Examining the effects of a firm's perception of key stakeholder's business mindsets and degree of shared value creation focus on its competitive repertoire

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ABSTRACT: Competitive repertoire research, despite all its progress, lacks a research model that can extend the field's reach to address today's environment. Key stakeholder business mindsets and the shared value creation focus are both organizational and economic forces that might explain that there are more concepts which influence the competitive repertoire of a firm. My research model will apply these forces to go in-depth on the currently four most important concepts of competitive repertoire, these are: strategic simplicity, repertoire inertia, nonconformity and competitive aggressiveness. It will explain what for impact these forces will have on these concepts to see if these concepts are still applicable for competitive repertoire. This thesis contains three parts which are based on an in-depth analyses on the aspects of the key stakeholder business mindsets , the shared value creation focus and the four concepts of competitive repertoire. Than the thesis will apply these aspects into the research model and explain if these four concepts are still applicable for firm. The result shows that these forces call for new and different concepts for competitive repertoire, because these forces are mostly negatively related to these four concepts of competitive repertoire. They explain that these concepts are outdated if a firm uses these forces to reach a firm's optimal performance.

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1. INTRODUCTION

The external context of competitive dynamics is yet still an unexplored area (Chen & Miller, 2013). Organization trends and economic forces such as growing stakeholder power have begun to expose limitations of the traditional competitive practices(Aguilera & Jackson, 2010). In the traditional practices much emphasis is put on rivalry, head to head competition and attack and response intesinty(Aguilera & Jackson, 2010). Hereby several topics in the management field have posed intellectual challenges to explain this external context. Among these is the stakeholder theory and their mindsets(Parmar et al., 2010). Stakeholder theory grew on importance since the global financial crisis of 2008, where firms saw that not only maximizing profits can lead to a success or failure of a company(Parmar et al., 2010). Also the concept of shared value creation was developed by the work of Porter and Kramer (2006), which argues that the corporate social responsibility (CSR) must become an integral part of a business strategy. Due to the latest global financial crisis of 2008, firms didn't see CSR as part of strategy, but as a policy and program in which they failed to deliver these, because firms didn't give any priority to these CSR policy or program(Porter & Kramer, 2011). This led to failure in the corporate social and financial performance of a firm(Porter & Kramer, 2011). Therefore a firm should focus more on the shared value creation focus and stakeholder mindsets, but how will this change competitive repertoire?

Key stakeholder business mindsets enlarges the view of actors on competitive repertoire, that not only a firm has influence on its wellbeing, but many other groups can affect a firm like for example: employees, customers and suppliers(Chen & Miller, 2013) . If a firm and stakeholders are collaborating they both are seeking to win-win situations, here we can think of firms that might include public institutions such as universities that are funded to train experts in a firm's specialization. Other examples are community organizations which might reduce pollution of a company, employees that enhance working conditions, or consumer protection agencies which might improve the product quality(Freeman, Harrison, & Wicks, 2007). It is known that many firms not compete only for market share and customers, but also for employees and political support, because each stakeholder can be a source of advantage for a firm (Chen & Miller, 2013). So it seems that stakeholders create value for a firm, but how can a firm share value that is created for their stakeholders?

If a firm focuses more on a shared value creation mode in their competitive repertoire, the firm will aim to benefit all their stakeholders of which it has, this can include competitors(Porter & Kramer, 2011). The goal of a firm is then not to damage or beat a rival, but to do well and contributing to and creating value for many of their stakeholders, here we take for example a firm that contributes helpful standards, open source-designs, or infrastructure(Porter & Kramer, 2011). Here by the competitive orientation is focused on the stakeholders(Parmar et al., 2010).

Recently it is showed that stakeholders get more attention in competitive dynamics, but this research is still at an early stage (Chen & Miller, 2013). Literature on the stakeholder business mindsets only have explained why stakeholders can be used as a competitive advantage(Harrison, Douglas, & Phillips, 2012), but these mindsets can explain a lot more of competitive dynamics stream. This also counts for the shared value creation focus, where this concept might lead to firm advantages against their rivals, if a firm uses this focus(Porter & Kramer, 2011). The stakeholder business mindsets and shared value creation focus are trying to solve today's failures(Parmar et al., 2010; Porter & Kramer, 2011). Failures which also competitive repertoire has to deal with. Nothing is known how the aspects of competitive repertoire are related to the stakeholder business mindsets and shared value creation focus. Therefore I will research these relationships and see if the mindset and focus approve with these aspects of competitive repertoire.

This leads to the following research question: *what is the influence of the the degree of stakeholder focused business mindsets and the degree of shared value creation focus on competitive repertoire of the firm?*

Hereby the focus of this research lies in finding the aspects of the key stakeholder business mindset, the shared value creation focus and the opposites of these two. Then the key stakeholder business mindset and the shared value creation focus will be drawn in to model to see what for impacts these have on the four most important of competitive repertoire: strategic simplicity, repertoire inertia, nonconformity and competitive aggressiveness.

The results of this question will be displayed in the form of a research model explaining what impact the key stakeholder business mindset will have on the shared value creation focus, and what impacts the shared value creation focus will have on these four concepts of competitive repertoire. To help finding these impacts and the answer of the main research question, this paper will consist of three sub-questions. Each of these questions will focus on one block of the research model. These sub-questions are:

- what are stakeholder business mindsets and how can we identify the key stakeholders in a firm?
- What is shared value creation?
- What is competitive repertoire?

To answer the first question, I will examine literature based on the strategic management part of the stakeholder theory and explain which aspects these mindsets have to deal with. For the second part, I examine the shared value creation and its building block CSR, and explain how they differentiate. Also I will make a classification for the shared value creation focus. And for the third question, I will zoom in on the four concepts of competitive repertoire and see what aspects these four concepts will involve. In each of these parts also zoom in on their certain aspects, which will be used for the application on the four concepts.

Then I will display the model in chapter 5.1 of this paper, where the impacts between the different concepts are made clear. Then I examine if these impacts exist. By firstly examine which impact the degree of stakeholder focused business mindset has on the degree of shared value creation focus. And secondly examine which impact the degree of the shared value creation focus has on each of the four concepts of competitive repertoire. The last chapter will contain the discussion and conclusion, where I will discuss the results represented in chapter, give limitations of this paper, give options for future research and give an answer to the research question. Figure 1 shows a preliminary research model of what I will do in this paper.

