used as crisis management tools (Millard, 2020; Wachira & Barnard 2020). Therefore, there is clearly a need for shared value to create long-term strategies and differentiation through social innovation and collaboration (Wachira & Barnard 2020). According to Kramer and Porter (2011), shared value possess the ability to build long-term resilience, serve new marketplaces and preserve ecosystems, which had little to no research done within the current crisis. Therefore, further exploration is required - in order to understand if and why shared value could be a powerful trigger for such strategies. However, it is important to note that with vaccination rollouts coming to an end and many organisations regaining lost momentum, the effects on COVID-19 will not be focused on.

Both academia and organisations across the world have noted the advantageous nature of shared value (Beschorner, 2017; Park & Mool, 2014). Multinational organisations such as, Nestle and Coca-Cola have embedded the notions of shared value into the core of their business practices. However, there is still lack of meaningful and measurable data, highlighting a lack of empirical research.

Therefore, further research needs to be conducted within a quantitative design. This will determine if shared value had a positive effect on an organisations ability to perform. This contribution and approach may be the key to long-term sustainability, enabling businesses to survive and thrive in an ever-changing and volatile South African business climate. As a result, listed organisations of all sizes and sectors may be able enhance their performance and increase investor attractiveness, which will in turn ensure future prosperity and growth.

1.3 PROBLEM STATEMENT

Over the past decade, academia has noted a trend in consumer demand, shifting towards brands that are value driven, more specifically those that continuously focus on all three elements of their triple bottom line (Kramer & Porter, 2011). As a result, once off sustainability contributions simply do not resonate with consumers anymore. Consumers are increasingly environmentally and socially aware and want to feel and look mindful in their organisations choices, bringing to light the notions of shared value (Park & Mool, 2014).

Academia has placed great focus on the implementation of shared value rather than its effect on an entity's ability to perform (overall health), which has resulted in a lack of methodology and measurement tools (Bergquist & Lindmark, 2016; Servera-Francés, 2019). Considering this, shared value as an investment is unclear and required further investigation.

In addition, literature has shown an extensive focus on qualitative research, which highlighted an additional gap within academia as there is a lack of quantitative studies available. Those available focused on the effect of profit rather than the overall health of an organisation (Reizinger-Ducsai, 2018; Kang, 2020). Kramer and Porter (2011) noted that once responsibility is taken and society is taken care of, society will return the favour. This suggested that shared value enables organisations to gain a competitive advantage and possibly improve their economic position (Kramer & Porter, 2011). Despite this, the effect that shared value has on performance is unclear and requires further investigation.

Furthermore, academia focused their research on the implementation of shared value by organisations in first world countries, with relatively stable economies, which brought to light a lack of a local context, within a volatile South African economy, which was exacerbated by COVID-19. Considering this, more knowledge needs to be created, with regards to the relationship between shared value and business performance, the various levels of shared value and their performance indicators as well as the shared value measurement process. All of which needs to be taken from a South African perspective.

1.4 PURPOSE STATEMENT

Seeing as this quantitative research aim is to determine the effect that shared value has on business performance, listed organisations (JSE or AltX) of all sizes, within a multitude of South African business sectors, need to be sought out. As a result, this research will review the various levels of shared value and their respective performance indicators, as well as the shared value measurement process put forth by Porter *et al.,* (2012). Furthermore, this particular research 's aims is to analyse performance whilst making use of the various levels of shared value, of which notes whether or not shared value enhances one's competitiveness, if it is a smart investment and if it is all fully realised over an extended period of time. This is driven by the aim of adding to the body of knowledge surrounding the domain of shared value within a local context, whilst generalising the effect shared value has on business performance.

1.5 RESEARCH QUESTION

What is the relationship between shared value and business performance?

HYPOTHESES

***Table 1.5.1**: Hypotheses for the effect shared value has on business performance*

H_1	There is a relationship between shared value and business performance.
H_2	Shared value is a worthwhile and smart investment.
H_3	Shared value enhances competitiveness over an extended period.
H_4	A return on shared value will be fully realised over an extended period.

Source: Own

RESEARCH OBJECTIVES

1. To review the various levels of shared value and their performance indicators.

2. To review the shared value measurement process.
3. To analyse performance using the various levels of shared value.
4. To review shared value as a competitive brand investment.

CHAPTER 2: LITERATURE REVIEW

2.1 THEORETICAL FOUNDATION

The design of this research will be informed by Kramer and Porters (2011) shared value framework, exemplifying its relation to business performance. The framework outline is prepared according to research conducted into shared value and its proposed effect on business performance, which will be used as the basis for this research.

Shared value occurs when organisations develop "profitable business strategies that deliver tangible social benefits" (Porter *et al*., 2012: 12). Shared value thus requires organisations to address societal needs within a business context. These academics believe that viewing societal obstacles as potential economic ventures, will unveil an innovative new dimension of corporate strategy, enhancing an organisations economic position and competitive advantage (Kramer & Porter, 2011; Porter *et al*., 2012).

Shared value is an appropriate framework for this research as it adopts the notion of executing business activities and operations, with the hopes of creating a competitive advantage, whilst improving community-based well-being (Kramer & Porter, 2011). Thereby highlighting the potentially advantageous nature shared value may have on business performance, extending beyond economic means and possibly improving one's overall business health, of which will directly underpin this research.

Figure 2.1.1: Creating Shared Value (Bockstette & Stamp 2013)

Organisations can generate shared value in three ways; reconceiving products and markets, redefining productivity in the value chain and strengthening local cluster development (Kramer & Porter, 2011).

Reconceiving products and markets revolve around reconceiving products to target unmet needs whilst fulfilling social issues and improving local communities and [or] reducing their environmental impact (Bockstette & Stamp 2013).

Redefining productivity in the value chain involves better managing of internal operations to increase productivity and reduce risks while identifying and successfully addressing social and environmental problems within a particular industry (Kramer & Porter, 2011).

Enabling cluster development by changing external societal conditions aids local competitors and [or] suppliers through shared knowledge with the hopes of improving their supplier base, skills and regulatory environment (Kramer & Porter, 2011).

Kramer and Porter's (2011) shared value generation methodologies will underpin this particular research as it will serve as the base line to determine if shared value has been achieved. Porter *et al*. (2012), further elaborated on the original framework, providing examples for the different levels of shared value created, noting business and societal results, refer to figure below. It is important to note that shared value is achieved by meeting at least one of the results pertaining to both the business and societal spheres displayed below. This will heavily influence this particular research as the measurements noted within the below table will be used to assess whether or not an organisation has achieved shared value through an analysis of their societal and business results, respective to the levels of shared value.

LEVELS OF SHARED VALUE	BUSINESS RESULTS	SOCIAL RESULTS
Reconceiving product and markets: How targeting unmet needs drives incremental revenue and profits	• Increased revenue • Increased market share • Increased market growth • Improved profitability	• Improved patient care • Reduced carbon footprint • Improved nutrition • Improved education
Redefining productivity in the value chain: How better management of internal operations increases productivity and reduces risks	• Improved productivity • Reduced logistical and operating costs • Secured supply • Improved quality • Improved profitability	• Reduced energy use • Reduced water use • Reduced raw materials • Improved job skills • Improved employee incomes
Enabling cluster development: How changing societal conditions outside the company unleashes new growth and productivity gains	• Reduced costs • Secured supply • Improved distribution infrastructure • Improved workforce access • Improved profitability	• Improved education • Increased job creation • Improved health • Improved incomes

Figure 2.1.2: Shared Value Criteria (Porter *et al*., 2012).

Kramer and Porter's (2011) shared value model has received criticism, attributed to the shortcomings of the model. Beschorner (2017) and Bosch (2018) note that the framework falls short of a modern understanding of corporate responsibility, focusing on more adequate ideas regarding the relationship between business and society. Furthermore, emphasis has been placed on similarities of CSR and social innovation, highlighting a lack in originality (Wachira & Barnard 2020).

However, it is important to note that despite criticism, the framework has received widespread credibility, legitimacy and adoption across both the public and private sector (Wójcik, 2016). Multinational corporations such as Discovery, Nestle and Coca-Cola have embraced the model, highlighting the model's applicable nature in both a local and international scale as well as the proposed research's relevance within a local context.

2.2 REVIEW OF PREVIOUS LITERATURE

Considering the literature written on shared value within a business context, there is limited quantitative research on the effect that shared value has on performance (health) and on whether the investment of time and resources into the shared value measurement process is beneficial (enhancing competitiveness). The current state of research on shared value is predominantly drawn from large organisations based in developed economies, which while informative, overlooks the narrative that illustrates how organisations that operates within emerging economies, approach the shared value model (Wachira & Barnard: Lutseke & Ger, 2020). This further highlights the need for research into organisations operating within a South African context, specifically whether they perceive the concept as beneficial to creating long-term value. A review of sources and references regarding these notions follows.

2.2.1 DEFINING SHARED VALUE

Kramer and Porter (2011) defined shared value as operating practices and policies that advance an organisations economic position whilst simultaneously improving the social conditions of surrounding communities, which in return enhances an organisations competitiveness. If operations negatively affect society, it will have a snowball effect and negatively impact operations. Kramer and Porter (2011) note that social harms create internal costs, creating weaknesses. Porter *et al.,* (2012) further note that the reconciliation of social and economic objectives may occur when the interests of society and business form as one.

Apart from Kramer and Porters (2011) initial definition of shared value, very few members of academia have brought to light their own construct or adaptation of the concept, refer to the below table.

Table 2.2.1: *Shared value definitions*

AUTHOR(S)	DEFINITION
Bergquist & Lindmark (2016: 8)	The objective noted within shared value revolves around individuals within managerial roles viewing their respective organisations socially embedded and will “actively uncover the potential for value creation for all stakeholders.”
Kang (2020)	Shared value highlights organisations search for economic profit during the creation social value embedded within all enterprise activity.
Beschorner (2017)	Shared value is focused on identifying business opportunities that may arise from societal issues. Creating shared value requires brands to unfold the linkages between societal and economic progress.
Reizinger-Ducsai (2018)	Shared value can be seen as core business strategy, something this is ingrained throughout all business activities. Shared value proposes that business opportunities can be brought to through the transformations of societal issues. As a result, many societal issues may be solved whilst serving as a driving force behind the profitability of an organisation.

Source: Own

2.2.2 SIMILARITIES & DIFFERENCES

When taking note of the above definitions, it becomes clear that scholars have similar viewpoints on shared value, all of which are underpinned by Kramer and Porter's (2011) proposal. This is evident as every scholar noted that value creation is achieved simultaneously within an economic, social and environmental context. In addition, these academics have placed great emphasis on the fact that shared value is created over long periods of time and lies within the core of an entity. These scholar’s like-mindedness is further highlighted as they note that to create shared value, profit needs to be an objective. The widespread acceptance and adoption of Kramer and Porters (2011) notions of shared value, result in it underpinning the proposed research.

It is important to note that extending beyond the pursuing organisations, the beneficiaries of shared value are unclear. The definitions in table 2.2.1, highlight that society should benefit from shared value, but this is an extremely broad statement, leaving the reader unsure if society refers to a small surrounding community or the entire population. Kramer & Porter (2011) argue that shared value will increase a brand competitiveness, not specifying within which domain competitiveness may occur. Kang (2020) suggests that shared value serves as a differentiating factor, while Reizinger-Ducsai (2018) notes that shared value improves brand equity; positively affecting brand awareness, association, loyalty and perceived quality. Beschorner (2017) highlights that shared value is a driving force of innovation, in the form of either incremental, disruptive, architectural or radical innovation.

Therefore, the effect of shared value within organisational performance is unclear and requires further investigation, especially within a South African context. It is important to note that all the sources were taken from an international and qualitative standpoint, lacking a South African and quantitative perspective, something the research wishes to examine.

2.2.3 SHARED VALUE: DEVELOPMENT & RELATING CONCEPTS

Within the past, the interests of society and business were not fully realised and defined in opposition. As a result, the core focus of organisations has been wealth creation and profit maximisation. Haskell and Pålhed (2016) as well as Salas-Molina and Bistaffa (2021) both highlight that the rising environmental and societal pressures have resulted in organisations being criticised and, in some instances, even protested or boycotted. These academics have attributed this outcome to an extensive focus on profit, highlighting a disregard for surrounding communities, causing outrage (Haskell & Pålhed, 2016; Salas-Molina & Bistaffa 2021). Haskell and Pålhed (2016) further note that organisations have begun to allocate minimal resources to society in the forms of once-off donations in order to promote and reshape their brand image, bringing to light the idea of philanthropy leading to corporate social responsibility (CSR) - which later led to the development of shared value. It is thus evident that organisations were, and continue to, place extensive focus on profits, as once-off payments or donations are a quick and easy temporary fix, thereby making the Kramer and Porters (2011) shared value model stand out.

