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Managing for stakeholder and value creation: evidence from the higher education context in Brazil

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MANAGING FOR STAKEHOLDER AND VALUE CREATION: EVIDENCE FROM THE HIGHER EDUCATION CONTEXT IN BRAZIL

1. INTRODUCTION

Stakeholder theory suggests that the firm's goal should be to coordinate stakeholder interests (Freeman, 1984), opposing the ideas of the Theory of the Firm, which proposes that the firm's goal should be to maximize shareholder wealth (Friedman, 1962). Freeman (1984) formulated the best known and used definition of stakeholder (p. 46), "[...] any group or individual that can affect or is affected by the achievement of the company's purposes.", In this theoretical approach, all the individuals or groups that have a connection with the company are considered, that is, the company is managed with the purpose of providing benefits to its customers, suppliers, owners, employees and local communities, as well as maintaining the company's survival (Jones, 1980).

Stakeholders' theory has been gaining increased acceptance and relevance in the strategic management research and business practices. Still, only a limited number of studies in the field have focused on non-profit organizations or with social objectives, such as the case of higher education institutions (Ferrero-Ferrero et al., 2018). Some explanatory reasons for such a gap are: a possible low external pressure in the sector compared to private and highly competitive sectors as well as the limited number of sustainability reports published by these entities.

Concerns about creating value for all stakeholders is present in virtually all productive sectors, and educational institutions are no exception in this dynamic (Bilodeau, Podger & Abd-El-Aziz, 2014). One of the challenges of educational institutions is improve relationships with their stakeholders and guide efforts towards their demands (Ferrero-Ferrero, Fernández-Izquierdo, Muñoz-Torres & Bellés-Colomer, 2018). Still, one of the main barriers in the improvement of such relationships is to achieve comprehensive strategies that ensure the commitment and engagement with stakeholders. Higher Education Institutions (HEIs) play a key role in society, not only for their educational purpose but also for being one of the means by which society can evolve through knowledge transfer, research development, values for the development of their community (Bilodeau, Podger & Abd-El-Aziz, 2014).

The purpose of this study is to propose and test hypothesis regarding the relationship between managing for stakeholders and value creation. More specifically, we propose that stakeholders' groups that actively involved in the decision making process, that exchange information about their demands and preferences, present a mutual trust relationship with the organization and are considered relevant in the strategic planning process create more value for organizations.

We test our hypothesis by accessing the perceptions of top managers from higher education institutions about managing for stakeholders, that is, the dynamics of the relationship between the organization and their stakeholders and the value that these relationships promote. Such empirical analysis is relevant since most of stakeholder literature focus on the organizational level and not the individual decision-maker level (Pirson, Marting & Parmar, 2015), even though stakeholder theory emerged as a framework whose central figure is the manager (Freeman et al., 2010).

Organizational decisions are made by individuals, including those related the management of stakeholders' relationships. Understanding managerial view is fundamental to understanding the principles of stakeholder management (Reynolds et al., 2006). The assessment of top managers in the higher hierarchical position in the organization provides a clearer and privileged view of the whole organization, justifying the focus of the present research on the higher hierarchical levels of management. Top executives play a special role in the activities of an organization (Carter, 2016), they are expected to take care of the entire organization and direct all other stakeholders to follow the same direction (Wijethilake & Lama, 2019).

This study also has practical contributions. The proposition and verification of the dynamics in the relationships between the organization and its stakeholders may provide directions for managers from HEIs to establish efficient and effective strategies and policies. The development of intellectual capital is fundamental for solving economic and social problems. In view of the importance of the sector for the development of society, some scholars have sought to explore the theme in this field, such as Reynolds and Yuthas (2008), Manetti (2011), Dabija, Postelnicu, Dinu & Mihăilă (2017), Cho (2017) and Ferrero-Ferrero et al. (2018), in the same way, that this paper has the pretension of contributing theoretically and empirically to the elucidation of the challenges of the field.

2. THEORETICAL BACKGROUND

The theoretical background of this research is based on the managing for stakeholder approach, and the relationship between the principles of stakeholder theory and value creation. After presenting the theoretical review, we present the development of the hypotheses, which also emerge from the literature, and then are verified in the empirical context.