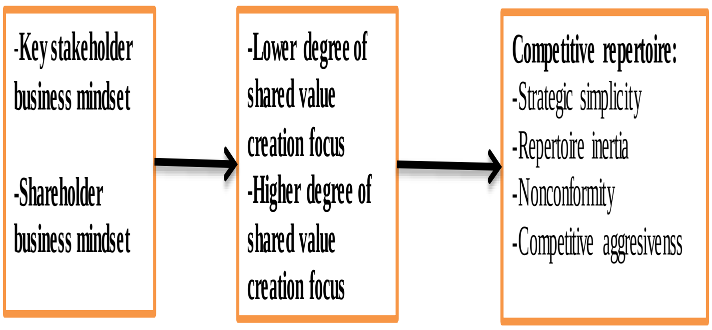

Figure 1: Preliminary research method

2. STAKEHOLDERS

2.1 Stakeholder theory the new view on strategic management

In 1963 at Stanford Research Institute the term stakeholder was introduced. The term stakeholder refers to those groups without whose support the organization would cease to exist (Freeman & Reed, 1983). Therefore managers have to understand the concerns of employees, suppliers, shareholders, etc. in order to develop targets that stakeholders could support. (Sinclair, 2010) Stakeholders are groups inside or outside an organisation who have a stake in an organisation and/or its performance (Daft, Murphy, & Willmot, 2010) and actions taken by management might affect the stakeholders(Freeman & Mc Vea, 2010). Freeman (1984) then applied the term stakeholder to the strategic management section, further he detailed the idea of stakeholder theory to management(Laplume, Sonpar, & Litz, 2008). Stakeholder theory gave a new view on the firms purpose, relative to the ruling neoclassical understanding of business, which reasons that shareholders need to be considered by management when taking actions (Parmar et al., 2010). Stakeholder theory was developed to solve three problems which occurred throughout the past (Freeman & Mc Vea, 2010). Firstly it focuses on the problem of value creation and trade; secondly, it takes the tension between capitalism and ethics into account; and finally, it incorporates the mindset of management.(Parmar et al., 2010) Stakeholder theory aims at improving and extending the knowledge of these three problems and try to solve these problems(Parmar et al., 2010). Nowadays stakeholder theory can be found in a lot of business and managerial publications and is used as an approach towards strategic management. All of these publications add knowledge of the different fields of a business(Donaldson & Preston, 1995). In addition, stakeholder theory has different facets namely: the descriptive, normative and managerial (instrumental) theory.(Sinclair, 2010) A lot of researchers have different opinions on the core of stakeholder theory. For example Donaldson and Preston (1995) claim that core of the stakeholder theory is normative, while Freeman and Liedtka (1997)claim that it is instrumental. All these facets have a different explanation. The descriptive perspective claims that organizations have stakeholders. The instrumental perspective claims that organizations that consider the interest of their stakeholders are more successful than those who do not. While the normative perspective examines why organizations should give attention to their stakeholders (Donaldson & Preston, 1995). I am mainly going to focus in this paper on the instrumental stakeholder theory, due to its managerial character and its explanation that firms are more successful if they consider stakeholders as very important. It can happen in this paper, that I also use the other two perspectives to clarify some aspects and arguments better. In this paper I only focus on the key stakeholders, but how do these stakeholders influence a firm?

2.2 Stakeholder influence

An important concept in understanding key stakeholders is the concept of stakeholder salience(Mitchell, Agle, & Wood, 1997). Stakeholder salience is defined as the degree to which managers give priority to competing stakeholder claims. Mitchell et al. (1997) proposed a theory of the stakeholder identification and salience as an reaction to many competing definitions of the stakeholder and the lack of agreement who and what really counts in an organization. Considering the principle of who and what really counts Mitchell et al. (1997) argues that the first question calls for a normative theory which defines who should be considered as stakeholders of a firm. And the second requires the descriptive theory of stakeholder salience which explains the conditions when a firm does consider certain people or entities as stakeholders.

There are many different definitions used for identifying stakeholders, but the problem with these is that that they all tend to be broad and inclusive or narrow and pragmatic(Laplume et al., 2008). Freeman (1984) definition for example allows practically anyone to be classified as a stakeholder who can affect or be affected by a firm. Therefore Mitchell et al. (1997) have developed a new normative theory for stakeholder identification based on the following three variables: power to influence a firm, legitimacy of the stakeholders relationships with the firm and the urgency of the stakeholders claim on the firm.

Power is defined as the extent to which a stakeholder has or can gain access to coercive (physical) means, utilitarian (material) means or normative (social, esteem, prestige) means to impose their will(Mitchell et al., 1997). Legitimacy is defined that a stakeholder have actions which are desirable, proper or appropriate in a socially systems of norms, values beliefs and definitions (Suchman, 1995). The definition of urgency is the degree to which a stakeholder claims for immediate attention. This degree doesn't only depend on time sensitivity , but also on the importance of their claim or on how critical the relationship is with the stakeholder(Mitchell et al., 1997).

The more a stakeholder possesses these variables, the more attention a firm must give to this stakeholder. It can be that a stakeholder only possess one variable like legitimacy, these are called the latent stakeholders. A firm does nothing with these stakeholder or doesn't even recognize these stakeholders. It also can happen that a stakeholder possess two variables, than they are called the expectant stakeholders. The firm is likely here to a higher level of engagement and the firm's attitude must be active rather than passive. Also a stakeholder can have all the 3 variables, these stakeholders are called the definitive stakeholders. Where is reflected that a firm must give priority to these stakeholders(Mitchell et al., 1997). Also the three variables are dynamic, because the stakeholders position can change over time, it is based on a firms perception and the stakeholder may or may not be aware that they possess a particular attribute or may not be willing or wish to act on that attribute(Mitchell et al., 1997).

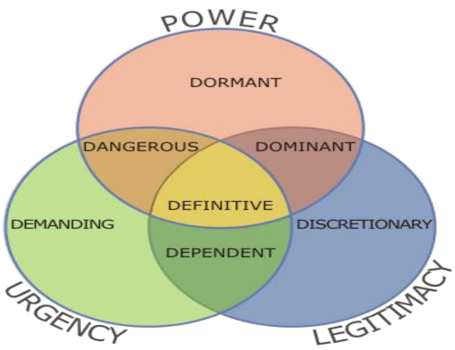

Figure 2: The different stakeholder groups a firm can have on the three attributes: Based on (Mitchell et al., 1997, p. 873)

Figure 2 is taken from Mitchell et al. (1997), it represents the three variables that a stakeholder can possess. Based on this Mitchell et al. (1997) made a categorization for the stakeholders on these variables, and divided these in eight groups, seven of these displayed here above(the non-stakeholders are not represented in this figure) . In this thesis I will only focus on the definitive stakeholders(also known as the key stakeholders) which possess all the three variables: urgency, legitimacy and power. The other categories of stakeholders, which only possess one or two of these variables will be ignored in the rest of this thesis, otherwise the model becomes too complex, because the model becomes too big and most firms only focus on the definitive stakeholders(Mitchell et al., 1997). Definitive stakeholders must be given with the immediate priority by the firm's managers, also managers must engage this group and maintain strong relationships with these stakeholders (Mitchell et al., 1997). Definitive stakeholders should have the opportunity to provide input to major decisions of a firm and give feedback to the current firm's operations(Mitchell et al., 1997).