Salas-Molina and Bistaffa’s (2021) research place great emphasis on the successful creation and widespread adoption of Kramer and Porter’s (2011) notion of shared value, whilst simultaneously promoting the mild failure of temporary activities such as philanthropy and CSR. Haskell and Pålhed (2016) as well as Salas-Molina and Bistaffa (2021) both acknowledge that within academia, the publications of shared value have adopted similar trains of thought, highlighting that philanthropy and CSR do not holistically address the triple bottom line (people, planet, and profit). This may be attributed to negative externalities still affecting unrelated third parties (society and the environment) as well as the fact that members of society demand a more conscious production of value (Haskell & Pålhed, 2016; Salas-Molina & Bistaffa 2021). Which may be attributed to the current era value centric era of marketing 4.0 (Kotler, 2018).

Therefore, more research needs to be done to determine if shared value influences the overall performance of an organisation, not just their bottom line (profit). This is evident in the literature presented by Haskell and Pålhed (2016) as well as Salas-Molina and Bistaffa (2021), who focused on the effect shared value has had on profit. In addition, the failures of other concepts relating to the development of shared value, clearly not addressing the overall health of organisations and highlights a tunnel vision measurement process of shared value, disregarding the notions put forth by Porter, *et al*., (2012) within the theoretical foundation.

This is a field of research that requires further investigation as the outcome of performance is unclear. Performance will determine if the addressing of these externalities will reflect in an improvement or deterioration of an organisation’s overall health. Further reflecting if more organisations should invest in shared value (embedding it within their core) and disregard their attempts of philanthropy and CSR.

2.2.4 PHILANTHROPY & CSR

In its literal sense, philanthropy is viewed as a responsibility as it is a means of attending to the expectations of society, requiring all elements of the triple bottom line to be addressed, not just profit. Thomassen (2021) notes that businesses are guided by their own discord as their engaged social activities are not specified, mandatory, nor are they required by law. According to Thomassen (2021) organisations engage in philanthropy for two reasons, firstly, philanthropy directly affects the businesses brand equity, creating a positive connotation for their brand and secondly, philanthropy reduces taxes, positively impacting on profits (Thomassen, 2021). It has thus become known that organisations tend to engage in philanthropy in order to do the bare minimum and donate a small percentage of their profits to non-profit organisations, which in return enable tax reductions. Organisations are thus able to find loopholes and still focus on profit maximisation, whilst creating positive brand associations.

However, Servera-Francés (2019) notes a strong offering lay within the integration of societal interests (within day-to-day operational activities). This is clearly something that cannot be done by once off donations, volunteerism and [or] partnerships, alluding to the need for shared value. Thomassen (2021), further adds that through the aid of globalisation and the copious amount of data available, society is more informed than ever before, placing organisations under immense pressure to continuously advance and align their offerings societal causes (Servera-Francés, 2019). As a result, organisations have begun to view societal causes as a responsibility, bringing to light the concept of shared value.

Over the past decade, organisations have begun to recognise and accept being socially responsible as well as the positive impact this has on both their profits and brand equity. Wójcik (2020) brings light to the fact that there is a symbiotic relationship between social responsibility, profit, and brand equity. Wójcik (2021) further explains that CSR encompasses the expectations set out by society, legally requiring organisations to address and initiate economic, legal, ethical, and philanthropic activities. Despite the global recognition and acceptance of CSR, Wójcik (2020) notes that members of academia have found a loophole around CSR activities. There is not a clear definition of CSR activities, enabling organisations to delegate minimal resources to societal endeavours (Wójcik, 2021). In return, many organisations have lost a huge market opportunity, limiting themselves to philanthropic grants without linking such activities to their core strategies, hindering both reputation, growth and financial success (Wójcik, 2021; Kramer & Porter, 2011).

The qualitative literature provided by Servera-Francés (2019), Thomassen (2021) and Wójcik (2021), proved to be of great value, bringing to light the fact that philanthropy and CSR do not have a direct impact on business performance, rather focusing on a small aspect, this being profit. Philanthropy and CSR have aided in the development of shared value, affirming the notions of Haskell and Pålhed (2016) as well as Salas-Molina and Bistaffa (2021). In addition, due to immense societal pressures calling for organisations to address all aspects of the triple bottom line within day-to-day activities, it became evident that philanthropy and CSR are simply not longer considered to be good enough. This means that organisations need to take more integrated steps towards a value driven offering, alluding to the notions of shared value.

Furthermore, a fresh take on shared value will enable any shortcomings to be identified. This highlights the importance of shared value as well as the advantageous nature of the proposed research. As a result, the proposed research is extremely relevant within today’s time, especially with consumers being more informed and conscious than ever before. In addition, consumers have shifted towards supporting more value driven organisations that take care of all three elements of their triple bottom line, further highlighting the relevance of this research within today's times. This may be attributed to the fact that shared value may be the key to a sustainable economic position (Park & Mool, 2014).

2.2.5 INTERDEPENDENT NATURE OF SOCIETY & BUSINESS

Within recent times, the relationship between society and business have become twofold. On the one hand organisations have seen great financial gain, but they have fallen short when considering the environmental, societal and ethical issues. Even though organisations have seen great triumphs, criticism of their operations have become rife within recent times (Michalove & Carroll 2017). This is evident as Michalove and Carroll (2017) as well as Militaru (2019) place great emphasis on the fact that organisations and their respective stakeholders are mutually dependent. Militaru (2019) further elaborates on Michalove and Carroll’s (2017) stance by qualitatively examining the role of society and business, making specific reference their symbiotic relationship.

Militaru (2019) notes that organisations cannot stand alone, especially without the environment in which they exist. For an organisation to succeed within an ever-changing dynamic business environment, especially one as volatile as the South African, organisations need to make use of shared value. Organisations need a healthy society to survive and vice versa (Kramer & Porter, 2011; Militaru, 2019). Consumers expect organisations to address their needs and wants with high quality value driven offerings, create jobs, whilst simultaneously generating a profit and fuelling the economy. Similarly, organisations need society to create demand and make up their workforce. As a result, Militaru (2019) notes that the generated economic profit must be used to advance society, which in return creates sustainable economic profits, aligning with notions of shared value put forth by Kramer and Porter (2011).

Thus, it is evident that there is a strong symbiotic relationship between organisations and society, specifically noting that shared value endeavours possess the ability to create a sustainable economic profit (Militaru, 2019). One can assume that it may be worthwhile for organisations to invest their precious resources into shared value, with academia suggesting that a sustainable economic profit will follow.

However, this information is merely an assumption and not a fact, therefore it requires further investigation. There is a gap in existing knowledge in terms of whether solving societal issues will in fact stimulate business development and impact the overall performance of an organisation. This research will determine if there is in fact a relationship between shared value business performance, requiring the research to review the shared value measurement process, as well as various levels of shared value and their performance indicators. Additionally, a further gap in knowledge has been identified as these authors have mostly conducted qualitative research, highlighting a need for a quantitative stance.

CONCLUSION

This literature review have revealed that there is a lack of quantitative research within the field of shared value and its relationship with business performance. Most of the shared value research follows a qualitative perspective, highlighting a lack of empirical data. In addition, meaningful measurements of the performance of organisations is scarce. This may be attributed to the fact that shared value is still within its early stages and information regarding its effect on performance is limited. Furthermore, the literature that is available is primarily focused on profit, rather than the overall health of an organisation. However, what is clear is that there is a strong recommendation for organisations to partake in shared value. However, its effect on performance (health) is unclear as the various levels of shared value and their performance indicators is yet to be investigated within a quantitative design.

The literature review further highlighted that within academia, shared value has been widely accepted and the notions of Kramer and Porter (2011) have not been dismissed or contradicted. This showcases that researchers have similar trains of thought regarding the creation and measurement of shared value, highlighting its credible nature and suitable choice as a framework within this research. In addition, the literature notes that as a concept, shared value has little short fallings, unlike philanthropy and CSR. Despite, Nestle, Discovery and Coca-Cola incorporating shared value into its core operations, there is still a lack of meaningful and measurable data. This may hinder the widespread implementation of shared value.

Thus, the literature review has highlighted that there are gaps in knowledge surrounding shared value and the effect it has on an organisations ability to perform. In addition, further research needs to be conducted with a quantitative design. As a result, this paper seeks to address the gaps in knowledge regarding the relationship between shared value and business performance, by reviewing the various levels of shared value and their performance indicators as well as the shared values measurement process put forth by Kramer and Porter (2011). This will be done whilst simultaneously noting business performance, making use of the various levels of shared value. All of which would highlight if the resources delegated to the implementation shared value enables organisations to thrive, enhancing competitiveness and economic sustainability. The research will further highlight if a return on shared value is realised.

2.4 CONCEPTUALISATION

Key concepts relevant to the research have been refined and defined within the following table:

Table 2.4.1: *Key Concepts*

TERM	**DEFINITION**
Shared Value	The operating practices and policies that enhance an organisations competitive position, improving social conditions within communities whilst simultaneously creating economic value. Shared value comprehends the notion of an organisation fulfilling societal obligations, effecting the planet and people, whilst generating a profit – directly dealing with organisations triple bottom line and thus affecting an organisations ability to effectively perform (Porter & Kramer, 2011; Bockstette & Stamp 2011).
Performance	A strategic reflection that translates business and brand strategies into deliverable results (Correia, 2020). Combining financial, strategic and operating measures to gauge how well an organisation meets its targets, indicating the health of an organisation (Correia, 2020; Drury 2019). Performance can be measured in a number of quantitative ways including revenue, market share, market growth, profitability, productivity, brand equity, competitiveness, shareholder value, rates of innovation and sustainability (Porter *et al*., 2012; Correia, 2020). In order to determine the effectiveness of an organisation's performance, all of the above need to be taken into consideration, highlighting an improved or deteriorated business performance.
Listed Organisation	Organisations that frequently trade their equity instruments (ordinary shares) with investors on a financial market (JSE or AltX) for consideration (monetary means)

	to raise capital to fund current and future business endeavours (Correia, 2020; Drury 2019).

Source: Own

CHAPTER 3: METHODOLOGY

3.1 RESEARCH PARADIGM

The chosen paradigm for this research was that of a positivist tradition. Crossman (2018: 22) noted that positivism is an approach to “social research that seeks to apply the natural science model of research as the point of departure for investigations of social phenomena and explanations of the social world.” Positivists have strong beliefs regarding empirical–analytical sciences, in which valid knowledge can only be gained from factual, objective, and observable evidence (Rosenveld, 2021). In addition, relationships can be determined through hypothesis testing (Crossman, 2018).

A positivist tradition was the most appropriate for this research as its aim was to explore the relationship between the phenomena of the shared value and performance - to explain the nature of the relationship between these two variables. The proposed hypotheses were thus tested with quantitative and empirical evidence, which established a relationship between shared value and business performance, of which aligned with positivist epistemology (Rehman, 2016). By meeting the condition of shared value, certain predictions were made in terms of the relationship of business performance. As a result, generalisations were formed, highlighting that the determined effect of shared value will affect organisations (that meet the population parameters) in the same manner, of which perfectly aligned with positivist ontology.

Furthermore, a positivist tradition was suitable for this research as the research was not aimed at gaining a deeper understanding of the topic at hand. The research rather looked at the effect of shared value within an objective nature, determining a relationship with business performance, which required a quantitative design.

3.2 RESEARCH APPROACH & DESIGN

3.2.1 APPROACH

Seeing as the research sought out empirical research, followed a positivist paradigm and was driven by the nature of the relationship between shared value and business performance, a quantitative approach was clearly suited.

A quantitative approach enabled the data to be collected and analysed from different sources, which meant that the results were easily compared through the utilisation of specialised statistical tools (SPSS v.23) (Maree & Pietersen, 2020). This approach was used to test the four hypothesises (Dudovskiy, 2018). In addition, it is used in social science as it aided objective theory testing through the explanation of the research variables, shared value, and performance (Vaus, 2018).