2.1 Managing for stakeholder

The work of Freeman (1984) is considered the initial and most important landmark of Stakeholder Theory literature. The author argues for the need of paradigm change in the management of organizations aligned with new social demands and new trends. In the past, organizations were operated by families and were based in a simple production process, in which the management's concern was basically for the care of suppliers and customers. The growth of organizations, the development of new productive processes and the need for greater technical specialization to run the company's activities, coupled with demographic, social and political issues, culminated in the separation of ownership and control. There was a separation of ownership (households or individual owners) and management (employees), since individual households or estates were no longer able to make decisions and manage organizations alone, requiring the hiring of people to do so (Freeman , 1984).

The so-called Agency Problem (Jensen and Mecklin, 1976) arises: the possible misalignment between the interests of the owners of the organizations and their management. Managers (called "agents") report not to an owner or family, but to a sprawled group of owners (called the "principal"). Another relevant aspect in the Agency Problem is the information asymmetry between the agent and principal, since the agent is the one that is in the day to day operation, thus carrying more information about the activities of the organization.

In order for the organization to succeed in this new context, the managers would have to simultaneously satisfy owners, employees and their unions, suppliers and customers. This is an evolution of the vision restricted to production, with a more complex model and greater number of demands to be observed by management. Given the changes in the internal and external relationships of the firm, in which the actors of the model became more complex and active, there was an increase in pressures on the organization and its managers - as well as the appearance of new demands that were not covered in the shareholder view of the firm (Freeman, 1984).

The author, in presenting the Stakeholders' View and the suggested processes with which the strategic process of organizations should be reoriented, coined its classic definition of stakeholders: any group or individual that can affect or is affected by the achievement of the firm's objectives (Freeman , 1984, p46). From this, a whole literature flourished that sought to develop and elucidate the aspects of managing for stakeholders.

Later, Clarkson conceptualized stakeholders as "persons or groups that have, or demand, ownership, rights or interests in a corporation and its activities, in the present, past or future" (Clarkson 1995: 106). The author also considers that "stakeholders with the same interests, demands or rights can be classified as participants of the same group: employees, owners, clients, and so on" (Clarkon 1995, 106). Based on this definition, stakeholders were classified in primary and secondary: 1) The group of primary stakeholders is the one without whose continuous participation the corporation could not survive as something perennial, establishing, therefore, between this group and the corporation a high degree of interdependence (Clarkson 1995: 106); 2) The group of secondary stakeholders is defined as "those who influence or affect, or are influenced or affected by the corporation, but are not engaged in the transactions with the corporation and are not essential to its survival" (Clarkon 1995, p. 107). However, secondary stakeholders have the potential to undermine or favor the company, such as influence on public opinion.

Clarkson (1995, p 112) asserted that (1) the social and economic purpose of a firm is to create and distribute increasing wealth and value to all of its primary stakeholder groups without favoring any group (2) value and wealth are not adequately defined only in terms of share prices, dividends or profits and (3) managers must resolve disputes over the distribution of resources to shareholders and primary stakeholders, which requires judgment ethics and choices.

A step to be followed by managers is the identification and categorization of stakeholders who should be involved with the business, in order to meet their needs and expectations. Although several approaches have proposed ways of analyzing and classifying stakeholders, the most common typology is that of salience of stakeholder proposed by Mitchell et al. (1997). In this typology, according to the authors, stakeholders can be identified from the possession of three attributes: (1) the power of stakeholders to influence the organization, (2) the legitimacy of the stakeholder relationship with the organization, and (3) the urgency of stakeholder claims in the organization.

2.2 Principles of Stakeholder Theory and Value Creation

In its evolution, stakeholder theory has pointed out different issues for business management, such as: how to identify and classify stakeholders, how to analyze their interests, what stakeholders to prioritize, what stakeholder treatment strategies are more efficient, how to design engagement practices, and so on (Freeman et al, 2010). This discussion also permeated the practice of business, as it is reflected in companies' annual reports, which sometimes, show their stakeholders' maps, prioritization matrices and engagement practices.

More recently, stakeholder theorists focused their attention to creating and distributing value to stakeholders (e.g. Freeman et al, 2010; Harrison, Bosse and Phillips, 2010; Freeman, San-Jose and Retolaza, 2012; Harrison and Bosse, 2013; Garcia-Castro and Aguilera, 2015; and Tantalo and Priem, 2016). Most of such body of studies is conceptual, indicating that this discussion is at the frontier of knowledge on stakeholder theory.

