**Course VII**

**Sustainable partnerships/stakeholders and the value of cooperation**

**Inter-sectorial stakeholder communication and cooperation**

 When we study the Nordic system we are struck by the inter-sectorial cooperation, a nice triple-helix that allows for innovation and entrepreneurial solutions to be generated at the level of any of the sectors that cooperate. We observe that public institutions are as vibrant in terms of innovation and enhancing cooperation as the private and the academic ones. At one of the site visits to the Sogndal HVL campus we’ve been introduced to the vision of inter-sectorial cooperation, that is an invaluable engine for regional development. For example, in the same building we can find the main governmental organisation that funds entrepreneurial projects, while public authorities host the offices, and academics from the university campus land a hand and mentor the would be entrepreneurs. It is not only that the three sectors cooperate, but they are fully aware and incorporate the sustainability elements that make the enterprise socially viable and environmental friendly. In this kind of supportive environment, “entrepreneurs rely on supportive institutions to access technological know-how (…) and to connect to accountants, lawyers, or consultants in the early phase of venturing” (Pankov et al., 2021: 1075).

 **Stakeholder theory and the value of cooperation**

In order to reach the ideal of sustainability in entrepreneurship, two elements represent a prerequisite: **communication and cooperation**. In order to make sense of the value of these two processes, we approach **the stakeholders**, the interested parties in an entrepreneurial ecosystem. The stakeholder theory stresses **the interconnected relationships between a business and its customers, suppliers, employees, investors, communities and others who have a stake in the organization**. The theory argues that a firm should create value for all stakeholders, not just shareholders (Freeman, 1984). If we are able to practice communication and cooperation, we are ready to play our significant part in the entrepreneurial process. In this chapter to explain the fact that **the entrepreneur or intrapreneur is never alone in his/her activities, but interacts at all levels with other interested parties, with various people, and various fields**.

The new business models, like for example the platforms, no longer have at their core competition, but cooperation: „in classical business models the main aim was to develop better products and services, control the chain of production and fight competition” (Petre, 2023: 16) . We can imagine the classical business model like a war zone, with fierce fights for clients and markets occupying centre stage: “multinational firms focused their attention on innovation of better or more economic products, services or commodities by reaching economies of scale, often with the goal of killing competition” (Zutshi, Grilo, 2019: 456). For example, if one was in the shipbuilding industry, the main aim would be to build better and cheaper vessels, control the whole chain of production, and be ahead of the competition. In the case of the platform though, value is provided by “developing a platform that provides opportunities for other businesses instead of competing with them (...) merely platforms that connected buyers and sellers, and facilitated the interaction between them” (Zutshi, Grilo, 2019: 546).

The cooperation model of adding value is closer to the organic, natural events that occur on the biological dimension of our planet. We have a lot to learn from there, and it is always possible to create value through cooperation, not only by means of competition. Besides the natural world, another great example of stakeholder cooperation is provided by Norway. We learnt from the Norwegian examples that is it possible that various sectors of society can come along for a common purpose of development and well being for all parts involved.

**On stakeholders**

 **The stakeholders of any given enterprise represent the interested parties that have a legitimate stake in the organisation and that can influence its existence**. If we imagine that we are an entrepreneur, our stakeholders are our clients, the competition, the distributors, the producers, the raw materials providers, the ministries and public administration, thus, all interested parties that can influence our operations.

 One way to understand the concept of stakeholder is by answering the question: What is the stake of this part? What is at stake? The answer to these questions represent the direct interest of various individuals in our enterprise. This is basically the mindset of the entrepreneur that is aware of the value and contribution of each stakeholder. The process of interaction with the stakeholders is as well a process of building trust, because one knows that if one part is open and honest, the other might just do the same. **“The establishment of a viable network depends on the entrepreneurs’ ability to connect with other stakeholders and to develop trustful relationships”** (Kwon et al. in Pankov et al., 2021: 1075). In absolute terms, **high trust is reducing operative costs**, because if I know that my stakeholders with reciprocate my good deeds, then I do not have to walk around with an army of lawyers and bodyguards, but a handshake will do just as well.