The quantitative approach was enhanced through a non-experimental research approach as it enabled the research to yield true and unbiased results as the independent variable, shared value, was not manipulated or controlled (Vaus, 2018). This approach was then complimented with correlational research. Correlational research perfectly aligned with this research as it determines the statistical relationship between two said variables (Vaus, 2018). As a result, the relationship between these two variables was determined.

3.2.2 DESIGN

A research design can be defined as a set of methods and overall strategy used to collect, measure, and analyse data, and the research design was used is determined by the research problem (Vaus, 2018). Seeing as the research problem stated that, 'More knowledge can be created around the role shared value plays on business performance', to best answer it, the researcher identified deductive logic as the most suited.

Deductive logic tests social theories and its implications with data (Maree & Pietersen, 2020). Deductive logic enabled the research to test the four hypothesises against the notions of shared value put forth by Kramer and Porter (2011). As a result, the proposed research will support the proposed hypotheses, noting a relationship between shared value and business performance.

In addition, empirical evidence was sought out as it is evaluated this statically significant relationship. This became evident as reality has the ability to be measured and observed, it was thus possible, and that through experience, for the research to predict the overall outcome of business performance, of which were based upon the notions of shared value (Maree & Pietersen, 2020). Therefore, the results may be generalised, of which perfectly aligned with an objective positivist approach. As a result, bias was be removed and the research honestly and accurately reflected a factual reality (Dudovskiy, 2018).

Data collection was be done through a valid and reliable mail survey instrument. The instrument consisted of numerical scales that avoided manipulation, for the sole purpose of assessing the magnitude and reliability of the relationship between shared value and performance (Maree & Pietersen, 2020). All of which were be aided through statistics.

A cross-sectional correlation research design was be adopted as the research was limited by time and a lack of resources. Furthermore, it enabled performance to be assessed in relation to shared value. This enabled the observation of these two variables at a point in time, the financial year end of the respective year shared value was adopted – this enabled its effect on performance to be accurately measured (Dudovskiy, 2018). This design thus created snapshots of shared value organisations. However, this eradicated any opportunities for stronger findings concerning the said cause and effect relationships (Maree & Pietersen, 2020).

Lastly, this research was uni-disciplinary as the researcher is focused on a singular discipline, falling into the realm of brand and business management. This may be attributed to the researcher's honours degree in Strategic Brand Management.

3.1 POPULATION

Research population has been referred to as the total group of units that information has been acquired from, of which determined a well-defined group of units (Kenyton, 2011). Furthermore, the research acquired information from listed organisations that currently partake in shared value. It is important to note that all these listed organisations had similar characteristics. The research question and problem was referred to as it ensured that the researcher made use of the correct population (Maree, 2020).

3.3.1 UNIT OF ANALYSIS

Units of analysis was referred to as the analysis of the major body that partook within the research. It was referred to as the, who or what that was being studied (Maree, 2020). In this case, it was the CIOs of these said organisations. CIOs were a suitable choice as they are often the engineers and driving force behind shared value (Drury, 2019). They are thus a major contributing factor towards their respective organisations ability to perform in the now and the long-term. As a result, they had the desired experience and knowledge to partake in the research.

3.3.2 TARGET

Target population referred to the entire group of units that fell within the population parameters (Maree & Pietersen, 2020). Within this research, it was the organisations that partook in shared value, within their most recent financial year end.

3.3.3 ACCESSIBLE

Accessible populations were referred to as those that could be included within the research, of which enabled specific conclusions to be drawn (Maree, 2020). The accessible population that took part in the research can be defined as organisations of all sizes that operate in South Africa, those of which implemented Kramer and Porters (2011) notion of shared value. Furthermore, to analyse business performance, these organisations had to be listed on the JSE or AltX. This may be attributed to the fact that the researcher had to have access to their integrated annual reports. As a result, a cross reference analysation was done, which has enabled the researcher to note all year-on-year percentage changes in the organisations performance (Correia, 2020). It is important to note that this was done in reference to their implementation of shared value.

3.3.4 PARAMETERS

Size: All listed organisations (JSE or AltX), that partook in shared value (within their most recent financial year) and operate within the South Africa business sector. As a result, the population size was 35.

Unique Characteristics:

- Must have practiced shared value in any of the following manners (at least one) (Kramer & Porter, 2011);
  - Reconceived product and markets.
    - Improved patient care, nutrition and [or] education.
    - Reduced carbon footprint.
  - Redefined productivity in their value chain.
    - Reduced energy, water and [or] raw material usage.
    - Improved job skill and [or] income.
  - Cluster development.
    - Improved education, health and [or] income.
    - Increased job creation.

- Operate within South Africa.
- JSE or AltX listed.

It is important to note that the accessible population consisted of 35 organisations. This became evident as both the JSE and AltX provided spread sheets of the organisations listed which then went through a process of elimination, noting the organisations that met all the population parameters.

3.4 SAMPLING

Sampling has been referred to as the subset of the accessible population of a manageable size that has enabled the researcher to gather the needed information regarding the population without having to access the whole population (Maree, 2020).

A sample is thus a subset representation of the population (Liao, 2004). The sample has been defined as individuals that have a large amount of influence, more specifically the CIOs of these said organisations. As previously noted, these said CIOs had the necessary insight, which greatly aided the understanding of the relationship between shared value and business performance. Furthermore, CIOs were chosen as their influence has continuously reinforced the loop of embedded shared value.

SIZE

Sample size has been referred to as the number of subjects being studied (Dudovskiy, 2018). Sample size choice has been of grave importance as it has yielded reliable results. Seeing as the purpose of the research was to gain an in-depth understanding of the relationship between shared value and performance and generalise the results, the most suitable sample size was 30. This has reflected a 95% confidence level with a marginal error <1, 96%. As a result, the research made use of a saturated sample, which will enable high representation and true generalisations.

It is important to note that sampling size was a result of the fact that 30 CIOs met the population parameters and were willing to participate within the research. Originally the researcher contacted 35 CIOs via their respective personal assistants (PA), to understand if they would be willing to participate in the research. The researcher called all 35 organisations and was able to contact each PA, through receptionists, who were accommodating in putting us in touch. All organisations contact details were readily available and accessible on Google and or LinkedIn which made it very easy to reach out to all the receptionists. Whilst speaking to each CIOs respective PA, the researcher explained the research and sent through an email detailing the minutes of each telephonic meeting. Thereafter, 30 PAs shared their bosses (CIOs) email address, stating that they would be willing to take part in the research.

METHOD

Sampling methods have been referred to as the procedures in which sample members from a population are selected (Liao, 2004). Probability sampling was an ideal choice the research as it went hand in hand with a quantitative approach.

Probability sampling refers to whether each CIO, within the population, had an equal opportunity to form part of the sample (Liao, 2004). As the sample size was 30, it was important that all 30 CIOs participate, as it enabled valid and reliable results. It was thus random and systematic, which removed bias (Liao, 2004).

Generalised findings were drawn randomly from the population (Kenyton, 2011). Choosing samples in favour of the proposed research would not have answered the research problem efficiently nor would it have yielded true results (Maree, 2020). A simple random sampling method was therefore the most effective choice.

Making use of simple random sampling created samples that effectively represented the population (Dudovskiy, 2018). All the CIOs had a fair chance of selection and being part of the sample (Kenyton, 2011). It was thus reasonable and accurate to generalise the results, regarding shared value and business performance, from the sample back to the population. As the sample size was large, numbers were allocated to each CIOs respective organisation in which computer software (Microsoft Excel) randomly selected the sample (Maree, 2020). This eliminated bias and provided meaningful (accurate) answers (Dudovskiy, 2018).

3.5 DATA COLLECTION

Data collection has been referred to as the process of systematically gathering information. Such information was used to test the hypotheses, answer the stated questions, and accurately assess the outcomes (Maree & Pieterson, 2020). It has placed great emphasis on an accurate data collection that was honest and just (Maree & Pieterson, 2020).

As the nature of the research best aligned with quantitative research, the hypotheses is used to test if there was a relationship between shared value and business performance. As a result, empirical evidence was sought out, which was aided through the collection of quantitative data. The most suitable quantitative data collection method for this research laid within a cross-sectional mail survey, which was designed on Google Forms, all of which enhanced the rate and efficiency of survey distribution and completion. Refer to Annexure A.

This methodology was chosen as its versatile nature enabled all the CIOs, who have extremely demanding and strenuous jobs, to complete the survey at their own leisure, at any time of the day and place (Dudovskiy, 2018). The surveys digitalisation meant that it was not affected by the wrath of the pandemic, and it broke down geographical barriers, which meant that the research was not limited to Johannesburg. In addition, the cost and time effective nature of a survey was particularly advantageous (Maree & Pieterson, 2020).

The virtual construction of the survey was free-of charge and complimented the researcher’s lack of resources (monetary means, time, and no research team). Furthermore, the survey enabled the effective extraction of raw insight from CIOs primary experiences, regarding the effect shared value had on their respective organisations business performance, which answered the hypotheses and secondary questions. Lastly, most of the administrative roles were automated through Google Forms, which reduced bias and ensured anonymity and confidentially, of which perfectly aligned with said ethical considerations (Maree & Pieterson, 2020). The improved administrative process meant that there would be high levels of data accuracy. Google Forms offered a variety of designs, scoring metrics and consent settings. The features enabled the researcher to view individual and collective responses.

The survey took 10 minutes to complete and consisted of a disclaimer, which explained why the survey was being done, along with an estimated completed time. In addition, there were a series of 18 questions that were used to gather information of a relatively big group of people, namely 30 CIOs, which ensured high rates of accuracy, representation, and generalisation (Maree & Pieterson, 2020). The survey was thematically grouped into three separate sections. These included (1)

Demographics, (2) Shared Value Implementation and (3) the Measurement of Shared Value.

As a result, information regarding shared value and performance was obtained, as a quantitative description of the variables were provided through close-ended questions, checklists, and Likert scales (ratings of 1-10), which simplified and quantified responses (Dudovskiy, 2018). The quantitative data collected was measurable as it dealt with values and numbers, represented in numerical form (Dudovskiy, 2018). The closed-ended questions and checklists were of great use as they resulted in accurate numerical data (Dudovskiy, 2018). Whereas the series of Likert scales enabled the strength/intensity of the effect of shared value and performance to be well-established.

The quantitative survey questions were heavily influenced (1) Kramer and Porters (2011) shared value notions, (2) Dr Tish Taylors guidance, (3) constructs of previous literature surrounding the domain of shared value as well as the interdependent nature of society and business, along with (4) the research 's hypotheses and secondary questions. All questions were simple, clear, and respectful. In addition, the survey made use of appropriate language whilst technical jargon was avoided, which eliminated confusion (Maree & Pieterson, 2020). Thereafter, a pilot test was conducted with Dr Tish Taylor and two grammatical errors were adjusted. The pilot test was of great value as it ensured that the survey was clear, understandable and had no errors (Maree & Pieterson, 2020).

After the researcher received ethical clearance, the survey was sent out via an email and sent as a hyperlink to the respective CIOs, along with a short synopsis of the research, its objectives, and a deadline. CIOs were able to fill the survey out on their own accord and return it on a set date. These said CIOs had three weeks to complete it, 16/07/2020 – 06/08/2021. In addition, all CIOs and their respective PAs were all sent weekly two weekly reminders on a Monday and Thursday morning. At the end of the deadline, only 26 CIOs managed to meet the deadline. As a result, the original deadline was extended by a week to 13/08/2021.

With all survey data collected and automatically synchronised to the researchers Google Account, at close the researcher converted all the data into a Microsoft Excel Spreadsheet, which was then prepared for coding, in anticipation of data analysis.

3.6 DATA ANALYSIS

The data analysis referred to the analysation of collected data from the data collection methodology (Maree & Pieterson, 2020). It involved the interpretation of gathered data, which was aided by analytical and logical reasoning. This was used to determine the correlation between shared value and business performance. In line with quantitative research, a statistical analysis was conducted (Brown, 2020). As a result, the research made use of SPSS v.24 (Statistical Package for Social Sciences), which generated numerical data sets that noted the statistical relevance within the research.

The findings derived from the collected data (via a Google Forms cross-sectional survey), was automatically synced with the researchers Google Account. Thereafter, Google Suit then converted the findings into an editable Google Sheet which was then converted into a Microsoft Excel CSV file. Thereafter, the file was coded and imported into SPSS v.24 for further analysis.