The three attributes for becoming a key stakeholder is made clear hear above, but in which manner do key stakeholders influence a firm. Frooman (1999) therefore has developed the stakeholder influence strategies for predicting how stakeholders will influence a business. Frooman (1999) therefore pointed out three questions that needs to be answered for developing strategies for engaging and managing stakeholders, these three questions are: Who are they? What do they want? And how are they going to try to get it? Previous literature has only focused his eye on the first question and has only limited consideration for the third question(Frooman, 1999), while Frooman (1999) suggest that you need all these questions to be answered in order to get a model of stakeholder influence strategies which enable managers (or a firm) to better understand, manage and predict stakeholders.

A firm therefore needs resources, but this provides opportunities for others then the firm to gain control over it(Frooman, 1999). Frooman (1999)therefore describes two ways which a stakeholder can attempt to influence a firm. He describes that a firm can attempt influencing a firm by withholding resources that a firm needs, he gave as example hereby that a stakeholder can strike(employee) and therefore withhold a firm the resource labour. Other examples he gave were that a stakeholder can withhold loans or financial banking or can boycott a company, and therefore withhold resources like finance or revenue. Also a stakeholder can influence the control the way how a resource can be used. He described these two ways as withholding strategies and usage strategies. To use these strategies a firm has to look if a stakeholder is dependent to the firm or not. So the relationship of dependence between a stakeholder and firm is important for success. Frooman (1999) framework of stakeholder influence strategies is based on this relationship of dependence and if a strategy is direct or indirect. An indirect strategy is used when a firm is not dependent on a stakeholder that stakeholder can access another source of indirect power through relationships with others who supply resources to a firm. Direct strategies are used by the stakeholder itself to influence a firm.

So as we can see in this paragraph the three attributes that a key stakeholder must possess are made clear. Also in what way they are trying to influence a firm is made clear here. But the question then will remain if a firm should manage these relationships with their key stakeholders, or should firms only focus on themselves and manage the relationship with their shareholders? Therefore I must examine the business mindsets, that a firm can have towards the stakeholders.

2.3 A key stakeholder business mindset

A business mindset refers to a view of business, which has to deal with different disciplines(Freeman et al., 2007). This managerial view examines for who value should be created and how relationships with the shareholders and stakeholders are managed. There are currently two business mindsets in the academic world, these are the managing for shareholders business mindsets and the managing for stakeholder business mindsets(Freeman et al., 2007).

In the last 50 years the managerial model has put shareholders as the most important group to manage for the center of the firm, also known as the shareholder mindset (Freeman et al., 2007). This mindset has focused on the increasing complexity of the business world by dealing intensively with shareholders and creating value for them. By this understanding shareholders interest and firm interest must align with each other, and so shareholders are linked to performance (if a firm does well, also the stakeholder does well). The purpose of this mindset is to maximize value for the shareholders of the company and therefore maximize a firm's profits to an optium(Parmar et al., 2010). In shareholder business mindsets the firm only creates value for their shareholders, other value created for other . But currently there is a lot of critic on this mindset due to the fact that the world has changed and important factors for this mindset like stability and predictability are becoming more and more unreachable(Freeman et al., 2007). The critics will be displayed here below.

The first critic is that the mindset is not resistant to change, this is due to the fact multiple stakeholder groups interest must conflict and not only from the shareholders, value for the company and stakeholders can be lost if the firm doesn't take into account all these groups interest. Another critic is that this mindset is not consistent with the law. Putting shareholder interest above the other stakeholder groups flies in the face of the reality of the law. The reason behind this is because the law has evolved given to the facts of other stakeholder groups claims. Also a critic is that this mindset doesn't consistent with the business ethics, the idea that business relies on separating business decisions from ethical decisions(Freeman et al., 2007). The reason behind this critic comes from the latest global financial crisis of 2008 were mainly banks didn't succeed in their value creation, because the CSR was separated from value creation and they only look for maximizing profits. Therefore a firm must take the ethical part into consideration in their business decisions(Parmar et al., 2010).

Therefore the mindset has to change to a managing for stakeholders, the stakeholder business mindset. Business mindsets can be understood as a set of relationships among groups which have a stake in the activities that make up the business. Business mindsets are about how customers, suppliers, employees, financiers (stockholders, bondholders, banks, etc.), communities and managers interact and create value. In this mindset by understanding business you must know how the relationships works between the different groups of stakeholders. Also a firm is not the center of the universe, there are more pictures available where for example the customers are the key priority(Freeman et al., 2007).

2.4 Common key stakeholders in a company

The stakes of different groups can be observed in a firm, in this section examine the most common key stakeholders a firm can have. The first group employees are expected to participate in the decision making and also employees in important functions deal with responsibilities of the organization. Their relationship with the firm should be seen as an relationship in contracts. Some examples of key stakeholders relationships with a firm will displayed here below, yet it also must be mentioned that for each firm has different groups of stakeholders(Parmar et al., 2010). The customers and suppliers exchange resources with the company which these groups receive benefits from their product or services from the company. All the key stakeholder groups are in enmeshed in their relationships in the ethics of the firms. It is important for a firm to make suppliers committed to the organization. Important reasons for this is, for instance if a supplier find a way to become better, faster and cheaper in

making crucial parts or services for a company, then this will profit from these benefits as well. In logic reasoning a lot of firms select firms who is the cheapest, but even so, it is also important to select a supplier on a moral element of fairness and transparency for committing with a supplier(Freeman et al., 2007; Harrison et al., 2012). Also employees are important, they have their jobs and their livelihood at stake in a firm. Further they possess specialized skills in which sometimes there is no replacement if they decide to work for another firm (sometimes even for a competitor). In return for their labour, they expect that a firm grand them security, wages, benefits and meaningful work(Freeman et al., 2007). At last the group communities grand the business with the rights to build facilities. The business that a firm carries out also have an impact on the communities. These stakeholders are often in firms named as the key stakeholders so we are going to focus on these stakeholders in the rest of this thesis.
In this section the stakes of the most common key stakeholders have been identified, and explained how their stakes influence a firm. Stakeholders create value for a firm(Freeman et al., 2007). A firm wants to obtain as much value as possible from these stakeholders, because this creates more value for a firm(Porter & Kramer, 2011). But how can a firm obtain this value as much as possible?