 Thus, when we talk about stakeholders we talk about the context, the environment, the institutional ecosystem that makes possible the existence and thriving of the enterprise that we are part of, or that is our own. “Contextual factors, which determine the boundaries of entrepreneurship, include elements, such as customers, suppliers, financial institutions, and universities or attributes, such as culture, relations, policy, and economy” (in Pankov et al., 2021: 1075). We do not act as blind lonely moonwalkers, but as committed parts of our community, and this includes the stakeholders, and their sometimes conflicting needs and perspectives. Negotiation is a skill that is of use to the sustainable entrepreneur, if he/she is to succeed to understand and turn into opportunities all the parts involved.

 For example, if we are an entrepreneur in the creative industries, our stakeholders are all the parts that have something to do with the creative content that we manage. We have to deal with content producers, content distributors, copyright holders, with the associations of artists, with the Ministry of Culture, with a public administration that wants to organise a concert for a certain town, with all sound specialists and event makers, and the list can continue. It is an opportunity to build networks and social capital in the process of managing out enterprise. The more we pay attention to the needs and definitions of our partners, the better we will be able to find workable solutions that build trust and long term cooperation.

 We need to be aware that the cultural differences are a key to understand the very different entrepreneurial ecosystems in Romania and Norway, for example. It is easier to find ways to cooperate in Norway because simply people trust each other and expect the best from their peers, while in Romania people we have to acknowledge that people expect the worse from the people around. The results of our research about the inter-sectorial communication and cooperation show the reservations that the representatives of public-private-academic sectors have when it comes to working with others.

 One example illustrates the argument. One day a Norwegian student walked in the office with an entrepreneurial idea. He was a passionate biker and wanted to transform his passion into a sustainable business. He openly explained his idea and the whole entrepreneurial ecosystem put itself into motion to help the young entrepreneur live his dream. He was mentored, he learnt everything about biking and biking tracks from the best people in the area. He understood all the challenges ahead, and he ultimately made his idea become reality with the support of public, private, and academic sectors and dedicated people. He learnt that in order to be sustainable and economically viable, bicycle tracks need to be designed and built in a certain way. He got help to map the area where the tracks would be cut and organised. Everything was undertaken with the most care for nature and all the people involved in this enterprise.

 While some societies have already set a friendly innovative ecosystem to support sustainable ventures, other societies are less structured, or more hesitant when it comes to the entrepreneurial structuration. Norway is a case to be studied as a successful model for inter-sectorial cooperation and common solutions for development. After studying the successful model, we turned our eyes to our own society, that is completely different, and where the history of cooperation and collaboration is more about being forced to do things, than doing it willingly. In order to find ways towards stakeholder cooperation in Romania, we decided to study the way things happen at the ground level, in real interactions between the public, private, and academic sectors. The next section of the chapter presents the results of the empirical exploration of inter-sectorial cooperation (or lack of it) in contemporary Romania. Romania is an example of a society that does not seem not very clear and determined about setting a friendly entrepreneurial ecosystem for development. This point is supported by the research that we conducted in the spring of 2023 in the region of Dobrogea, when our team interviewed 17 decision makers[[1]](#footnote-1) from the public, private, and university sector in order to understand how they stand about communication and cooperation within their own sector, as well as in relation with other sectors of society.