Value is an important concept in the strategy field (Garcia Castro & Aguilera, 2015). For stakeholder theory, value creation is embedded in the relationship between the organization and its stakeholders (Schneider & Sachs, 2015). By emphasizing value creation and its measurement, Harrison and Wicks (2013) advance the traditional approach of measuring value creation limited to the economic dimension. The authors extend the concept of value as anything that is valuable to the stakeholder, whether measured in monetary terms or not. They also provide the concept of utility, which is defined as the value that the stakeholder receives and that actually has merit for the stakeholder.

In the stakeholder perspective, managers have the responsibility to promote value creation and the distribution of such value to stakeholders through the management of stakeholders' relationships (Harrison & Bosse, 2013). Freeman, Wicks, and Parmar (2004), point out that demands for resource distribution are only part of a much broader context. According to these authors, stakeholder theory deals with these broader aspects and, in this sense, explains that this theory addresses how processes and procedures should promote justice in the distribution of resources, as in the case of stakeholder value.

2.3 Hypotheses development

An underlying premise of stakeholder theory is that stakeholders will cooperate more with the organization as they perceive their interests best served. In other words, stakeholders seek to relate to the organization in accordance with the principles of fairness, in which the contribution offered is proportional to the value received (Phillips, 2003). According to this logic, we propose that relationships with stakeholders characterized by the principles of stakeholder theory create more value for organizations. More specifically, we propose that relationships characterized by (i) stakeholders' participation in the decision making process, (ii) exchange of information, (iii) mutual trust and (iv) inclusion in the strategic planning process are associated with greater value creation for organizations. Next, we further develop such arguments.

Stakeholder groups can contribute with their own knowledge, skills and experience to increase the exchange of ideas with organizations and reduce the likelihood of dissatisfaction of one or more groups. The conditions of the contexts change over time as well as the stakeholders' demands, making it important that organization access the ideas and concerns of stakeholders through interaction and dialogue. A greater exchange of information with stakeholders allows a better understanding of their interests and preferences.

Knowledge about stakeholder preferences has the potential to increase the efficiency with which the company allocates its resources (Harrison, Bosse and Phillips, 2010). For the analysis of what the stakeholder recognizes as valuable, one can use the concept of utility function. The utility function of a stakeholder group demonstrates its preferences for different combinations of tangible and intangible outcomes. These preferences are determined by the perception of how interactions with the company influence the utility they receive (Harrison & Wicks, 2013).

Such analysis is important for the understanding of what is considerable valuable for each stakeholder group and, thus, for the appropriate allocation of resources across their demands. Stakeholder management can not be static and based on a fixed set of guidelines. It is a continuous and dynamic process that considers the changing nature of the contexts and preferences of stakeholders.

Stakeholders are unique sources of information, and different groups of stakeholders can provide the company with a variety of information that can be combined in order to create value (Garcia-Castro & Aguilera, 2015). The sharing of information with stakeholders groups can lead to a more efficient allocation of resources and increased ability to cope with unexpected changes in the context and in the preferences of such stakeholders. This logic suggests that:

H1: The exchange of information about the demands and preferences of stakeholder groups creates more value for the organization.

Decisions within organizations results from actions taken by the decision-makers. Such individuals have their own objectives, that may be different from the objectives of the organization and other stakeholders (Child, Elbanna & Rodrigues, 2010). Thus, the goals and interests of managers affect the entire decision-making process in organizations. The influence of power and political behavior in decision-making processes within the organization can lead managers to make decisions based on incomplete or even distorted information of reality, creating organizational façades without regard to the reality and demands of important stakeholders (Nystrom & Starbuck, 1984).

The multidimensional nature of decision making requires the involvement of different perspectives (Chakhar & Saad, 2014) and not only the perspective of managers. Each stakeholder has a different perception of the decision problem according to their own values, concerns and objectives and, thus, engaging other parties in this process becomes important. One way to equalize the risks of the decision-making process is to involve the stakeholders in the process by sharing the responsibilities and gains.

It is also possible to say that participation in decision-making is related to stakeholder prioritization. The greater the importance, power, influence and other attributes that characterize stakeholder prioritization, the greater the likelihood of the organization engaging it in decision-making. This argument is already discussed in the literature on stakeholder engagement, such as Friedman and Miles (2006), who propose levels of engagement, and the higher the level of engagement, the greater participation in decision making.