During the use of SPSS v.24 the variable frequencies were inspected for missing data and faults. The statistical analysis removed any ‘guesswork,’ bias, and an inaccurate interface, which enabled objective conclusions to be drawn (Brown, 2020). To effectively analyse the effect shared value has had on performance and the results from the cross-sectional mail survey, the researcher had to simultaneously adopt a combination of descriptive and inferential statistics.

3.6.1 DESCRIPTIVE

Descriptive statistics were used to describe the samples demographics, characteristics, and respondent size. It is important to note that the descriptive statistics paid particular attention to the demographic profile of the CIOs respective shared value driven organisations. Data sets and the analysis thereof, greatly assisted the researcher’s ability to pinpoint points of correlation, which ultimately lead to better understanding of the interrelationship between shared value and business performance. In addition, variables were checked for any violations, with regards to the assumptions of underlying statistical techniques (Pallant, 2016). All of which were used to answer the research question (Dudovskiy, 2018).

Bolstered by descriptive data analysis techniques and data summaries, the research data analyses benefited most from adopting central tendency (tested normality), spread of data (minimal variance), position and frequency (explained the percentages of each variable and often they occurred) (Dudovskiy, 2018).

3.6.2 INFERENTIAL

Inferential statistics have been referred to the statistical measures that were used to establish conclusions regarding the associations between shared value and business performance, all of which were designed to test the hypotheses (Dudovskiy, 2018). It was implemented as the whole population of those that partook in shared value could not be analysed, and thus the sample was an accurate and reliable representation, that helped to form certain generalisations (Bucklow, 2020).

The hypothesis was accurately answered through the aid of the Cronbach Alpha Coefficient Spearman Correlation Coefficient and Mann-Whitney U Test. These methods were of great value as they tested the statistical significance and reliability (Maree & Pieterson, 2020).

It is important to note that a T-test was not a viable option as this research did not deal with the means of just two groups. In addition, a Factor Analysis and Analysis of Variance (ANOVA) could not be done as each of the variables were treated independently. A factor analysis was run; however, no factors were accounted for and thus was abandoned.

3.6.2.1 CRONBACH ALPHA COEFFICIENT

A Cronbach Alpha Coefficient was used to measure of internal consistency, more specifically how closely related the set of shared value items were as a group (Middleton, 2019). A Cronbach Alpha Coefficient was used as it is a measure of scale reliability (Middleton, 2019). The Cronbach Alpha Coefficient for the 10-scale variable was 0.939, which is ‘excellent,’ suggesting that thevariables have a high internal consistency. It is important to note that a reliability of 0.70 or higher isconsidered ‘acceptable’ in most social science research situations (Middleton, 2019).

3.6.2.2 SPEARMAN CORRELATION COEFFICIENT

The Spearman Correlation Coefficient was used to explain the relationship between shared value and business performance, which enabled the relationship direction and strength to be determined (Dudovskiy, 2018). The Spearman Correlation was run against the researcher Likert scales to determine the strength and direction of the relationship between shared value and business performance. It thus measured the dependence between the two variables (shared value and business performance), which was then measured against the Spearman Rank.

The Spearman Rank Analyses gave the research a numerical value on the degree of correlation, of which it noted that there was indeed a relationship between these two said variables – most of which reflected +0.7. It is important to note that the unit of measurement for the correlation coefficient ranges from +1 to -1, with 0 highlighting no correlation, refer to the below figure (Hinton & McMuarry, 2017).

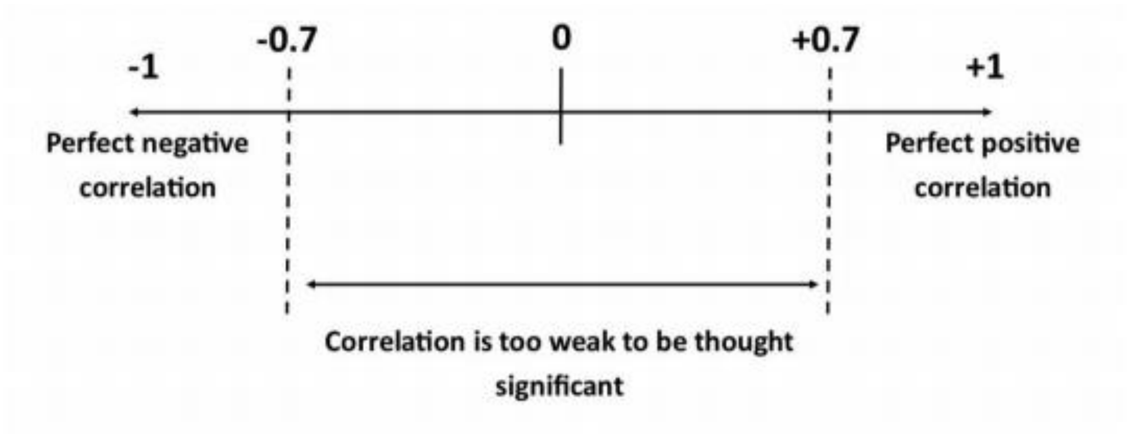


Figure 3.6.2.2.1: Spearman Rank Analysis (Hinton & McMuarry, 2017).

As the relationship reflected a positive correlation (+0), it indicated that shared value and performance increase in value concurrently, unlike a perfect negative relationship (-1) which would have noted that if one of the variables had to increase, the other would decrease at the same rate (Hinton & McMuarry, 2017). The reflected positive correlations meant that the hypothesis was accepted.

3.6.2.3 MANN-WHITNEY U TEST

A Mann-Whitney U test was run to determine if there were differences in scores, with regards to an increased level of competitiveness (USP) and shared value as an investment. It is important to notethat both were measured against the number of years these said organisations have made use of shared value for.

The researcher found that an organisation increased level of competitiveness (USP) were statistically higher for those that had implemented shared value for 6 – 10 years (mean rank = 12.83), than for those that had only implemented shared value for 1 – 5 years (mean rank = 12.63) U = 159, z = 4, p = 0.016. This meant that the hypotheses (H3) was accepted.

In addition, the organisations that noted shared value as a smart investment were statistically higher for those that had implemented shared value for 6 – 10 years (mean rank = 20.45), than for those that had only implemented shared value for 1 – 5 years (mean rank = 20.55) U = 160, z = 2.506, p = 0.012. This also meant that the hypotheses (H4) was accepted.

3.7 VALIDITY & RELIABILITY

Validity takes into consideration whether the research is reliable. It is important to ensure that the research findings are trustworthy (Middleton, 2019). Validity and reliability greatly aided this research as it was used within this quantitative research to explain casual relationships, of which enabled the effect of shared value and performance to be accurately depicted.

3.7.1 VALIDITY

"Validity is the extent to which the instrument that was selected actually reflected the reality of the constructs that were being measured" (Maree & Pietersen, 2020: 260). Internal validity refers to the accuracy of one's ability to answer their research question through the design and [or] methodology used whereas external validity refers to one's ability to confidently represent a larger population through an accurate sample, enabling one to make true generalisations (Dudovskiy, 2018).

Criteria validity was used to determine how well the research's survey measured the effect shared value had on performance (Middleton, 2019). Construct validity was achieved as the research 's survey measurement values were based upon those put forth by Porter *et al.*, (2012). The research s survey measurement value had a strong correlation to the measurements put forth by these said researchers, of which ensured validity.

In addition, construct validity was achieved as shared value as a concept could not be directly observed, but it could be measured through the observation of other indicators that were associated with it. These associations were put forth by Kramer and Porter (2011), which included but were not limited to the following results.

LEVELS OF SHARED VALUE	BUSINESS RESULTS	SOCIAL RESULTS
Reconceiving product and markets: How targeting unmet needs drives incremental revenue and profits	• Increased revenue • Increased market share • Increased market growth • Improved profitability	• Improved patient care • Reduced carbon footprint • Improved nutrition • Improved education
Redefining productivity in the value chain: How better management of internal operations increases productivity and reduces risks	• Improved productivity • Reduced logistical and operating costs • Secured supply • Improved quality • Improved profitability	• Reduced energy use • Reduced water use • Reduced raw materials • Improved job skills • Improved employee incomes
Enabling cluster development: How changing societal conditions outside the company unleashes new growth and productivity gains	• Reduced costs • Secured supply • Improved distribution infrastructure • Improved workforce access • Improved profitability	• Improved education • Increased job creation • Improved health • Improved incomes

Figure 3.7.1.1: Shared Value Criteria (Porter *et al*., 2012).

Lastly, external validity was achieved as the researcher sought out a 95% confidence interval with a less than 1.96% marginal error, of which was achieved through a saturated sample of 30 out 35 CIOs that formed part of the sample.

3.7.2 RELIABILITY

Reliability assesses the risk that other researchers repeating the research may not achieve the same/similar results (Middleton, 2019). Seeing as reliability is closely related to research findings, it was integral for the research to be consistent. Regardless of who and when the participants (CIOs) took part in the research, reliability ensured that the said close-ended questionnaire results were similar answers (Dudovskiy, 2018). As a result, this meant that research was not skewed.

However, errors do occur. To avoid this, the close-ended questionnaire was laid out in layman terms with short and detailed questions. Furthermore, the questionnaires were be sent to CIOs, which specifically played on their skill set therefore ensuring that it is fully understood and easy to answer. The sample was also chosen at random, which removed any bias, which in turn increased the accuracy of the research.

Inter-rater reliability refers to the fact that different participants are used with the same approach (method or instrument), measuring the degree of agreement (Maree & Pietersen, 2020). For example, if this research was to be carried out by another researcher, the outcome would remain the same thereby adding to the body of knowledge surrounding the effect shared value has on business performance, of which would result in generalised findings and established universal laws (Dudovskiy, 2018).

Reliability was also ensured through the aid of the Cronbach Alpha Coefficient, of which reflected a measure of scale reliability (Middleton, 2019). The degree of similarity served as indication of the internal consistency of the research. As previously stated, was based upon the inter-item correlation of 0.939 (Middleton, 2019).

Cronbach's alpha	Internal consistency
$\alpha \geq 0.9$	Excellent
$0.9 > \alpha \geq 0.8$	Good
$0.8 > \alpha \geq 0.7$	Acceptable
$0.7 > \alpha \geq 0.6$	Questionable
$0.6 > \alpha \geq 0.5$	Poor
$0.5 > \alpha$	Unacceptable

Figure 3.7.2.1: Cronbach Alpha Measurement (Middleton, 2019)

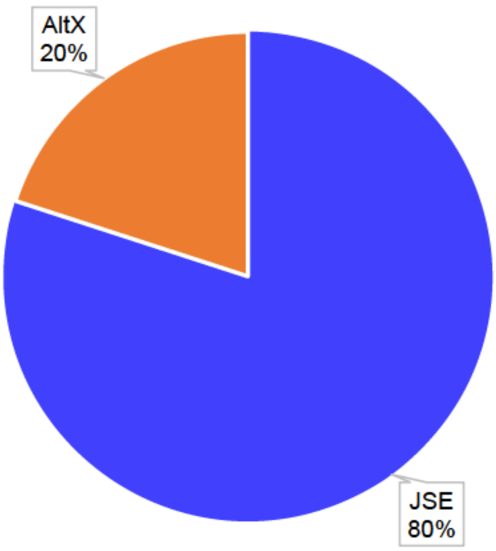
CHAPTER 4: FINDINGS & INTERPRETATIONS

This chapter presents an analysis and discussion of the completed survey. The following data wasextracted by the researcher, from 16/07/2020 to 13/08/2021, using a digital 18 question cross- sectional survey, which willing participants accessed via an emailed hyperlink. To effectively analyse the effect shared value has on business performance, a representative sample of 30 randomly chosen South African CIOs that worked for listed organisations, within the various businesssectors, volunteered to participate. The unit of analysis for this research were organisations that partook in shared value.

4.1 DESCRIPTIVE

Descriptive statistics are used to provide an understanding of the characteristics of the data collected(Pietersen & Maree, 2020). Descriptive statistics have been used in this research to summarise and interpret the demographic information gathered from the said sample.

The sample for this research consisted of CIOs that work for South African organisations that are listedon either the JSE (80%) or AltX (20%). In line with most of the sample working for JSE listed companies, the research found that most organisations were of a macro (46%) and mediumsize (37%). This may be attributed to the fact that medium and macro-organisations require much more funding than micro and small organisations that are listed on AltX (Drury, 2020).