**Case -study: the inter-sectorial stakeholder cooperation (or lack of it) in Southeast Romania**

In order to make sense of the interactive nature of sustainable entrepreneurship, we use the theoretical model of the triple helix, thus a macro glance at the way the three main sectors of innovation: public, private, and academic interact. Moreover, the triple helix theoretical framework (Etzkowitz, 2008; Razak &White, 2015) allows us to to think and understand the main sectors within a society, and how to understand the possible relations between them. Each of the three sectors: **public, private, and academic, represent a major stakeholder at the level of any given society**. The smooth communication and dynamic collaboration between the three represent a good context for the emergence and thriving of an innovative friendly ecosystem, where sustainable entrepreneurship can flourish. Nevertheless, the dominance of one of the sectors over the others, or the lack of connection between the tree represent a worrying phenomenon when it comes to the possibility of entrepreneurship and innovation to thrive.



***Source: Razak & White (2015)***

In the figure above, the model becomes explicit. There, we notice the Statist Triple Helix, characterised by an overwhelming state, that is practically incorporating all the other fields of society. It is a state above anything. If we take a close look when it comes to institutional legacy, we can confidently say that Romania has emerged from such a type of societal structuration. In the previous regime, before 1989, the state was the main actor in society, and all decisions were state-driven. There was no autonomous private sector, and the universities were all under the umbrella of the state. In this kind of model, the private initiative was not encouraged, because all initiative was a state initiative, and the alternative actions to the state driven ones were severely punished as deviations. The good citizen in this type of polity was the one that was obeying the state and was strictly following state instructions. It is useless to say that in the Statist Triple Helix entrepreneurship was stifled, and sustainability could only take the shape of state policy, severely enforced from top to down, but not necessarily understood or supported at the popular level. For example, in communist Romania people were collecting bottles, paper, and plastic, but only because it was a state-driven initiative, not because regular people believed in sustainability. Back then, it was not even possible that a regular person could have an initiative and be an entrepreneur.

This the legacy that we have in Romania, and it takes a lot of time, effort, and imagination to move from the Statist Triple Helix to the Hybrid Organizations and Actions, that allow for an equal leverage of the three domains, as well as for cross-fertilisation via horizontal communication and collaboration. In the Hybrid Triple Helix stage, there is no sector that has an upper hand over the other two, but good ideas and practices can emerge at each of the levels: public, private, or be generated by the university sector. At the same time, the three fields are inter-twinned, they do not function independently of each other.

There is a third instance the Laissez-faire Triple Helix, where the three domains are free floating, and there is not solid relation between the three, but circumstantial bonds. The model is as well illustrated in the figure above, and it shows the three sectors that do not meet in any point, but that can or cannot be connected.

We started from the triple-helix model and aimed to empirically observe how the three sectors function in the region of Dobrogea, South-East Romania, nowadays. We bear in mind that the legacy of the country and implicitly of the region was one of strong state involvement and we wanted to see where we are at the moment, more than three decades after the regime change. Some of us, especially the more senior members of the research team, expected some sort of continuity and of strong state intervention, even if in more sublimated ways. The younger members of the research teach expected to find a Laissez-faire Triple Helix, and we have to admit that they were the ones to be right.

 **Context info**: The region of Dobrogea is composed of two counties, Constanța and Tulcea. Constanța municipality hosts three major universities. From the three universities, Ovidius University is the only comprehensive one, hosting more than 15000 students in 16 faculties, including the medical ones. The northern county, Tulcea, does not have a university of its own. The total population of Dobrogea is of almost 900.000, with most of the population concentrated in the southern country, almost 700.000, according to the data of the latest census from 2021[[2]](#footnote-2) .

 **The corpus:** There are 17 interviews, from which 10 with representatives from the public sector, 5 with representatives from the private sector, and 2 with representatives from the academic sector. Thus, the best represented in the corpus is the public sector. There are interviews with the mayors of the two main cities of the region, Constanța and Tulcea, with the president of the county council of Constanța, with 3 members of the Parliament that represent the region, 2 mayors of smaller towns, Babadag (Tulcea), and Mangalia (Constanța), and one with the responsible for the continuous education of teachers from Tulcea. The interviews with representatives from the private sector cover areas such as HORECA, marketing, media, and sports.