Stakeholders involvement can be obtained by their participation in decision making process (Ashmos, Duchon, & McDaniel, 1998). Based on several studies, MacDonald, Clarke and Huang (2018) emphasize that the involvement of stakeholder participation in decision making has been recommended to bring competitive advantages to organizations. According to this logic, we propose that:

H2: The active participation of stakeholder groups in the decision making process creates more value for the organization.

Stakeholder theorists claim that managers should create and maintain mutually trusting and cooperative relationships with stakeholders (Jones & Wicks, 1999; Greenwood & Van Buren, 2010). Trust is a fundamental aspect of the moral treatment of stakeholders. Jones (1995, p. 399) defines trust as "the expectation by one person, group, or firm of ethically justifiable behavior on the part of the other person, group, or firm in a joint endeavor or economic exchange". Stakeholders have to trust the organization to return benefits derived from their contributions or stakes (Greenwood & Van Buren, 2010).

Such behavior would increase the potential for value creation, given that people tend to treat the other party fairly within an exchange when they realize that this part is behaving fairly to them and to other people as well (Bosse et al., 2009). The perception of organizational justice may lead stakeholders to dedicate more effort in their relationships with the company. For example, it can lead employees to work harder and share valuable information with the organization; consumers to increase their exchanges demands and loyalty; suppliers to offer better negotiation and communities to support expansion projects (Harrison & Bosse, 2013).

Thus, trust can be useful in identifying the reasons why certain types of stakeholder treatment may precede competitive advantage (Schneider & Sachs, 2017), as argue by Pirson, Martin and Parmar (2015) scholars are beginning to better understand how stakeholders trust in firms, and in what way these stakeholders will be more willing to contribute to value creation if they trust and perceive the organization as fair. Relationships based on the principles of justice and fairness can enhance opportunities for partnership and joint development, and lead to greater stakeholder engagement. According to this logic, we propose that:

H3: The mutual trust relationship with stakeholder groups creates more value for the organization.

Stakeholder theory defends that the development of not only reciprocal but also strategic relationships with their stakeholders creates improved value (Harrison &Bosse, 2013). Although the normative perspective of Stakeholder Theory considers that all stakeholders have interests with intrinsic values regardless of their impact on organization's performance (Donaldson & Preston, 1995), the strategic perspective of stakeholder management focus on the relationships that are relevant for improving performance (Freeman et al., 2010; Harrison, Bosse, & Phillips, 2010).

In this view, it is likely that some stakeholders would take priority over others (Mitchell at el., 1997; Eeesley & Lenox, 2006). Although several approaches have proposed ways of analyzing and classifying stakeholders, the most common typology is that of salience of stakeholder proposed by Mitchell et al. (1997) supported by Freeman's (1984) theoretical assumptions. In this typology, stakeholders can be identified from three attributes: (1) the power of stakeholders to influence the organization, (2) the legitimacy of the stakeholder relationship with the organization, and (3) the urgency of stakeholder claims in the organization.

Thus, the strategic view of stakeholder theory suggests that organizations can create more value by distributing it to stakeholders that are more relevant for organizational goals. In addition to thinking about what actions companies should and should not perform to meet moral standards, attention is given to the relationships that companies should promote with their relevant stakeholders (Noland & Phillips, 2010). According to this logic, we propose that:

H4: Considering the stakeholder group as relevant in the process of organizational strategic planning create more value for the organization.

3. METHODS

3.1 Context: Higher Education in Brazil

According to the National Institute of Educational Studies and Research Anísio Teixeira (INEP), an autarchy associated to the Ministry of Education (MEC) of the Federal Government of Brazil, there were 2.448 High Education Institutions (HEIs) in Brazil in 2018. According to MEC there were 296 public HEIs and 2.152 private HEIs. The concentration of private institutions is due to public policies in the last decades that allowed greater access of private capital to higher education. The current tendency is to increase public institutions due to federal investments and the stability in the number of private institutions due to consolidation processes (mergers and acquisitions). Table 1 shows information about the Higher Education context in Brazil.