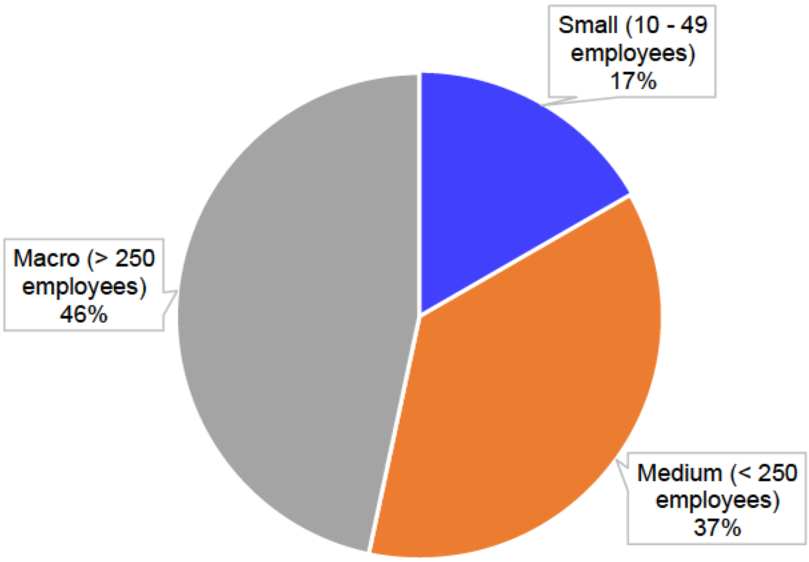


Figure 4.1.2.1: Pie Chart of Stock Exchange **Figure 4.1.2.2**: Pie Chart of Organisation Size

The above figures provide a visual representation of the CIOs respective size and stock exchange.

The sample may be further characterised by region and sector. Most of these organisations had head offices in the congested and business orientated province; Gauteng (53%). The most prominent sectors of operation include financial and business services (20%); retail, motor, trade, and repair (20%) and agriculture (17%) – of which may be noted as some of the most prominent sectors in Gauteng. This can be attributed to the fact that Gauteng contributes a significant proportion of South Africa's economic output, with its different areas, focused variously on mining, manufacturing, financial and business services, innovation, or trade, working together to constitute a functionally integrated urban economy and single labour market (Booyes, 2021).

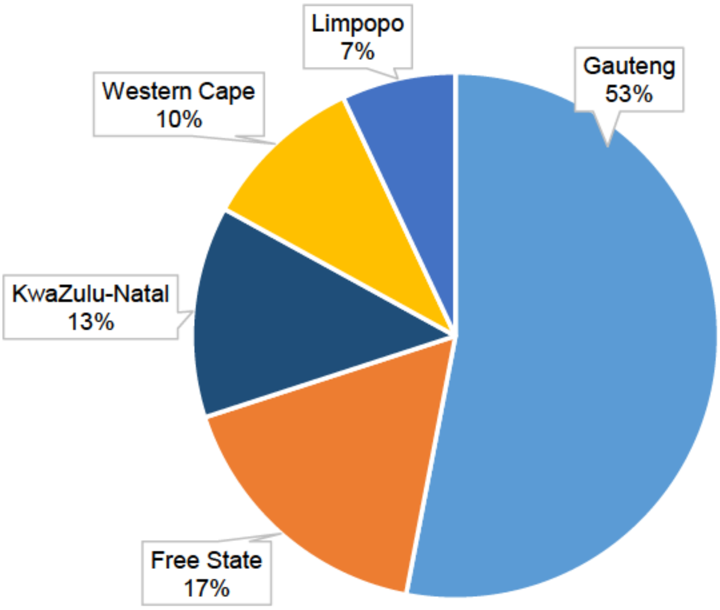


Figure 4.1.2.3: Pie Chart of Head Office Location

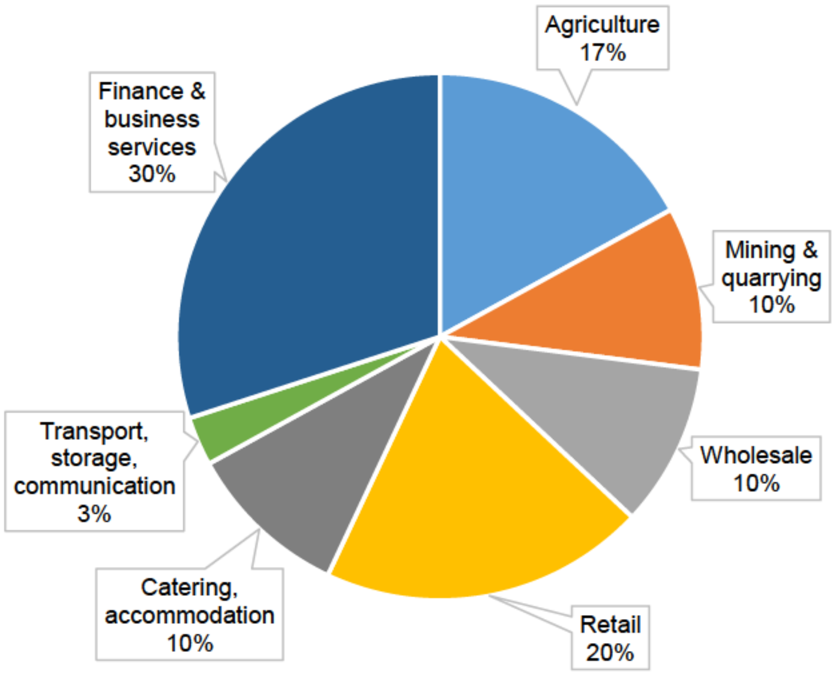


Figure 4.1.2.4: Pie Chart of Business Sector Size

The above figures provide a visual representation of the CIOs respective organisations head office locationand business sector. It is important to note that all the sectors fall within the private sector, which perfectly aligns with Porter, Hills, Pfitzer, Patscheke, and Hawkins (2012) deductions of shared value being best realised and leveraged within the private sector.

In addition, the sample may be characterised by the number of years each respect organisation hasimplemented shared value for, and the methodology used. Most of the sample implementedshared value for 1-5 years (63%). This may be attributed to the fact that shared value was only introduced by Porter and Kramer in 2011, making it a new concept that is yet to gain momentumin developing countries such as South Africa.

Even though organisations such as Nestle, Discovery and Coca-Cola have incorporated shared value intothe core of their businesses, there is still a lack of meaningful and measurable data, explaining the hindrance of the widespread implementation and the immaturity of organisations adopting of shared value (Park & Mool, 2014; Beschorner 2017; Wachira & Barnard 2020).

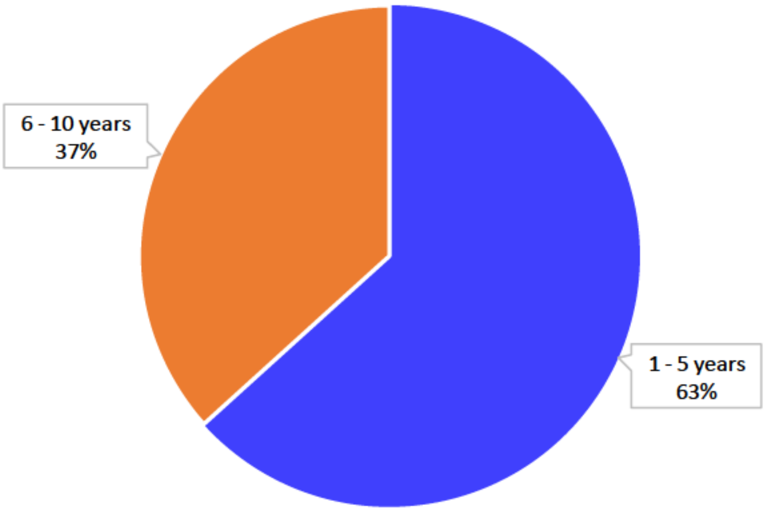


Figure 4.1.2.5: Pie Chat of the Number of Years of Shared Value Implementation

The above figure provides a visual representation of the number of years shared value has formed part of these said brands practices.

Lastly, the sample may be characterised by the shared value methodology(s). The data highlights that within their last financial year, 10 organisations made use of local cluster development (33%) as well as 5 brands opting to reconceive products/markets and redefine productivity within their respective value chain (17%), refer to the below table.

***Table 4.1.2.1**: Shared Value Methodology*

Value	Count	Percent

Reconceiving products and [or] markets	1	3%
Redefining productivity in the value chain	4	14%
Strengthening local cluster development	10	33%
Reconceiving products and [or] markets as well as redefining productivityin the value chain	5	17%
Redefining productivity in the value chain and strengthening local clusterdevelopment	4	13 %
Reconceiving products and [or] markets as well as strengthening local cluster development	3	10 %
All	3	10%
η	30	100

Source: Own

Such a focus on strengthening local cluster development (33%) may be attributed to the fact that COVID-19 exacerbated South Africa's already weak and volatile economy, making it difficult for organisations to survive. Especially when one considers the disrupted supply and distribution channels, heightened unemployment (affecting nominal income) as well as a lack of skilled labour. Organisations have thus had to implement a strategy (cluster development) to improve their overall business environment conditions, by upgrading skills, access to finance and infrastructure, by streamlining government rules and regulations, and by supporting local demand (Kramer & Porter, 2011; Slaper, 2021; Kang, 2020). In doing so, organisations have been able to improve their value chain and ensure survival.

It is also interesting to note that only 1 organisation made use of reconceiving products and [or] markets (3%). This goes together with the fact that many South Africans have either lost their job or have a reduced income (Statistics South Africa, 2021). Of which aligns with Maluleke (2020) noting that since the lockdown and unknown future, many South African households have drastically reduced their expenditure. This means that South Africans simply do not have the nominal income or desire to spend their money on items or markets that are none-essential and [or] well known.

In addition, table 4.1.2.1 visually depicts an equal split amongst the samples decision to implement 1 or more shared value methodologies. It is important to note that those that made use of a singular shared value methodology, were also that that had been using Kramer and Porters (2011) shared value model for the least amount of time (< 5 years). This suggests that they are yet to see a favourable enough return on investment (ROI) to implement more than one shared value methodology. Whereas those that have been using shared value for more than 5 years were in favour of harmoniously implementing more than 1 methodology at a time. This brings to the light that notions of a favourable return and improved performance over a longer period, suggesting an incremental increase as well as an increased confidence in Kramer and Porters (2011) shared value model.

4.2 INFERENTIAL

In order make deductions from the collected data, test the research hypothesis, and answer the research question, inferential statistics were made use of. Hypothesis testing requires data to be analysed to infer whether the data collected supports the null hypothesis or rejects it in favour of the alternative hypothesis (Pietersen & Maree, 2020).

This research hypothesised that there is a relationship between shared value and business performance, alluding to a strong correlation. To determine if this hypothesised relationship exists, the researcher used SPSS v.23 to calculate the Cronbach Alpha (testing internal reliability), Spearman's Correlation (measuring the strength and direction of the relationship between ordinal variables) and Mann Whitney U Tests (rank-based nonparametric test).

4.2.1 CRONBACH ALPHA COEFFICIENT

The said digital survey was employed to measure different, underlying constructs. However, during the factor analysis, all the scale variables accounted for one factor. This meant that the researcher treated the scale variables as 10 separate variables. These 10 variables were a result of Porter, *et al*., (2012) performance indicators, of which included competitiveness (USP); profitability; innovation driver via seeking business opportunities and addressing societal issues; a sustainable future; performance; brand equity; shareholder value; investment opportunity and lastly shared value as one of the most powerful tools an organisation can use.

The Cronbach Alpha Coefficient for the 10-scale variable yielded 0.939, which is *excellent*, suggesting that the variables have a high internal consistently. It is important to note that a reliability of 0.70 or higher is considered “acceptable” in most social science research situations (Middleton, 2019).

4.2.2 SPEARMANS CORRELATION COEFFICIENT

The Spearman's rank-order correlation was used to calculate the coefficient amongst variables, which were then used to measure of the strength and direction of the relationship between the 10 said shared value variables and performance indicators (Dudovskiy, 2018).