3. SHARED VALUE CREATION

3.1 The concept Shared value creation and his mechanisms

In 2006 Porter and Kramer introduced a new concept, the shared value creation focus, this focus was developed as a reaction to the latest global financial crisis(Porter & Kramer, 2006). This focus is trying to solve the problems that happened in this crisis, and trying to prevent these problems in the future(Porter & Kramer, 2011).
Shared value can be defined as operating practices and policies that enhance the competitiveness of a firm while simultaneously advancing the economic and social conditions in the communities in which a firm operates(Porter & Kramer, 2006). The shared value focus is founded on the deep links between their business strategies and corporate social responsibility (CSR)(Porter & Kramer, 2006). Shared value creation hereby focuses on identifying and expanding the connections between economic and societal progress. Porter and Kramer (2011)argue that the purpose of a firm must be redefined as creating shared value, and not just profit per se. By doing this it will provide a new wave of innovation and productivity growth in the global economy. It will also reshape capitalism and its relationship to society and perhaps help stakeholders to legitimize a firm again. The field of the vision has simply been to narrow, due to that firms have overlooked opportunities to meet the societal needs and misunderstood how societal harms and weakness can affect value chains(Porter & Kramer, 2011). Therefore shared value creation doesn't only recognize societal and economical needs, it also recognizes social harms and weaknesses which frequently can increase the internal costs from a firm(Porter & Kramer, 2011). Here we can take for example wasted energy or raw materials, costly accidents, and the need for remedial training to compensate for inadequacies in education(Porter & Kramer, 2011). And addressing societal harms and constraints does not necessarily raise costs for firms, because they can innovate through using new technologies, operating methods, and management approaches and as a result, increase their productivity and expand their markets(Porter & Kramer, 2006, 2011).
Value creation has to deal with three mechanisms (Porter & Kramer, 2011) that companies can create shared value opportunities:

• By reconceiving products and markets: firms can meet social needs while better serving existing markets, accessing new ones, or lowering costs through innovation.
• By redefining productivity in the value chain: firms can improve the quality, quantity, cost, and reliability of inputs and distribution while they simultaneously act as a steward for essential natural resources and drive economic and social development.
• By enabling local cluster development : firms don't isolate themselves from their environment. To compete and thrive, for example, they need reliable local suppliers, a functioning infrastructure of roads and telecommunications, access to talent, and an effective and predictable legal system.

Now as the definition and mechanisms of the shared value creation focus are made clear, I will examine how this concept is developed and is changed during time.

3.2 Origins and development of shared value

In the old, narrow view of capitalism, a business contributes to a society by only making a profit, in which supports employment, wages, investments, purchases and taxes (Porter & Kramer, 2011). A company is most of the time a self-contained entity, and social or stakeholders issues like CSR for example doesn't fit the scope of a company(Friedman, 2007). According to this context, stakeholders don't perceive a large benefit for themselves from the value created by a firm, even if a firm becomes more profitable. Instead, they perceive that profits come at their expense, this image only becomes more stronger in the current recovery of the latest financial crisis(Porter & Kramer, 2011), in which rising earnings have done too little to offset high unemployment, local business distress and severe pressures on community services.
Firms focused on enticing consumers to buy more and more of their products. Facing growing competition and shorter-term performance pressures from shareholders, managers resorted to waves of restructuring, personnel reductions, and relocation to lower-cost regions, while leveraging balance sheets to return capital to investors. The results were often commoditization, price competition, little true innovation, slow organic growth, and no clear competitive advantage(Porter & Kramer, 2011). Therefore a company must create a distinctive value proposition for strategy, that meets the needs of the firms' customers. The best way of design activities and the integrating of these activities have been studied for decades. At understanding the environment managers have given most of their attention to the industry where a firm in competes and industry structure, because this has a decisive impact on a firms' profitability.
In the development of value creation I earlier mentioned that shared value was founded byPorter and Kramer (2006). They found out that from a CSR perspective, firms could have worked harder on reflecting shortcomings in CSR that a firm is part of a society rather than a firm is independent of this. Also CSR is viewed as a policy rather than part of a strategy(Elwyn et al., 2013). If CSR is part of the core business strategy, this will boost innovations and competitive advantage (Elwyn et al., 2013). The competitive advantage works by a redefined value chain of the firms activities and this will boost the competitive advantage by cost improvements and/or differentiation.
Also Social value activities can overlap with traditional CSR. Firms who put their efforts into promoting sustainability through CSR may cut costs for these firms and raise profitability. But CSR and core business processes must become indistinguishable from each other, also mentioned as the ''corporate social integration.'' By drawing attention to the

way what society touches on business, it will provide justification for solving society problems as core business strategy(Elwyn et al., 2013).
CSR is an important concept of shared value creation focus, yet the CSR and shared value creation focus also differ from each other. The shared value creation focus takes CSR to the next level, later in this paper I also going to make a classification of the shared value creation focus. Therefore it is important to make clear what CSR is, and what the difference is between these two.

3.3 CSR as important concept of shared value creation and the difference between these two

Corporate social responsibility(CSR) is defined in the stakeholder perspective as a self-regulation mechanism whereby an organization actively monitors society, the environment, global trends, ethical principles, and legal standards for compliance(Branco & Rodrigues, 2007). CSR can be divided in the programs and the policies to achieve CSR behaviour. Also a variety of concepts fall under the CSR definition like corporate social responsibility, corporate social performance etc., each of these concepts shares a common aim in the attempt to broaden the obligations of firms to include more than financial considerations.(Parmar et al., 2010) An important concept of CSR is CSP "the ability of the company to meet or exceed stakeholder expectations regarding social issues"(Branco & Rodrigues, 2007).
CSR encompasses four categories of social responsibilities: economic, legal, ethical and philanthropic(Carroll, 1991). Economic responsibilities refer to being profitable and the obligation to produce products and services according to customer needs, also it is the foundation of all the other categories of CSR. Legal responsibilities refer to that companies must obey the law in pursuing their economic responsibilities. In the ethical and philanthropic responsibilities contain the more general responsibilities to do what is right and what is wrong. Here by ethical responsibilities refer concern of a company to societal expectations, which is reflected not by law but by unwritten standards, norms and values derived from society. And philanthropic responsibilities refer to making voluntary contributions to society, like giving time and money to good works by companies. It is very similar to ethical responsibilities, but the difference is that societal expectations are not as clear-cut(Carroll, 1991).
CSR and shared value creation differ from each other in six different aspects(Porter & Kramer, 2011). The first one is that CSR sees value by doing good, while value creation sees value as societal and economic benefits relative to cost. The second aspect is that CSR sees concepts like sustainability, citizenship and philanthropy of society as separate from business, while value creation integrate these variables in a joint company and community value creation. The third aspect is that CSR sees an external pressure as discretionary and a company must respond to that, while value integrate these external pressures to their business process. Also value creation sees profit maximization integrate social issues, where CSR sees this as separate. Another aspect that is different from each other is that CSR sees a firms' agenda as determined by external reporting and personal preferences, where value creation sees this as company specific and internally generated. The last aspect that is different that impact of CSR is a lot smaller for companies, because companies use a CSR budget, while value creation realign the whole company due to this.
Yet there has to be said that not all societal problems can be solved through shared value creation solutions(Porter & Kramer, 2011). But shared value offers corporations the opportunity to utilize their skills, resources, and management capability to lead social progress in ways that even the best-intentioned governmental and social sector organizations can rarely match. In the process, businesses can earn the respect of society again(Porter & Kramer, 2006, 2011).