 We tried to understand whether we can discern cooperation, an *in nuce* entrepreneurial support network, or not. The research team was part of the SUSTENT project that made possible this course. There were five students and two academic coordinators, one Romanian and one Norwegian, that undertook the research. The Norwegian researcher Tore Frimanslund proposed the theoretical model to be applied, and the Romanian researcher Raluca Petre, together with the Norwegian one worked on the operationalization of the concepts in the shape of a questionnaire with nine open-ended items. Raluca Petre coordinated the Romanian research team composed of five students, 2 at MA level: Bianca Ciurea and Mădălina Jacotă, and 3 at BA level: Adrian Anton, Ekaterina Chițu & Alexandru Tudor. The same questionnaire was used for all the interviewees, and then analysed using a qualitative approach inspired by the generic methodological genre of content analysis. In order to have a more nuanced perspective on the specific narratives and their associated meanings, we used the methodological glasses offered by critical discourse analysis (CDA). The Romanian team selected the representatives from the three sectors, and performed the interviews. The MA student Mădălina Jacotă, a member of the research team, built her dissertation on the basis of the data gathered. Her conclusions are as well incorporated in this chapter.

 **The research instrument:** The questionnaire aimed at getting a realistic understanding the inter-field dynamic, and ultimately of the more likely model: Statist, Laissez-faire, or Hybrid. The nine items of the questionnaire, that all the interviewees answered to openly were: Q1: What is your occupation and what is your role in the organisation/firm? Q2: What is your field of competence and what kind to studies have you accomplished so far? Q3: With what institutional actors have you worked the best from the public, private, or academic field? Q4: Can you mention at least three successful cooperations with the public, private, or academic spehere? Q5: What effects have these cooperations produced? Q6: How about three unsuccessful cooperations? Q7: What were their consequences? Q8: What kind of projects do you engage in (private, European, governmental non-governmental etc.)? Q9: What is your regular work routine in your firm/organisation?

 From the 17 interviews with mayors, academics, politicians, and entrepreneurs, we realised that the agendas of the three sectors are very scattered, and that relations are circumstantial and based on personal affinities, rather than on structural bonds. Collaboration and communication are not to be found to often, and even if there were situations whereby members of the three domains could not work together properly, the interviewees were not very keen on detailing these situations. They were much more happy to discuss the successful collaborations. We noticed, but we cannot generalise, a positive lean of public sector representatives towards private sector partnerships because of speed and efficiency. On the other hand, the relation with the public sector is not always good, many times even within the public sector itself because of bureaucracy, lack of responsibility, and the long period of implementation of decisions. We were surprised to notice that even public officials would rather work with private actors than with other public officials.

 We expected the general trust to be low and what we found were individual solutions towards cooperation, in a general context of mistrust. Various actors from the public, private, and academic sectors try to find their ways in order to have access to projects or various services. Collaboration is a prerequisite, at least when it comes to projects, thus decision-makers need to learn how to cooperate in order to be able to run projects, be they public private, or academic. Generally speaking, modern projects require multiple partners in order to be eligible, and multiple partners means ways to accommodate and work together. Successful partnerships lead to long-term relations, while unsuccessful ones represent a closed door and low trust about the potential to do better next time.

 For example, one of the interviewee told me, off the record, that they are supposed by law to cooperate with another public institution but the European project that they were supposed to cooperate on ended up with only one of the partners doing all the work, while the other enjoying the fruits of the project. The director of the institution that I interviewed plainly told that she hopes not to have to work with the other institution anymore, but it might be the case that they have to, because they are the only public institutions in the county with the same objectives, thus natural partners from the bureaucratic point of view. There are several instances where we observe rather forced partnerships, dictated by the terms of various projects, rather than organic fusions of fields and visions. Nevertheless, the people interviewed were all keen to emphasize the positive examples of cooperation and to downplay the difficult ones.