Table 4.2.2.1: *Spearman's Correlations Shared Value Variables*

	Increases Competitiveness (USP)	Increases Profitability	Drives Innovation: Business Opportunity	Drives Innovation: Societal Issues	Creates a Sustainable Future	Increases Performance	Improves Brand Equity	Increases Shareholder Value	Smart Investment
Powerful tool	.669**		.656**	.682**		.670**		.692**	
Increases Competitiveness (USP)		.781**	.607**			.769**	.654**	.794**	.669**
Increases Profitability			.660**			.671**	.668**	.631**	
Drives Innovation: Business Opportunity				.658**	.849**		.690**		
Drives Innovation: Societal Issues								.651**	
Creates a Sustainable Future							.693		
Increases Performance							.804**	.635**	.672**
Improves Brand Equity								.680**	.616**

Source: Own

As visually seen within table 2, all the shared value variables were statistically correlated to one another. This meant that the vast majority of the said shared value variables showcased either a moderately strong or significantly strong correlation to one another. This became apparent as all the above shared value variables are >.60. This means that every variable will concurrently increase with one another, lending itself towards a positive relationship between shared value and business performance. It is interesting to note that out of all of Porter, *et al*., (2012) shared value performance indicators, that "shareholder value" and "brand equity" had some of the strongest and most occurring correlations, suggesting a relationship.

When one takes note of the shareholder value correlations, refer to table 2. It is clear that that as one CIO highly rates shared value as one of the most "powerful tools" of business can make use of ($r = .692$, $p \leq .000$); a mode of enhanced "competitiveness" ($r = .794$, $p \leq .000$); a "profit driver" ($r = .631$, $p \leq .000$); an "innovation driver" ($r = .651$, $p \leq .000$); a "performance enhancer" ($r = .635$, $p \leq .000$) or even as tool for improving “brand equity” ($r = .681$, $p \leq .000$), the same highly rated effected will take place for shareholder value. This means there is a positive relationship, which indicates that an increased rating in shareholder value results in an increase in one of the said variables, and vice versa.

Kramer and Porter (2011: 29) explain that shared value “encourages corporations to maximize the weighted sum of their shareholder value and of their contributions to society, consumer and employee welfares”, which will in turn improve the stakeholder-ecosystem equilibrium to the benefit of all stakeholders. By illuminating the direct connection between tackling social issues and achieving economic value creation, shared value will diminish investor scepticism and increase investor confidence (attributed to shared value strategies being tangible and thus economically measurable for investors) (Kramer & Porter, 2011).

The brand equity correlations noted a similar effect, (refer to Table 4.2.2.1). An increase in agreement that shared value is used as a tool to enhance “profitability” ($r = .668$, $p \leq .000$); “competitiveness” ($r = .654$, $p \leq .000$); “performance” ($r = .804$, $p \leq .000$); drive “innovation” ($r = .690$, $p \leq .000$) and create a sustainable future ($r = .\ 693$, $p \leq .000$), results in an increase in agreement that brand equity improves.

Kang (2020) and Bosh (2018) explains that once responsibility is taken and society is taken care of, society (consumers) will return the favour through positive consumer perception and word-of-mouth - adding brand value. Such value will have a direct impact on sales volume and an organisation's profitability because consumers gravitate toward products and services with great reputations (Kang 2020; Bosch, 2018). Beschorner (2017) further explains that great reputations are aided and enhanced through implementation of shared value, complimenting the current era of marketing 4.0.

These said correlations may be attributed to the fact that Kramer and Porter (2011) deduced that, the leveraging of resources and innovation, within the private sector, creates new solutions to some of society’s most pressing issues, which will simultaneously create economic benefit. The said correlations suggest that shared value creates a more prosperous environment in which to operate, making brands more sustainable and resilient, ultimately enhancing the overall health and prosperity.

Porter, *et al*., (2012) performance indicators (afforded by shared value) were reviewed, and as suggested by table 2, they are numerous and extend beyond monetary means, meaning that they aid the overall health and wellness of an organisation (holistically addressing all aspects of the triple bottom line). This may be attributed to the fact that table 2 quantitatively proves that shared value effects.

- Self-sustaining purpose and profitability.
- Stronger brand equity and marketability.
- Enhanced competitiveness, suggesting increased customer preference and loyalty.
- Resilience and improved ability to respond to external business threats.
- Enhanced sustainability, credibility, and transparency.
- Enhanced and [or] sustained interest from like-minded shareholders and investors.

Through the support of all the correlated data (with few being weak and none being negative), and the above performance indicators, one can prove that there is a statistically significant relationship between shared value and business performance.

4.2.3 MANN-WHITNEY U TEST

A Mann-Whitney U test was run to determine if there were differences in scores, with regards to an increased level of competitiveness (USP) and shared value as an investment. It is important to note that both were measured against the number of years these said organisations have made use of shared value for.

Table 4.2.3.1: *Mann-Whitney U Tests Shared Value Variables*

	Increased Competitiveness (USP)	Smart Investment
Mann-Whitney	159	160
Z	4	2.506
Asymp. Sig (2 – tailed)	**0.016**	**0.012**
Mean Rank		
1 – 5 years	12.63	**20.45**
6 – 10 years	12.85	**20.55**

Source: Own

Table 4.2.3.1 notes that an organisation’s increased level of competitiveness (USP) were statistically higher for those that had implemented shared value for 6 – 10 years (mean rank = 12.83), in comparison to those that had only implemented shared value for 1 – 5 years (mean rank = 12.63) $U = 159$, $z = 4$, $p = 0.016$. This suggests that over time organisations will have a better understanding of what their consumers see value in (with regards to their respective organisation's offerings) and thus be able to adapt their strategies, accordingly, enhancing their competitiveness. An enhanced USP means that organisations will be able to outperform their competitors, which in turn improve their performance through superior margins and greater value for the organisation, its stakeholders, and shareholders (Correia, 2020; Drury, 2019).

In addition, the organisations that noted shared value as a smart investment were statistically higher for those that had implemented shared value for 6 – 10 years (mean rank = 20.45), in comparison to those that had only implemented shared value for 1 – 5 years (mean rank = 20.55) $U = 160$, $z = 2.506$, $p = 0.012$. This suggests that there is a favourable ROI. However, it will only be which is only realised over longer periods of time. Wachira and Barnard (2020) explain that organisations will be seeking an attractive ROI in economic terms and in most cases, they will be willing to accept a lower level of return or a longer time to reach break-even point, on the president that their shared value initiatives are underpinned by an attractive commercial return and [or] a meaningful and measurable boost to an organisation's competitive advantage.

Distributions of the shared value scores for an increased level of competitiveness (USP) and a smart investment were similar, as assessed by visual inspection. It is interesting to note that out of the 10 shared value variables these two were only two that noted a difference within the years of shared value implementation. It became apparent that organisations that have implemented shared value for a longer period (6 – 10 years) had higher scores. This suggests that brands reap the rewards of shared value over longer periods of time. This may be attributed to the fact that embedding shared value within one's organisation takes time and is a continuous process (Kramer & Porter, 2011; Wachira & Barnard 2020). This further suggests that an ROI takes a number of years, and that performance incrementally improves.

CHAPTER 5: CONCLUSION

5.1 RESEARCH QUESTION & HYPOTHESES: SUPPORTED

This research posed the question, 'Is there a relationship between shared value and business performance?' The researcher attempted to address this question quantitatively by collecting data from participants using an online cross-sectional survey. This methodology ensured that the data collected was of an objective and measurable nature. The analysis of the data collected provided statistically significant results which yielded results in favour of the four hypotheses.

H1 was confirmed as the researcher noted that shared value did in fact have an effect on business performance. This was supported by statistically strong correlations; most notably those that lay within "brand equity" and "shareholder value." This became apparent as Porter, *et al*., (2012), performance indicators (afforded by shared value) were analysed using the Spearman Rank-Order Coefficient. This showed that the 10 variables were highly correlated to one another with p values being greater than .60. In line with Kramer and Porter (2011) shared value notions, the researcher quantitatively deduced that the implementation of shared value results in a multitude of benefits that extend beyond economics. As a result, the null hypothesis was rejected and the alternative accepted. In addition, this led to the acceptance of H2.

The second hypothesis (H2) stated by the researcher predicted that shared value could be seen as a worthwhile and smart investment. This became apparent as the acceptance of H1, brought to light the notion that the shared value effect extends beyond monetary means. The Spearman's-Rank Order Coefficient suggested that it enhances "competitiveness"; "profitability"; "innovation"; "sustainability"; "performance"; "brand equity"; "shareholder value" and "strategies" (tools). Which in turn aids the overall health of an organisation. This meant that organisations would see a favourable ROI and that a smart investment opportunity lies within shared value.

H3 was confirmed as the researcher noted that an enhanced level of competitiveness will only be fully realised within an extended period (6 – 10 years). This was statistically supported with a Mann Whitney U Test noting a difference amongst those that had implemented shared value for 1 – 5 years (mean rank = 12.63), versus those that implemented shared value for 6 – 10 years (mean rank = 12.83). This led towards the acceptance of the alternative hypotheses. This brought to light the fact that embedding shared value is a continuous process and reaping the rewards (enhanced competitiveness) will only fully be realised over longer periods of time.

Lastly, the fourth and final hypotheses (H4) stated that the researcher predicted that as an investment, shared value will only see an ROI over an extended period (6 – 10 years). This became apparent as the null hypothesis was rejected and the alternative was accepted. This may be attributed to the statistical support a Mann Whitney U Test noting a difference amongst those that had implemented shared value for 1 – 5 years (mean rank = 20.45), versus those that implemented shared value for 6 – 10 years (mean rank = 20.55). This brought to light notions that a favourable ROI is only achieved within a longer period.

5.2 IMPLICATIONS OF FINDINGS

This research report has provided a more comprehensive, structured and clear understanding as to how the notions of shared value affect an organisation's ability to perform. Which in return has provided an in-depth explanation regarding the various levels of shared value and their respective performance indicators, suggested by Porter *et al*., (2012). As a result, this research may guide organisations towards a prosperous future, full of performance opportunities.

This research may aid organisations across South Africa as it provides a quantitative measurement instrument, of which enables organisations to measure their business performance, with regards to their implementation of shared value. This research has thus significantly contribute to the body of knowledge surrounding the shared value measurement process, enabling organisations to determine if their investment into shared value has shown a deterioration or improvement within the overall health of their respective organisations. Considering this, this research has enhanced the field of financial and brand decision making, which may guide organisations towards a more sustainable economic position whilst simultaneously enhancing their competitive advantage. Lastly, this research report is particularly advantageous as it is not industry specific, adding value across all South African entities, regardless of their size and sector.

5.3 ETHICAL CONSIDERATIONS

Ethics refers to a system of moral principles that sets the standard for attitudes and behaviour surrounding the proposed research (Dudovskiy, 2018). The following has been noted and taken into consideration (Maree & Pietersen, 2020):

1. As the survey was digital, each member of the sample's details were gathered from their respective personal assistant (PA). Each PA received an email detailing the research's objectives, the need for their employer's participation as well as the researchers and advisors contact details.
2. Incentives were avoided as each CIO participated on their own accord.
3. The sample (CIOs) understood the research in detail, eliminating any form of deception whilst ensuring the integrity of the research.
4. A disclaimer formed part of the survey, ensuring that each CIO understood their participation and contribution to research.
5. Confidentially was ensured as participants were not required to identify their respective organisation or themselves.
6. Sensitive operational and strategy tools were avoided.
7. Participants and their respective organisations were not placed in a position of risk and [or] harm. The researcher had open lines of communication with regards to the survey process, which addressed any and all concerns.
8. Seeing as the financial statements were referred to, taken from the JSE and AltX, falsifying or distorting the information was highly unlikely.
9. The research was of an objective nature, meaning that all the statistics were analysed and presented accurately. Any type of misleading information, as well as representation of primary data findings in a biased was avoided. This meant that any and all subjectivity was effectively mitigated.

5.3 LIMITATIONS

Limitations are influences that the researcher cannot control. They refer to the shortcomings that are uncontrollable, placing restrictions onto the proposed research (Queiros, Feria & Almeida, 2017).

During the development of the research, geographical limitations occurred as the researcher was based in Johannesburg. However, this was swiftly resolved as the research took place in the age of digitisation, of which greatly influenced the researcher's data collection method (mail survey). A mail survey was chosen as it mitigated this constraint as the sample was able to participate anywhere and at any time (Maree & Pietersen, 2020).