Table 1 - Number of Higher Education Institutions in Brazil per federative unit

Federative Unit	n	%	Universities	University Center	College	Federal Institution
São Paulo	611	24,96%	39	57	514	1
Minas Gerais	296	12,09%	22	22	246	6
Paraná	189	7,72%	15	16	157	1
Rio de Janeiro	136	5,56%	17	18	98	3
Bahia	133	5,43%	10	5	116	2
Rio Grande do Sul	123	5,02%	21	7	92	3
Pernambuco	106	4,33%	5	7	92	2
Santa Catarina	93	3,80%	13	11	67	2
Goiás	89	3,64%	4	5	78	2
Espírito Santo	78	3,19%	2	4	71	1
Ceará	72	2,94%	7	7	57	1
Distrito Federal	64	2,61%	2	7	54	1
Mato Grosso	59	2,41%	3	2	53	1
Pará	54	2,21%	6	2	45	1
Maranhão	45	1,84%	3	-	41	1
Piauí	44	1,80%	2	1	40	1
Paraíba	42	1,72%	3	2	36	1
Rondônia	34	1,39%	1	2	30	1
Alagoas	29	1,18%	3	3	22	1
Rio Grande do Norte	28	1,14%	4	2	21	1
Mato Grosso do Sul	28	1,14%	5	2	20	1
Tocantins	24	0,98%	2	3	18	1
Amazonas	20	0,82%	3	3	13	1
Sergipe	18	0,74%	2	-	15	1
Amapá	15	0,61%	2	-	12	1
Acre	11	0,45%	1	-	9	1
Roraima	7	0,29%	2	1	3	1
Brasil	2.448	100%	199	189	2.020	40

Source: MEC/INEP (2018)

3.2 Data Collection

We collected primary data through a survey with the Heads of the HEIs in Brazil. The survey containing questions regarding the profile of the respondent, the profile of the institutions and the items showed on Table 2 in the Methods section in order to access the respondents' perceptions regarding the groups of stakeholders. The items presented a Likert scale of 10 points in accordance with the study of Agle et al. (1999) that measured the perceptions of CEOs in 80 large U.S. firms concerning the salience of stakeholders. We sent the survey for the official email contacts of the main managers of all the HEI registered in the online system of the Ministry of Education. We collected 178 individuals answers, of which 88 were considered valid.

3.3 Design of the instrument for Data Collection

The first step for the design of the instrument for data collection was the identification of the relevant stakeholders. In order to list them, we used the questionnaire that evaluates the HEIs in the Brazilian context used by INEP (2013) and, then, we associated this list with the generic primary stakeholders groups in the stakeholder literature. Table 2 show the final list of stakeholders used in the empirical research.

Table 2: Relevant stakeholder identified in the literature and in the HEI context

Generic Stakeholder Group	**Specific Stakeholder Group in the HEIs**	**Description**
Shareholder	Maintainer of the institution	The one who guarantees the functioning of the institution, making available financial resources or not
Employees	Technical-Administrative Body	All Administrative and Technical Professionals of the HEI
	Faculty	All Professors in the HEI
Community	Labor Market	Employers and contractors of student.
	Alumni	All Individuals who were students of the HEI
	Community	Community living around the HEIs
Government	Ministry of Education	Regulatory body of the Sector.
Customers	Students	Students or potential students enrolled in the institution.
Supplier	Suppliers	Procurement of resources for the activities of the HEI and outsourced services

The stakeholder list provided by INEP was then validated by experts. We consulted 10 experts - five of which were researchers with broad experience in stakeholder literature and five were managers of HEIs. In the list provided by INEP, the stakeholder group "supplier" was not under consideration. After the consultation with experts, this group was included.

The items used for of each of the constructs of interest were developed according to the literature and were also validated by the experts. Table 3 shows the items used for each construct and the corresponding theoretical foundation.

Table 3 - Items used for the constructs and corresponding theoretical foundation

Construct	Item	Theoretical Foundation
Exchange of information (H1)	The exchange of information with this stakeholder allows understanding their demands and desires	Garcia-Castro & Aguilera (2015); Harrison & Wicks (2013); Harrison, Bosse, & Phillips (2010)
Participation in the decision making process (H2)	This stakeholder actively participates, through meetings or representations in councils, of the decision-making process of the HEI	Child, Elbanna & Rodrigues (2010); Chakhar & Saad (2014); MacDonald, Clarke & Huang (2018)
Mutual trust relationship (H3)	There is a relationship based on mutual trust between the HEI and this stakeholder	Greenwood & Van Buren (2010); Harrison & Bosse (2013); Schneider & Sachs (2017)
Relevance in the Strategic Planning Process (H4)	This stakeholder is considered relevant in the process of the HEI's strategic planning.	Freeman et al. (2010); Harrison, Bosse, & Phillips (2010)
Value creation (H1, H2, H3 and H4)	The relationship with this stakeholder generates substantial value for HEI	Bosse et al. (2009)

3.4 Data analysis

Data analysis was made in two steps. The first step consisted in the description of the results- characterization of the respondents' profiles, characterization of the HEIs profiles and descriptive statists of the answers. The second step was a correlation analysis through the spearman's correlation coefficient obtained in the software SPSS ®.