3.4 Classification of the shared value creation focus

Due to the fact that the shared value creation focus doesn't have a direct opposite in the literature, I must classify the shared value creation focus into two degrees. The first one the high degree of the shared value creation focus, this focus argues that a firm must create value for many stakeholders as possible, because this will lead to competitive advantages for a firm and sustain a good firm performance(Porter & Kramer, 2011). Each stakeholder in this focus can be a source for a competitive advantage(Harrison et al., 2012). Also this focus see externalities and stakeholder interactions as an internal part of their business strategy and their operations(Porter & Kramer, 2011). Also this focus include making decisions on an economic, political, environmental, social and ideological nature for initiating actions of the firm(Porter & Kramer, 2011). Firms who have this focus score high on corporate citizenship and CSR. Also this focus sees using externalities and stakeholder interactions with a firm as a potential source for competitive advantages against their rivals(Porter, 1985; Porter & Kramer, 2006).
The second one is the no/low degree of the shared value creation focus. This focus argues that firms doesn't necessarily have to create value for their stakeholders, because the firm only benefits if they create value for themselves and their shareholders(Porter & Kramer, 2011). Only this will sustain a good firm performance. Also this focus don't or barely see externalities and stakeholder interactions with the firm not as an integral part of a business strategy and the firm's operations, but as part of external policies and programs which firms must achieve(Porter & Kramer, 2011). Also this focus doesn't or barely include making decisions on an environmental, social and ideological nature for initiating actions of the firm(Porter & Kramer, 2011). This focus only includes decisions being made on the economic and political nature(Porter & Kramer, 2006). Also this view doesn't see a competitive advantage or first mover advantage as only positive, because a competitive advantage can be imitable which can increase costs for a firm that it doesn't want to carry(Porter, 1985; Porter & Kramer, 2006).

4. COMPETITIVE REPERTOIRE

4.1 Introduction to Competitive repertoire

Competitive strategy is conceptualized as a competitive repertoire of micro competitive behaviours (Chen & Miller, 1996; Ferrier & Lyon, 2004). Thus a competitive repertoire is built on a range of competitive actions from a company, we can take here as example a major price initiatives or new market entries. Competitive repertoire differs a lot with well-known approaches that previously were used by most strategy researches, as an example the generic strategies of low cost/differentiation focus from Porter. But competitive repertoire is however fully consistent with the long hold view of strategy as a pattern in the stream of decisions(Mintzberg, 1978).
Competitive repertoire is built on competitive actions. These competitive actions vary in terms of organizational and resource commitment. These actions can be split up in strategic and tactical actions. The strategic actions are for example: manufacturing capacity changes and major product introductions, and tactical actions we can think for example

about: price changes, promotions, distribution and service improvements. The strategic actions in contrast with the tactical actions require a greater degree of organizational and resource commitment(Smith, Grimm, Gannon, & Chen, 1991). As example for strategic actions you can think of manufacturing capacity changes and major product introductions and tactical actions of price changes, promotions, distribution and service improvements(Smith et al., 1991).

By studying competitive repertoires certain vital firm attributes were identified: firstly is the simplicity or diversity in the types of competitive moves a firm makes(Chen & Miller, 1996; Ferrier & Lyon, 2004), secondly is the firm's competitive inertia or the overall level of activity in set of competitive actions(Chen & Miller, 1994), and thirdly is the nonconformity or degree of departure from industry norms(Miller & Chen, 1996). The application of the repertoire approach offered research a new conceptualization of these constructs of competition. These have traditionally fallen within the domain of organization theorists and sociologists, but were shown to hold great promise for deepening our understanding of the strategy of the firm. The studies of competitive repertoire combine market variables (for example market growth and diversity) with the those at firm level (like size and age).

Competitive environment depends on these sources which shown to have different important consequences for each environment. Here we can take as example Chen and Miller (1994) who studied competitive inertia , the firm's level of overall competitive activity. Chen and Miller (1994) argued why poor performance might induce tactical changes, it failed to stimulate policy reversals or strategic actions.

4.2 Dimensions of competitive repertoire

4.2.1 Strategic simplicity

Strategic simplicity is an important concept of competitive repertoire (Chen & Miller, 1996; Ferrier & Lyon, 2004), as it showed firms that tend to simplify their strategic repertoires perform well, focusing on an even narrower set of action types like for example advertising or price cuts. Strategic simplicity supports tactical actions above strategic actions, because simplicity argues that this creates more value for the firm(Ferrier & Lyon, 2004). At first, focussing on strategic simplicity was beneficial for companies as they seemed to show these companies on what they did best and what they believed was important. But however on a certain point, it was showed that simplicity was associated with declines in performance. So if you put strategic simplicity in a graph, the figure looks like a reserve U. And it seems that under success, a firm engages in veridical an then in superstitious varieties of learning(Chen & Miller, 1994).

4.2.2 Repertoire inertia

Next is repertoire inertia, this refers to the level of activity that a firm demonstrates in altering its competitive stand, and is an important concept of competitive repertoire(Miller & Chen, 1994). Repertoire inertia deals with the number of market-oriented changes that a firm makes in trying to attract customers and outmanoeuvre its competitors. Here inertia of a firm will be high, when a firm relatively to its competitors, make few changes in their competitive practices(Chen & Miller, 2012).

4.2.3 Competitive nonconformity

Also competitive nonconformity is an important concept of competitive repertoire. Competitive nonconformity refers to ways of differentiate and improve their competitive positions, therefore a firm apply an unusual competitive repertoire from its rivals(Norman, Artz, & Martinez, 2007). Competitive nonconformity can be a source of an advantage, because a firm can stand out from homogeneous rivals competing for similar, scarce resources(Grimm & Smith, 1997). In competitive actions nonconformity can take place in engaging in these actions, or withholding engagement in certain types of actions. Here as example given, that some firms are maybe more aggressive in new product introductions, while others apply fewer actions of a given period of time(Ferrier, 2001). Differentiation from an industry central tendencies and strategic norms gain on strategic importance and can have benefits. Such benefits can include a new market presence, improved organizational efficiency and improved product offerings. So nonconforming repertoire and actions may improve performance and increase risk by first-mover advantages, that reflect on strategic benefits from deviation(Norman et al., 2007).