With the nature of quantitative studies being time consuming and expensive, the research was limited as there was a lack of resources, which may be attributed to the lack of funding and the researcher's time constraints (Queiros *et al*., 2017). As a result, the research was conducted over a short period of time, spanning over six months. This may be attributed to the fact that a researcher's degree is only a year long. A cross-sectional design was strategically chosen as it complemented the said short time frame (Maree & Pieterson, 2020). This meant that the implementation of shared value could only be measured against an organisations most recent financial year. In addition, this research was greatly influenced by literature that took place over the past century - new information has since surfaced, which has reduced the reliability of this research (Queiros *et al*., 2017).

In addition, organisations that were not listed, were unable to take part in this research. This may be attributed to the fact that said listed organisations provided their integrated annual reports, which were used to gain a deeper understanding into their shared value initiatives and clearly identity which companies took part in shared value. The research was thus limited to organisations that were either JSE or AltX listed, of which drastically reduced the sample size and the researcher's ability to truly generalise shared value across all South African organisations.

Lastly, this research required extensive statistical analyses. It is important to note that the researcher was familiar with statistical analysis, however, the researcher's advisor, Dr Tish Taylor, was well adverse within this domain. This limitation was thus mitigated through the aid of Dr Tish Taylor expertise and guidance.

5.4 HEURISTIC VALUE

Seeing as this research was conducted within a quantitative design, the researcher recommends that to bridge the gap in knowledge regarding the effect shared value has on business performance, a qualitative design will add further value. This will in turn, give South African organisations a unique depth of understanding which is difficult to gain from a closed-ended questionnaire. Respondents will thus be able to freely disclose their experiences, thoughts, and feelings with regards to their shared value initiatives and results without any constraint (Maree & Pieterson, 2020). This will further enhance this specific research findings, providing a holistic picture surrounding the cause and effect relationship.

In addition, this particular research focused on the holistic picture of overall organisational health, meaning that there was not a clear focus on the financial and branding implications that were specifically affected by shared value. This research provided the link between brand and business strategy, which meant these two domains were not studied in isolation. Despite, the two domains being interrelated, the researcher recommends that future research should focus on either the financial or branding implications, as it will provide a more in-depth and thorough understanding of each domain in isolation. This will be particularly advantageous as South African organisations will be able to directly pinpoint strategic enhancements within each domain, effectively enhancing their balance sheet and [or] brand equity.

REFERENCE LIST

Bergquist, A and Lindmark, M. 2016. Sustainability and Shared Value in the Interwar Swedish Copper Industry. *Business and History Journal*, 1(2):1-29. [Online]. Available at: https://www.researchgate.net/publication/305893355_Sustainability_and_Shared_Value_in_the_Interwar_Swedish_Copper_Industry [Accessed 09 May 2021].

Beschorner, T. 2017. Creating Shared Value, A Fundamental Critique. *Journal of Ethical Economy*, 52 (2): 102 – 126 [Online]. Available at: https://www.researchgate.net/publication/312113310_Creating_Shared_Value_A_Fundamental_Critique [Accessed 09 May 2021].

Bistaffa, B. 2021. Shared value economics: an axiomatic approach. *Journal of Economics*, 111(5): 114 – 125. [Online]. Available at: https://www.researchgate.net/publication/30452792219 [Accessed 05 May 2021].

Bockstette, V and Stamp, M. 2013. Innovating for Shared Value. *Harvard Business Review* 91(9): 100 – 141. [Online]. Available at: https://www.researchgate.net/publication/298363652_Innovating_for_Shared_Value [Accessed 09 May 2021].

Bosch, J. 2018. Exploring the Origins of Creating Shared Value in the CSR Literature. *International Journal of Business and Management*, 11(12): 97 – 130. [Online]. Available at: https://www.researchgate.net/publication/310602402_Exploring_the_Origins_of_Creating_Shared_Value_in_the_CSR_Literature [Accessed 06 May 2021].

Brownlow, C. 2014. *SPSS explained*. New Castle: Routledge. [eBook]. Available on CRC Press at: https://www.routledge.com/SPSS-Explained/Hinton-McMurray-Brownlow/p/book/9780415616027 [Accessed 01 April 2021].

Bucklow, K. 2020. Inferential Data - Statistical Research. [Online] Available at: https://courses.lumenlearning.com/suny-hccc-research-

methods/chapter/chapter-15-quantitative-analysis-inferential-statistics/#:~:text=Inferential%20statistics%20are%20the%20statistical,explicitly%20designed%20to%20test%20hypotheses.
[Accessed 06 May 2021].

Correia, C. 2020. *Financial Management*. 8th ed. Pretoria: Van Schalik Publishers.

Crossman, A. 2018. Introduction to Positivism. *Journal of Research*, 29(3): 97 – 109. [Online] Available at: https://www.researchgate.net/publication/4545019 [Accessed 01 April 2021].

Drury, C. 2019. *Management and Cost Accounting*. 10th ed. Pretoria: van Schalik Publishers.

Dudovskiy, J. 2018. *The Ultimate Guide to Writing a Dissertation in Business Studies: A Step-by-Step Assistance.* Pittsburgh: Business Research Methodology. [eBook]. Available on BRM at: https://research-methodology.net/about-us/ebook/ [Accessed 06 May 2021].

Hinton, P.R. and McMurray, I. 2017. *Presenting your data with SPSS explained.* New Castle: Routledge. Available on CRC Press at: https://www.routledge.com/Presenting-Your-Data-with-SPSS-Explained/Hinton-McMurray/p/book/9781138916609 [Accessed 01 April 2021].

Kang, S. 2020. Effects of Strategy Characteristics for Sustainable Competitive Advantage in Sharing Economy Businesses on Creating Shared Value and Performance. *Journal of Sustainability,* 12 (4): 134 – 197. [Online]. Available at: https://www.researchgate.net/publication/339418998_Effects_of_Strategy_Characteristics_for_Sustainable_Competitive_Advantage_in_Sharing_Economy_Businesses_on_Creating_Shared_Value_and_Performance [Accessed 06 May 2021].

Kang, S. 2020. Effects of Strategy Characteristics for Sustainable Competitive Advantage in Sharing Economy Businesses on Creating Shared Value and Performance. *Journal of Sustainability,* 12 (4): 134 – 197 [Online]. Available at: https://www.researchgate.net/publication/339418998_Effects_of_Strategy_Character istics_for_Sustainable_Competitive_Advantage_in_Sharing_Economy_Businesses_on_Creating_Shared_Value_and_Performance [Accessed 6 May 2021].

Kenyton, J. 2011. *Communication research. Asking questions, finding answers.* 1st ed. McGraw-Hill: New York

Kramer, M and Porter, M. 2011. Creating Shared Value. *Harvard Business Review*, 84(12): 78-92. [Online]. Available at: https://hbr.org/2016/10/the-ecosystem-of-shared-value [Accessed 01 April 2021].

Larson, M. 2015. Analysis of Variance. [Online] Available at: https://www.ahajournals.org/doi/full/10.1161/circulationaha.107.654335 [Accessed 06 May 2021]

Liao, T., 2004. Sampling. *Social Science Research Methods,* 46(2), pp. 5-6.

Maluleke, M. 2020. Impact of the COVID-19 pandemic on employment and income in South Africa [Online]. Available at: http://www.statssa.gov.za/publications/Report-00-80-03/Presentation%20Impact%20of%20COVID-19%20-%2020%20May%202020.pdf [Accessed 1 September 2021].

Maree, K. 2020. Planning a Research Proposal. In: Maree, K. eds. 2020. *First Steps in Research 3*. Pretoria: van Schaik, Chapter 5: 26-52.

Maree, K. and Pieterson. 2020. Statistical Analysis II Inferential Statistics. In: Maree, K. eds. 2020. *First Steps in Research 3*. Pretoria: van Schaik, Chapter 12: 242 - 256

Maree, K. and Pieterson. 2020. Surveys and the Use of Questionnaires. In: Maree, K. eds. 2020. *First Steps in Research 3*. Pretoria: van Schaik, Chapter 9: 196 – 212.

Maree, K. and Pieterson. 2020. The Quantitative Research Process. In: Maree, K. eds. 2020. *First Steps in Research 3*. Pretoria: van Schaik, Chapter 8: 184 – 194.

Michalove, S and Carroll, A. 2017. The Symbiotic Relationship between Society and Business. *Journal of Ethics*, 15 (3): 29 – 45. [Online]. Available at: https://www.academia.edu/35053352/Business_and_Society [Accessed 19 May 2021].

Middleton, F. 2020. Reliability vs validity: what's the difference? [Online]. Available at: https://www.scribbr.com/methodology/reliability-vs-validity/ [Accessed 19 May 2021].

Militaru, G. 2017. Integrating business and society: The link between CSR and competitive advantage. *Journal of Science,* 69 (2): 15 – 29. [Online]. Available at: https://www.researchgate.net/publication/3045491219 [Accessed 12 May 2021].

Millard, J. 2020. Impacts of COVID-19 on social development and implications for the just transition to sustainable development. Journal of Business Science, 77 (2): 10 – 20. [Online]. Available at: https://www.un.org/development/desa/dspd/wp-content/uploads/sites/22/2020/08/Impacts-of-COVID-19-on-social-development-and-implications-for-the-just-transition-to-sustainable-development-4-8-20.pdf [Accessed 1 November 2021].

Pallant, J. 2016. *SPSS Survival Manual*. 6th ed. Berkshire: McGraw-Hill House.

Park, J. and Mool, L. 2014. The Effects of Creating Shared Value on Corporate Performance. *Journal of Distribution Science,* 19 (2): 29 – 35. [Online]. Available at: https://www.koreascience.or.kr/article/JAKO201416954327716.pdf [Accessed 03 May 2021].

Pietersen, J. & Maree, K. (2020). Statistical analysis 11: Inferential statistics. In K. Maree (Ed.), First Steps in research (3rd Ed, pp 241-258). Pretoria, South Africa: Van Schaik Publishers.

Porter, M. Hills, G. Pfitzer, M. Patscheke, S and Hawkins, E. 2012. Measuring Shared Value How to Unlock Value by Linking Social and Business Results. *Harvard Business Review*, 85 (15): 29 – 57. [Online].

https://www.hbs.edu/ris/Publication%20Files/Measuring_Shared_Value_57032487-9e5c-46a1-9bd8-90bd7f1f9cef.pdf [Accessed 01 May 2021].

Porter, M. Hills, G. Pfitzer, M. Patscheke, S and Hawkins, E. 2012. Measuring Shared Value How to Unlock Value by Linking Social and Business Results. *Harvard Business Review*, 85 (15): 29 – 57 [Online]. https://www.hbs.edu/ris/Publication%20Files/Measuring_Shared_Value_57032487-9e5c-46a1-9bd8-90bd7f1f9cef.pdf [Accessed 1 May 2021].

Queiros, A., Feria, D., and Almeida, F. 2017. Strengths and Limitations of Research. *Journal of Education Studies*, 3 (9): 25 – 29. [Online]. Available at: https://oapub.org/edu/index.php/ejes/article/view/1017 [Accessed 01 June 2021].

Rehman, A. 2016. An introduction to research paradigms. *International Journal of Educational Investigations*, 3 (8): 53 – 59. [Online]. Available at: https://www.researchgate.net/publication/325022648_An_introduction_to_research_paradigms [Accessed 09 April 2021].

Reizinger-Ducsai, A. 2018. Accounting for Sustainability and Social Responsibility. *Journal of Business Ethics and Accountability*, 515 (29): 119 – 129. [Online]. Available at: https://www.ceeol.com/search/article-detail?id=719550 [Accessed 01 May 2021].

Salas-Molina, F. and Bistaffa, B. 2020. Shared value economics: an axiomatic approach. *Journal of Economics and Sciences*, 15 (3): 1 – 5. [Online]. Available at: https://www.researchgate.net/publication/341816496_Shared_value_economics_an_axiomatic_approach [Accessed 01 May 2021].

Servera-Francés, D. 2019. The effects of corporate social responsibility on consumer loyalty through consumer perceived value. *Journal of Economic Research-Ekonomska Istraživanja*, 32 (1): 66-84 [Online]. Available at: https://www.tandfonline.com/action/showCitFormats?doi=10.1080%2F1331677X.2018.1547202https://www.researchgate.net/publication/341816496_Shared_value_economics_an_axiomatic_approach [Accessed 02 June 2021].

