

Artikel 2015 om intressentmodeller och stakeholdersynsätt och deras ursprung. Refuserad av J of Business ethics som erbjöds artikeln som kommentar till artikel av Strand&Freeman (se referenslistan nedan) med motiveringen ”not a fullfledged article”
Också refus av Scandinavian J of Management.

A note on origins of the stakeholder framework

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What are the origins of stakeholder models, theories and frameworks? Efforts to find origins can be found in for example Freeman (1984) and Strand & Freeman (2013). When illustrating a history of the stakeholder concept (Freeman 1984; 32-33) mentions Adam Smith, Berle & Means and Barnard before landing in a memo from the Stanford Research Institute (1963). It can be difficult to identify origins as it is not enough to create a time line, if it cannot be complemented with links between texts. With this in mind I, however, venture to identify origins not visible in the stakeholder literature. In this note I will present one omitted origin. And of course I admit that is not an easy task to state what is an origin for a concept and framework that has such a large number of interpretations. See the overview by Samantha Miles (Miles 2015) who tries to evaluate a large number of definitions of stakeholder. Within the broad field of strategic management Robert Strand and R. Edward Freeman find the first description of a stakeholder in the Stanford Research Institute memo from 1963. The second one he finds in a book by the Swedish researcher Eric Rhenman (1964 in Swedish and with an English version 1968.) In the book in Swedish Rhenman uses the expression “intressent” (Swedish, somebody having an interest) and in the English version 1968 stakeholder.

Rhenman defined stakeholders in the following way: “The stakeholders in an organization are the individuals or groups dependent on the company for the realization of their personal goals and on whom the company is dependent for its existence” (Rhenman 1968). Also a stakeholder map was presented with the company in the center and the following stakeholders: management, employees, suppliers, customers, state, municipality, owners.

Rhenman got inspiration from Chester Barnard and Herbert Simon, which he also recognized. He had in 1958 studied Simon’s “Administrative behavior” from 1947 and spent 1959 - 60 at Carnegie Tech in Pittsburgh where he met with Simon. In Rhenman’s thesis for a licentiate degree 1961 he writes that Barnard and Simon have come forward with a correct direction for development of a theory of the anatomy of the organization (my translation into English). See Carlsson 2013, 226-227, 233, 265, 373-375.

But neither in Freemans important book 1984 nor in the article by Strand and Freeman we are presented with what Barnard and the Simon actually wrote in books and articles from the end of the 1940-ies and up to the beginning of the 1960ies. To do this is an aim of this note. Referring to Chester Barnard (1938), who wrote about persons but also participants, Simon uses the word participant and also the word member (Simon 1947, 16, 113 note 2). He mentions employees, entrepreneurs and customers, and that suppliers could also be included.

It seems as if the word entrepreneur for Simon refers to owners and top management, controlling an organization.

Participants affect what happens in the organization and are affected by what happens in the organization. "The members of an organization, then, contribute to the organization in return for inducements the organization offers them" (p 111). Participants "may be classified in terms of the types of contributions they make to the organization: specific services (a supplier of material); money or other neutral services that may be employed as incentives (customers); and time and effort (employees)". Participants stay with the organization as long as their inducements are worth more than their contributions. It is up to the control groups to attempt to "maintain a favorable balance of incoming contributions over outgoing incentives." (Simon 1947, 119).

In their book *Organizations* (1958) James March and Herbert Simon present a theory of organizational equilibrium with "chief participants" where they for business organizations focus attention on "the following five major classes employees, investors, suppliers, distributors and consumers" where they seem to include management among the employees. (March & Simon 1958, 89).

Replace the words participant or member for the word stakeholder and you have the basic elements of a basic stakeholder model. It was thus not a long way to go for Rhenman in developing a description of the term stakeholder for presentation in management literature.

I, however, note that Freeman in his 1984 book does not refer to the contributions by Simon and March & Simon.

I would thus argue that Simon (1947) and March & Simon (1958) should be regarded as important contributors to the development of stakeholder frameworks - before Rhenman and later Freeman.

/Note: An interesting question, which is outside the focus of this note, is why and how the behavioral theory of the firm with Richard Cyert and James March and others developed separately from stakeholder frameworks with Richard Freeman and others. That is, apart from addressing different problems in organization and management theories. /

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