4.2.4 Competitive aggressiveness

Competitive aggressiveness is also an important of competitive repertoire, and is conceptualized as a sequence of competitive moves taken by a firm over time(Ferrier & Lee, 2002). Relative performance differs for the characteristics of a firm's sequences of competitive moves, because it is evident that there is a positive impact of an attack on volume and duration and also on market-share gains(Ferrier & Lee, 2002). Competitive aggressiveness further can be defined as: a firm's propensity to directly and intensely challenge its competitors to achieve entry or improve, that is, to outperform industry rivals in the marketplace(Lumpkin & Dess, 1996). Competitive aggressiveness is in contrast with the pursuit of new markets by value innovations, competitive aggressiveness focuses on threats imposed by competitors and battling for existing customers and focus on its rival position(Stambaugh, Yu, & Dubinsky, 2011). Also competitive aggressiveness involves a combative posture which includes a powerful response to competitors' actions. So responsiveness includes reacting quickly and multiply to the competitive actions of a rival or pre-empting the competitor's strategy (Ferrier & Lee, 2002). Competitive aggressiveness must entail a willingness to be unconventional and therefore not relying on traditional methods on competing (Lumpkin & Dess, 1996). Further competitive aggressiveness hurts an industry short term profitability, and for developing a strategy based on competitive aggressiveness its mechanisms must link to superior performance with their desired outcomes and associated costs(Stambaugh et al., 2011).

5. APPLYING KEY STAKEHOLDER BUSINESS MINDSETS AND THE SHARED VALUE CREATION FOCUS TO COMPETITIVE REPERTOIRE

5.1 The research model

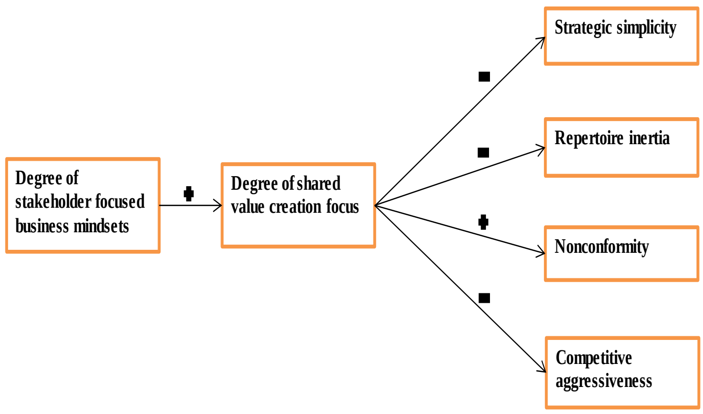

Figure 3: Research model with their impacts

5.2 Key stakeholder business mindsets on the shared value creation focus

In 5.1 of this paper I presented the research model, that I am going to test in the rest of this chapter. The first relationship that I have to test is the relationship between the stakeholder business mindsets and the shared value creation focus. This relationship is expected to be positive, so a higher degree of the stakeholder focused business mindsets should have an positive impact on the degree of the shared value creation focus. This in contrast with the lower degree of the stakeholder focussed mindsets which has a negative impact on the degree of the shared value creation focus.

A higher degree of stakeholder focused business mindsets in contrast with a lower includes that a firm has to take into account the interest of their key stakeholders in their actions(Freeman et al., 2007). An higher degree of the shared value creation focus also includes these interest, because a higher degree of the shared value creation focus includes stakeholder interactions and externalities so the interest of stakeholders(Porter & Kramer, 2011). A higher degree of the stakeholder focused business mindsets argues that a firm must create value for their key stakeholders and not only for their shareholders and themselves(Freeman et al., 2007). This also matches the idea of a higher degree of the shared value creation focus, which argues that a firm doesn't only must create value for themselves but also for their key stakeholders(Porter & Kramer, 2011). A higher degree of stakeholder focused business mindsets in comparison to a lower also argues, that each key stakeholder can be bring advantages for a firm, which it benefits from against their rivals (Harrison et al., 2012; Parmar et al., 2010). This also stems with the idea of a higher degree of the shared value creation focus in which each stakeholder can be source of a competitive advantage (Porter, 1985; Porter & Kramer, 2006). A higher degree of the stakeholder business mindsets argues not only must focus on economic and political actions, because namely the social, ideological and environmental actions create more value for the key stakeholders then focusing only on the economic and political actions(Freeman et al., 2007). A higher degree in of shared value creation focus corresponds with this, that firms don't only must focus on economic and political actions, but also on social, ideological and environmental actions (Porter & Kramer, 2011). This will create more value for a firm then only focusing on the economic and political actions(Porter & Kramer, 2011). A higher degree of the stakeholder focussed business mindsets stems with this,. So overall it seems that a higher degree of the stakeholder focussed business mindsets has a positive impact on the degree of the shared value creation focus. The negative impact of a lower degree of the stakeholder focussed business mindsets on the degree of the shared value creation focus is also proven, according to what is written here above.

5.3 The Shared value creation focus on competitive repertoire

Earlier I have looked for the relationships between the degree of the stakeholder focused business mindsets on the degree of the shared value creation focus, now I go in on the relationships of the degree of the shared value creation focus divided in the higher and lower degree focus on the concepts of competitive repertoire. Each of these just like by the mindsets will be displayed here below.

The first I am going to seek if there is a positive relationship between strategic simplicity and a lower degree of shared value creation focus. A lower degree of shared value creation focus argues that firms only must include decisions of an economic and political nature, that they only have to take actions to create value for only a few stakeholders(Friedman, 2007; Porter & Kramer, 2011). This degree of the shared value creation focus don't see for example environmental and societal decisions to create value for their environment and all their stakeholders as unnecessary. As Friedman (2007) argues the only CSR of a firm is to generate profits and obey the law in a certain country. Also a lower degree of shared value focus don't see these actions based on another nature than economic and political must be integrated in a competitive repertoire (Porter & Kramer, 2011). So this degree of the shared value creation focus is based on a narrow sets of actions, which matches the definition of strategic simplicity. Strategic simplicity also argues that firms must give priority to the tactical actions in contrast with the strategic actions(Chen & Miller, 1996; Ferrier & Lyon, 2004). A lower degree of shared value creation focus also argues must give priority to the tactical actions in contrast with the strategic actions, because it only includes the economic and political actions to create value for the environment(Porter & Kramer, 2011). So overall as we can see there is positive impact of a lower degree of the shared value creation focus on strategic simplicity, due to the matching aspects of these to variables.

Now further on the relationship between a higher degree of the shared value creation focus and strategic simplicity, we can see that a higher degree of the shared value creation focus includes externalities and interactions with their stakeholders in their competitive repertoire(Freeman et al., 2007; Porter & Kramer, 2006, 2011). We can see that actions through this will become more complex due to all these externalities and interactions, because a firm must balance all these externalities and interactions to create the most value for the environment and the stakeholders(Freeman et al., 2007; Porter & Kramer, 2011). Strategic simplicity will be therefore a lot harder to achieve(Chen & Miller, 1996). Competitive repertoire will also consist of more strategic actions due to the higher degree of the shared value creation focus, because as we can see in the three mechanisms the shared value creation focus can't be seen as actions based on a short term(Porter & Kramer, 2011). These mechanisms usually take time to develop and are not for a firm achievable in short period, and these mechanism will become successful to a firms performance on the long term(Porter & Kramer, 2011). This while strategic simplicity argues that a firm must focus on the tactical actions in contrast with the strategic actions, because this will lead to more a firm success(Ferrier & Lyon, 2004). Thus a higher degree of the shared value creation focus has an negative impact on strategic simplicity, as I showed here above.