***Exercises:***

1. How is the environment affected by my activities/enterprise and who are the environmental stakeholders?
2. How is the social environment that I create with my activities/enterprise? Who is affected by what I do, and in what way?
3. How do I build alliances with all parties involved in my activities/enterprise?
4. Is is possible to communicate openly and honestly with all the stakeholders of my activities/ enterprise?
5. Is it possible to make possible fair exchanges and create value together?

***Quiz:* What kind of stakeholder perspective do you have?**

1. I prefer to do thinks by myself
	1. Yes
	2. No
2. It is always easier for me to do things together with others
	1. Yes
	2. No
3. I take my own decisions, I do not let others influence me
	1. Yes
	2. No
4. More minds think better than one
	1. Yes
	2. No
5. I need to have my own way, learn from my own experience
	1. Yes
	2. No
6. I need to learn first from books or from others, then apply
	1. Yes
	2. No
7. I want to be in a powerful position to be able to use all the resources
	1. Yes
	2. No
8. I want to be in an important position in order to be able to work with others
	1. Yes
	2. No
9. Together we can make a difference
	1. Yes
	2. No
10. I can make my own way to the top
	1. Yes
	2. No

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 Sustainable entrepreneurial ecosystems (Pankov et al., 2021; Volkmann et al., 2019; Schwanitz et., 2022) and the dimensions of stakeholder theory and culture (Bischoff, K., 2021) o Case: Trust based management – the Nordic welfare model

**Quiz results:**

Majority YES on questions: 1, 3, 5, 7, 9 – individualist stakeholder

Majority YES on questions: 2, 4, 6, 8, 10 – collectivist stakeholder

1. Alexandru Tudor, third years student in Journalism at Ovidius University, Constanța made five interviews with the following decision-makers from public institutions of the counties of Tulcea and Constanța: Ștefan Ilie – the mayor of Tulcea municipality; Vergil Chițac – the mayor of Constanța city; Mihai Lupu – the head of the Constanța County Council; Daniel Jarnea – head of marketing department at the national company for the Administration of Maritime Harbours; and Cristian Radu – the mayor of Mangalia town. Adrian Anton, second year student in Journalism at UOC Constanța undertook an interview with Andrei Gurău - university lecturer at the Faculty of Mechanical, Industrial, and Maritime Engineering, Ovidius University of Constanța. Chițu Ekaterina-Andreea, third year student in Journalism at UOC Constanța made three interviews with: Andreea Popa – administrator of the firm Jeny Activ Star SRL; Andreea Șerban – management consultant, and Lucian Lungoci – deputy in the Romanian Parliament from the Social Democratic Party. Bianca-Maria Ciurea, second year master student in Public Relations and Intercultural Development t Ovidius University Constanța undertook three interviews as follows: with Ioana Gaidargi, administrator of the firm Dreamy PR & Branding; Nicoleta Acomi – vice-dean of the Faculty of Navigation and naval transportation at the Maritime University Constanța, and Bianca Ibadula - director of the Mihai Eminescu National College of Constanța. Mădălina Jacotă, second year master student in Public Relations and Intercultural Development undertook three interviews: Georgian Caraman - the mayor of Babadag town, Remus Negoi – member of the Senate of the Romanian Parliament from the Union Save Romania Party, and Lucian Lungoci – member of thee Romanian Parliament from the Social Democratic Party; Raluca Petre associate professor at Ovidius University of Constanța, undertook two interviews: with Andrei Leonte – owner of the regional publication Info Sud-Est, and with Gabriela Nichifor – head of the public Teacher’s Training Centre in Tulcea. [↑](#footnote-ref-1)
2. <https://insse.ro/cms/ro/content/recens%C4%83m%C3%A2ntul-popula%C8%9Biei-%C8%99i-locuin%C8%9Belor-runda-2021-date-provizorii-%C3%AEn-profil-teritorial> [↑](#footnote-ref-2)