Thomassen, J. 2021. Prosocial Compensation Following a Service Failure: Fulfilling an Organization’s Ethical and Philanthropic Responsibilities. *Journal of Business Ethics*, 162(1): 123-147. [Online]. Available at: https://ideas.repec.org/a/kap/jbuset/v162y2020i1d10.1007_s10551-018-3992-1.html [Accessed 01 May 2021].

Vaus, B. 2018. *Research Methodologies*. [Online]. Available at: https://libguides.usc.edu/writingguide/researchdesigns [Accessed 01 April 2021].
Wachira, M. and Barnard, T. 2020. Current perceived state and understanding of creating shared value (CSV). *Journal of Business Management,* 42 (1): 12-19. [Online]. Available at: https://www.svai.africa/wpcontent/uploads/2020/05/Shared%20Value%20Research%20Report%20-%20June%202020.pdf [Accessed 01 May 2021].

Wójcik, B. 2016. How Creating Shared Value Differs From Corporate Social Responsibility. *Journal of Management and Business Administration Central Europe*, 24 (2): 32 – 55. [Online]. Available at: https://www.researchgate.net/publication/304792219 [Accessed 09 May 2021}.

ANNEXURE A: QUESTIONNAIRE

INVESTIGATING THE EFFECT OF SHARED VALUE ON BUISNESS PERFORMANCE OF LISTED ORGANISATIONS: A MULTI-INDUSTRY PERSPECTIVE

DISCLAIMER:
The following survey is being conducted in line with the academic requirements of The IIE Vega School of Brand Leadership's BCOM Honours in Strategic Brand Management Degree. I the researcher, Hannah-Claire Frack, am investigating the effect shared value has on business performance of listed entities in South Africa; a multi-industry perspective. This survey is fully voluntary and open to participants, 18 years or older. You may opt to not participate at any point in time, prior to submitting your final survey. There is no penalty of non-participation in this research. The procedure involves, completing an online survey, which will take approximately 10 minutes.

At no point in time will your legal identity or place of work be recorded or represented in findings. The results of this survey will be shared with used for scholarly purposes only, and shared with academic coordinators of The Vega School of Brand Leadership's RESE8419 Module. The intended research has been reviewed according to The Independent Institute of Education's ethical procedures regarding research involving human participants. Any concerns prior or post survey completion, can be shared via email to: 18014011@vegaconnect.co.za

The research has been reviewed according to [IIE] ethical procedures for research involving human participants. ELECTRONIC CONSENT: Please select your choice below. Clicking on the "agree" button below indicates that (1) you have read the above information, (2) you voluntarily agree to participate and (3) you are over the age of 18 years. If you do not wish to participate in this research, please decline participation by clicking the "disagree" button. *

- ◯ Agree
- ◯ Disagree

Which business sector does your company fit? *

- ◯ Agriculture
- ◯ Mining and quarrying
- ◯ Electricity, gas or water
- ◯ Construction
- ◯ Wholesale
- ◯ Retail, motor trade, repair
- ◯ Catering, accommodation
- ◯ Transport, storage, communication
- ◯ Finance and business services
- ◯ Community, social, personal services
- ◯ Other...

In which province do you work? *

- ◯ Eastern Cape
- ◯ Free State
- ◯ Gauteng
- ◯ KwaZulu-Natal
- ◯ Limpopo
- ◯ Mpumalanga
- ◯ Northern Cape
- ◯ North West
- ◯ Western Cape

Which category best describes the size of your company? *

- ◯ Micro (fewer than 10 employees)
- ◯ Small (10-49 employees)
- ◯ Medium (fewer than 250 employees)
- ◯ Macro (more than 250 employees)

Who is your company listed with? *

- ◯ JSE
- ◯ AltX

For how many years has your company used shared value? *

- ◯ Less than 1 year
- ◯ 1 - 5 years
- ◯ 6 - 10 years
- ◯ Never

For the last financial year (ending February 2021), how did your company implement shared value? *

- ☐ By reconceiving products/markets
- ☐ By redefining productivity in the value chain

- [ ] Through strengthening local cluster development

Based on you implementation of shared value in the last financial year (ending February 2021), please select all relevant improvements for your company

- [ ] Improved revenue
- [ ] Improved market share
- [ ] Improved market growth
- [ ] Improved profitability
- [ ] Reduced energy usage
- [ ] Reduced water usage
- [ ] Reduced raw material usage
- [ ] Improved job skills
- [ ] Higher employee income
- [ ] Improved profitability
- [ ] Improved overall quality
- [ ] Improved productivity
- [ ] Reduced logistical and operational sosts
- [ ] Secured supply
- [ ] Improved education
- [ ] Increased job creation
- [ ] Reduced business costs
- [ ] Improved distribution infrastructure
- [ ] Improved work force accessibility

Measurement of Shared Value

The following questions should be answered based on the implementation of shared value within your company for the financial year ending February 2021.

Shared value is the most powerful practice that a company can use to achieve its purpose at scale

	1	2	3	4	5	6	7	8	9	10	
Strongly disagree	○	○	○	○	○	○	○	○	○	○	Strongly agree

Shared value increases company competitiveness by solving social problems

	1	2	3	4	5	6	7	8	9	10	
Strongly disagree	○	○	○	○	○	○	○	○	○	○	Strongly agree

Shared value increases company profitability by solving social problems

	1	2	3	4	5	6	7	8	9	10	
Strongly disagree	○	○	○	○	○	○	○	○	○	○	Strongly agree

Shared value helps to drive innovation by seeking opportunities for business

	1	2	3	4	5	6	7	8	9	10	
Strongly disagree	○	○	○	○	○	○	○	○	○	○	Strongly agree

Shared value helps to drive innovation by seeking opportunities for society

	1	2	3	4	5	6	7	8	9	10	
Strongly disagree	○	○	○	○	○	○	○	○	○	○	Strongly agree

Shared value helps to create a sustainable future

	1	2	3	4	5	6	7	8	9	10	
Strongly disagree	○	○	○	○	○	○	○	○	○	○	Strongly agree

Shared value has resulted in an increase in business performance

	1	2	3	4	5	6	7	8	9	10	
Strongly disagree	○	○	○	○	○	○	○	○	○	○	Strongly agree

Shared value has resulted in an increase in business profit

	1	2	3	4	5	6	7	8	9	10	
Strongly disagree	○	○	○	○	○	○	○	○	○	○	Strongly agree

Shared value has resulted in an increase in shareholder value

	1	2	3	4	5	6	7	8	9	10	
Strongly disagree	○	○	○	○	○	○	○	○	○	○	Strongly agree

Shared value is a smart business investment

	1	2	3	4	5	6	7	8	9	10	
Strongly disagree	○	○	○	○	○	○	○	○	○	○	Strongly agree

ANNEXURE B: ETHICAL CLEARANCE

THE INDEPENDENT INSTITUTE OF EDUCATION

IIE

Date 15 July 2021

Student name: Hannah Frack
Student number: [redacted]
Campus: Vega Bordeaux

Re: Approval of RESE8419 Proposal and Ethics Clearance

HONOURS ETHICAL CLEARANCE LETTER

Your research proposal and the ethical implications of your proposed research topic were reviewed by your supervisor and the campus research panel, a subcommittee of The Independent Institute of Education's Research and Postgraduate Studies Committee.

Your research proposal posed no significant ethical concerns and your supporting documents and instruments are in order to proceed. We hereby provide you with permission to proceed with your research.

In the event of you deciding to change your research methodology in any way, kindly consult your supervisor to ensure all ethical considerations are adhered to and pose no risk to any participant or party involved. A revised ethical clearance letter will be issued.

We wish you all the best with your research!

GENERAL CONDITIONS TO BE FULFILLED IN RELATION TO RESEARCH

Permission is granted to proceed with the above study subject to the conditions listed below being met and may be withdrawn should any of these conditions be flouted.

Please note: The panel has not considered the merits, accuracy or ethical soundness of the research. The only merits examined are the use of The IIE as a sample.

Permission is granted subject to the following conditions:

1. The researcher(s) will need to obtain informed consent in writing from all of the participants in his/ her sample if the study is not anonymous.
2. The researcher(s) may only use the data collected for research purposes and in no other way.

3. Photographs of human subjects may only be taken if relevant to the research, informed consent was obtained, and even with informed consent, the photographs may not be published on any online platforms.
4. The researcher is responsible for supplying and utilising his/her own research resources, such as stationery, photocopies, transport, faxes and telephones and should not depend on the goodwill of the institutions and/or the offices visited for supplying such resources.
5. No names or identifying information of participants may be used within the research and the research must be voluntary.
6. Please make it clear that the information will not be used punitively in any way and participants may in no way be counselled/advised based on this.

Supervisor name: Dr. Tish Taylor

Signature: [redacted]

Campus Postgraduate Coordinator (CPC) name: Dr Tish Taylor

Signature: [redacted]

ANNEXURE C: CONCEPT DOCUMENT

PURPOSE	PRIMARY QUESTION	RATIONALE	SEMINAL AUTHORS	LITERATURE REVIEW	PARADIGM	APPROACH	DATA COLLECTION	ETHICS	KEY FINDINGS	RECOMMEN-DATIONS
Determine the relationship between shared value & business performance. Review the various levels of shared value & their performance indicators, measurement process, analyse performance using the various levels of shared value & aims to look at shared value as an investment & USP.	What is the relationship between shared value & business performance?	Shared value = widely accepted. Lack of meaningful & measurable data. Research may be key to long-term sustainability	Kramer & Porter (2011). Porter, Hills, Pfitzer, Patscheke, & Hawkins, (2012).	**Theme 1:** Defining Shared Value. **Theme 2:** Development & Relating Concepts. **Theme 3:** Interdependent Nature Between Business & Society.	Positivism. Epistemology: Objective knowledge will be pursued. Ontology: An objective reality will only be known. Axiology: Research will be undertaken in a value-free way, the researcher will be independent from the data, with an objective stance. Research is not aimed at gaining a deeper understanding of the topic at hand. The research rather looks at the effect of shared value within an	Quantitative. Non-experimental. Correlational. **POPULATION** South African entities (JSE or AltX) that use shared value. Size = 35	Mail Survey. Close-ended questions, ratio scales, checklists & Likert scales	Avoid researcher influence. Protect participants from harm. Transparency. Open lines of communication. Confidentiality.	Shared value has a positive correlation to performance. As an investment, shared value is realised over a longer period of time. Enhanced competiveness is achieved over a longer period of time.	Qualitative perspective. Focus on either financial or branding aspect. In-depth understanding & holistic understanding required.
PROBLEM	**HYPOTHESES OBJECTIVES**	**KEY CONCEPTS**	**KEY THEORIES**			**SAMPLING**	**DATA ANALYSIS**	**LIMITATION**	**KEY CONTRIBUTION**	
Trend in consumer demand, shifting towards brands that are value driven. Once off sustainability contributions simply do not resonate with consumers anymore. Academia has placed great focus on the implementation of shared value rather than its effect on an entities ability to perform.	H1 = There is a relationship between shared value & business performance. H2 = Shared value is a worthwhile investment H3 = Shared value enhances competiveness over an extended period of time	Shared Value. Business Performance. Listed Organisation.	Kramer & Porter (2011); Shared Value.			Non-probability sampling Simple random sampling Saturated in size = 30 Sample = CIOs.	Statistical analysis Descriptive (central tendency, frequency & spread of data) Inferential (Cronbach Alpha, Spearman Coefficient, Mann-U Whitney) SPPS v.23	Limited sample, results in limited generalise Limited to South Africa. Lack of resources (time, research team, finances). Limited to listed entities (JSE or AltX).	Provided an in-depth explanation regarding the various levels of shared value & their respective performance indicators. Guide organisations towards a prosperous future, full of performance opportunities	

Lack of methodology and measurement tools. Literature has shown extensive focus on qualitative research - there is lack of quantitative studies available. Need for local context. Hypotheses & objectives require further research as it is unclear.	H4 = A return on shared value is realised over an extended period of time. To review the various levels of shared value & their performance indicators. To review the shared value measurement process. To analyse performance using the various levels of shared value.				objective nature.				Contributed to the body of knowledge surrounding the shared value measurement process. Enhanced the field of financial and brand decision making.	