Also competitive repertoire inertia is an important concept of competitive repertoire. As earlier mentioned, competitive repertoire inertia will be high when firms make few changes in their long term (strategic) actions of their competitive repertoire and there are few incentives to act from their internal and external environment like past performance(Ferrier, 2001; Miller & Chen, 1994). In a lower degree of the shared value creation focus, a firm doesn't integrate the externalities and the stakeholder interactions in their competitive repertoire (Parmar et al., 2010; Porter & Kramer, 2006). This will lead to fewer changes in competitive repertoire, which is good for repertoire inertia which supports making few changes in the competitive repertoire(Miller & Chen, 1994). This degree shared value creation focus argues by not integrating the externalities and interactions, that a firm will have fewer incentives to act on like market growth or past performance(Miller & Chen, 1994; Porter & Kramer, 2011). A lower degree of the shared value creation focus creates less value by an incentive like market growth, which is negative related to repertoire inertia(Miller &

Chen, 1994). Thus there is an positive impact of this focus on the competitive repertoire inertia, as I showed here above. Now further on the impact of a higher degree of the shared value creation focus. A higher degree of the shared value creation focus argues that externalities and interactions between stakeholders and the firm are part of the competitive repertoire (Freeman et al., 2007; Porter & Kramer, 2011). This will lead to more changes in the competitive repertoire, because this will bring a lot of ideas how a competitive repertoire will maybe achieve more firm performance following all these kind of ideas(Harrison et al., 2012; Porter & Kramer, 2011). Yet repertoire inertia argues for making as little changes as possible for competitive repertoire(Miller & Chen, 1994). Also this degree, will increase the incentives to act on for a firm. Firms experience more from their stakeholders and overall their environment, and as earlier mentioned this will give a firm more signals to act on(Porter & Kramer, 2011). Also this degree of shared value creation focus gives high priority to act on an incentive like market growth, which can be seen in this degree as one of the important issues to create shared value for the stakeholders(Porter & Kramer, 2011). However in competitive repertoire inertia it is showed that firms must not or as little as possible on this incentive(Ferrier, 2001; Miller & Chen, 1994). As displayed here we can see here that a higher degree of the shared value creation focus has an negative impact on repertoire inertia, because this focus argues for different things than for the aspects of competitive repertoire inertia.

Next is competitive nonconformity, first I am going to seek if there is a negative impact of a lower degree of the shared value creation focus. A lower degree of the shared value creation focus argues that competitive or first mover advantages can be dangerous, because there is a chance and risk that competitors can copy a firm's unusual competitive repertoire and this will can increase costs for a firm which it doesn't want to carry(Porter & Kramer, 2006). Competitive nonconformity reflects on strategic benefits, it great for strategic actions to achieve a firm's success(Norman et al., 2007). This in contrast with this degree which argues as also earlier mentioned that firms must give priority to the tactical actions which enhance more firm performance and will create value for the environment(Porter & Kramer, 2011). Also a lower degree of the shared value creation focus doesn't or just little integrate externalities and interactions with their stakeholders to their competitive repertoire(Parmar et al., 2010; Porter & Kramer, 2011), where it becomes harder for firms to differentiate and be unusual from their competitors in their competitive repertoire. So overall it can be proven that a lower degree of the shared value creation focus has a negative impact on competitive nonconformity.

In the competitive nonconformity of the competitive repertoire it is all about being unpredictable as earlier mentioned(Miller & Chen, 1996). Important here is that a firm must differentiate from their competitors, not doing what competitors already are doing, do the unusual. Nonconformity is all about being new and get first mover advantages(Norman et al., 2007), a higher degree of the shared value creation focus is also about getting competitive advantages for a firm against its competitors(Porter, 1985). Also this degree of shared value creation focus support unusual and unpredictable competitive repertoires, because here by firms will also have competitive (first mover) advantages from their rivals in the same industry(Porter & Kramer, 2011). In nonconformity the advantages must reflect on the strategic benefits that a firm achieves(Norman et al., 2007). This is also the view of a higher degree of the shared value creation focus where success is reflected on the long-term(Porter & Kramer, 2011). Also through the integration of externalities and interactions in the competitive repertoire. It can help firms to be unusual from their competitors, because a firm knows how to differentiate from these competitors (Freeman et al., 2007; Porter & Kramer, 2011). So as we can notice this degree of the shared value creation focus has a positive impact on competitive nonconformity, because competitive nonconformity and shared value creation focus both deal with competitive advantages and being unusual from their rivals.

Further we must seek if a lower degree shared value creation focus has a positive impact on competitive aggressiveness. This degree shared value creation focus argues that only for economic and political actions increase a firm profitability which than also provide stakeholders from some benefits(Freeman et al., 2007; Porter & Kramer, 2011). This fits the idea of competitive aggressiveness where firms seek to maximize their benefits, and therefore have to worry about social and environmental actions which undermine the purpose of competitive aggressiveness(Ferrier & Lee, 2002). Superior performance by increasing market share and profitability is what firms seek if they apply competitive aggressiveness (Stambaugh et al., 2011). This fit the scope of a lower degree shared value creation focus, if a firm try to increase market share it also will create more value for their stakeholders(Porter & Kramer, 2006). A lower degree of the shared value creation focus fewer focuses on the three mechanisms mentioned in Porter and Kramer (2011), in which these three mechanisms mostly focus on the opposite of competitive aggressiveness namely innovation (Stambaugh et al., 2011). So a lower degree of shared value creation focus has a positive impact, because the aspects of both variables which are shown here above kind of match with each other.

At last I am going to seek if the relationship between a higher degree of the shared value creation focus has a negative impact on competitive aggressiveness. Shared value creation focus its mechanisms deals often with the concept innovation, and are not trying to get superior returns and outperform their rivals(Porter & Kramer, 2011). A higher degree of shared value creation focus is looking for the so called blue oceans, these are new markets for products and services which perhaps there is no demand after all for these products and services(Porter & Kramer, 2006). While competitive aggressiveness focus on the existing markets and speed, responsiveness and the total number of competitive actions(Ferrier & Lee, 2002). Also competitive aggressiveness in contrast argues that a firm must increase their market share and profitability by outperforming rival, this also means that an industry overall profitability gets damaged(Ferrier & Lee, 2002; Stambaugh et al., 2011). This doesn't fit this degree of shared value creation focus, which doesn't destroy value for their environment and their stakeholders but only create more value for them(Porter & Kramer, 2011). Thus as we can see a higher degree of the shared value creation focus has a negative impact on competitive aggressiveness, because it seems to be that the shared value creation focus and competitive aggressiveness are almost each other opposite.

6. DISCUSSION AND CONCLUSION

6.1 Discussion

This paper found out that by the identification of key stakeholders, firms shouldn't only focus on the three attributes which makes a key stakeholder. But also on the manner that a stakeholder can influence firm. After the identification, it is important for a firm to create value to only the shareholders or stakeholders which matter to a firm and that these relationships are well managed. According to this firms can gain competitive advantages from their shareholders or key stakeholders, because they possess resources which might be useful for a firm. These findings will help managers easier capture value for the firm and better manage uncertainty.

Also in this paper I found, that profitability and increased market share don't have to be the only objective for a strategy, because through shared value creation there are lot of other opportunities for a firm to create value for themselves and others. Further a firm doesn't have to see a competitor as only a danger that must be eliminated, because the objective of a firm is to create value for key stakeholders and the environment which sometimes can include competitors. According to this managers have to consider these new objectives, because they might create more value for a firm.

This paper also found out that the key stakeholder business mindsets has a positive impact on the shared value creation focus and the shareholder business mindset a negative impact on this. This will help the academic world to often associate these two concepts with each other, because they are close related to each other. Also will this help managers to better understanding the consequences of the key stakeholder and shareholder business mindsets.

The key stakeholder business mindsets and shared value creation focus argues that three of the four factors which influence competitive repertoire are outdated, due to the negative impact of this mindset and focus on these three. Only nonconformity was positively impacted by this mindset and focus, because both support competitive advantages and being unusual for a competitor. For the other three factors this mindset and focus firstly argues, that Competitive repertoire has to be extended to a broader set of actions, because in today's environment ask for more social, ideological and environmental actions of a firm and including externalities and stakeholder interactions. Secondly that competitive repertoire has to be adaptable, firms have to change their competitive repertoire if a market where the firm is in involved changes. And thirdly, that competitive repertoire has to consider innovation as a new important dimension, because the key stakeholder business mindset and shared value creation focus support the opposite of competitive aggressiveness which is innovativeness. At last in competitive repertoire the strategic actions will be considered as more important than the tactical actions , because this mindset and focus argues that a firm creates more value by taking more strategic actions. All these findings will help the academic world, because this shows a conceptual model how this key stakeholder mindset and shared value creation focus impact these factors of competitive repertoire . And shows how competitive repertoire will change if they consider this mindset and focus. Also managers must not seek their panacea of their competitive repertoire in these four dimensions which I tested, because it is not known yet if today's environment these are the proper dimensions for competitive repertoire.

I have zoomed in the four most important concepts of competitive repertoire, however also competitive repertoire is also influenced by other factors than these four which I didn't include in this paper. Also firm size and structure does matter for competitive repertoire, because small firms are more actively taking initiative in competitive challenges and are speedy but subtle in executing their actions than large firms(Chen & Hambrick, 1995). Also top management team characteristics influence competitive repertoire, their socio-behavioural integration of a TMT and it dynamics influence how a firm enacts its environment and engages with their competitors(Chen, Lin, & Michel, 2010).

6.1.1 Limitations

This paper run into some difficulties by the shared value creation focus. This concept of the work of Porter and Kramer (2011) is yet recently discovered, and in the literature there were not many articles findable of researchers disapproving the shared value creation focus. So the shared value creation focus doesn't have a direct opposite in the literature like the two different mindsets used in this paper. To solve this, I searched to make different classifications of the shared value creation focus. Also the definition of the stakeholder and shared value creation are very broad, for example by stakeholder anyone can have an influence on a company even they are never in touch with each other. Therefore in this paper I have focused in this paper on only the key stakeholders with the three specific attributes urgency, legitimacy and power(Mitchell et al., 1997). Another limitation is that I haven't considered the critic of the stakeholder theory and the shared value creation focus. A critic on the stakeholder theory is for example, that its domain is too broad and it is not well grounded(Laplume et al., 2008).

6.1.2 Future research

This research lacks empirical evidence to test the validity of impacts of this model, because some variables like TMT characteristics and firm size and structure where not included in this research model. Future research should use this model and include these factors to expand this model and test this in the real world. Thus future researchers therefore have to use all concepts that influence competitive repertoire, and put this in an expanded model. Than this model has to be tested in the real world by taking interviews. This paper is meant to be a conceptual framework, where future research must build further on this model. Also this paper was only bounded to the competitive repertoire, future researchers must link the stakeholder business mindsets and the shared value creation focus to other competitive dynamics streams, to get a deeper understanding on this. Currently competitive dynamics and the stakeholder stream are barely connected to each other, while the stakeholder and its literature stream are increasing on importance for the firm's operations and their strategy which also include the competitive dynamics stream. This also relates for the shared value creation focus and competitive dynamics, few has been written on the connection of these two

6.2 Conclusion

This thesis consists of four key parts and a research model: a review on the identification of a key stakeholder and the stakeholder business mindsets, a review on the shared value creation focus, a review of the four concepts of competitive repertoire and the application of the stakeholder business mindsets and the shared value creation focus on the concepts of competitive repertoire where the research model is tested. They argue that other concepts and factors are influencing competitive repertoire and that these four concepts are outdated if a firm apply a key stakeholder business mindset and/or a high degree of the shared value creation focus. So these two shout for a new view in which new concepts are created according to the aspects of these two, in which these will influence the competitive repertoire of a firm.

This paper argues that the key stakeholder business mindset and the shared value creation focus reason for new dimensions of competitive repertoire. Therefore competitive repertoire has to be changed to fit the scope of the key stakeholder business mindset and shared value creation focus. Further it found, that firms shouldn't only focus on making profit and increasing market share, firms have many other opportunities to create value. Also a firm will benefit if they have good management relationships with their shareholders or key stakeholders.

This paper is the first to examine the connection of the stakeholder business mindsets and shared value creation focus on competitive repertoire. Also it is the first paper to build a conceptual framework which links the different aspects of the stakeholder business mindsets and shared value creation focus on the dimensions of competitive repertoire. Which later can be used by the academic world to build on this framework. Here for this paper gives a new look on competitive repertoire, because the key stakeholder mindset and shared value creation focus have a negative impact on most of the dimensions of competitive repertoire. It opens a new discussion about if the dimensions of competitive repertoire are still applicable in today's environment. However it is important, that this paper doesn't argue if firms have to choose for example the key stakeholder business mindset above the shareholder business mindset. This paper is meant to explicit the aspects of the mindsets and focuses to see how they are related to the dimensions of competitive repertoire.

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