4. RESULTS

4.1 Characterization of the respondents

The sample consisted of the 88 respondents, whose average age was 48,2 years old. The minimum value was 26 and the maximum 75. With regard to gender, there was a predominance of men as the main managers of the HEIs. There were 67 men, 20 women and 1 who did not declare gender.

The period in which the respondents have being working as head of HEIs varies from one year to 40 years. The mean was 10,67 years. The period that they have being working in the current HEI varies from less than one to 20 years and the average is 6,56 years. This shows a stability situation, in which the cycles of Head of the HEIs in the sample are reasonably high.

The majority of the sample (83%) reported having experience in General Administration. This situation can be interpreted as expected, since the activity as the Head of the HEI is of a general nature. The second most cited activity was consultancy (30,7%) and, then, public management (27,3%). Also, 20,5 % of respondent reported having a participation in the property of the HEI or as having a role in the Maintainer of the institution.

4.2 Characterization of the HEIs

The majority of HEIs in the sample are nonprofit, of which 18 (20.5% of the total) are public, and 37 (42% of the total) are private, such as foundations and philanthropic institutes. In Brazil, 14.4% of the HEIs are public and 86.6% are private, as showed on Table 1.

Table 4 - HEIs in the sample

Administrative Category	Number	Percentage
School (Private Institution)	49	55,7%
Federal Institution	4	4,5%
University Center	11	12,5%
Public University	24	27,3%
Total	88	100%

The average of the number of students in undergraduate programs was 6659,85. The maximum value was 60.000 and the minimum 98 students. The number of students in the undergraduate programs can be considered as a proxy to access the size of the institution. Regarding geographical dispersion, there were 50 HEIs stablished in more than one campus and 34 that have one campus. The mean in the sample was 8 campi. Also, the majority of the sample (82%) has its activities concentrated in one federal state, and only one has activities in all the 24 federal states in Brazil.

Regarding their academic performance, only 44 provided valid answers. From those, 47,8% declare that their institution has a grade 3 and 34,8% have a grade. This grade referes to the general course (IGC) index attributed by the Ministry of Education. These results reflect the caracteristic of the HEIs in Brazil, which are aconcentrated in those two grades.

In the research instrument, questions were raised both about the relative importance of each stakeholder for the value creation for the HEIs, as well as the perception of the managers about the value created for each stakeholder group in their relationship with the HEI. Table 5 presents the means for the managers' responses regarding the value each stakeholder group generates for the institution, and the statistical test of averages (t test) paired for independent samples. Responses range from 0 to 10 per stakeholder group within the same variable.

Table 5. Substantial value generated for the institution

	Means	**Stu**	**Fac**	**FA**	**Mai**	**LM**	**Gov**	**Alu**	**Com**	**Sup**
Students	9,44		0,25	0,00	0,01	0,00	0,00	0,00	0,00	0,00
Faculty	9,39	0,25		0,00	0,01	0,00	0,00	0,00	0,00	0,00
Technical-Adm	9,01	0,00	0,00		0,21	0,06	0,00	0,00	0,00	0,00
Maintainer	8,64	0,01	0,01	0,21		0,84	0,28	0,17	0,11	0,00
Labor Market	8,58	0,00	0,00	0,06	0,84		0,12	0,01	0,01	0,00
Government	8,28	0,00	0,00	0,00	0,28	0,12		0,57	0,32	0,00
Alummi	8,15	0,00	0,00	0,00	0,17	0,01	0,57		0,73	0,00
Community	8,07	0,00	0,00	0,00	0,11	0,01	0,32	0,73		0,00
Suppliers	6,64	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	

Table 6 present the information of the perceived value that is generated for each stakeholder group derived from their relationship with the HEIs.

Table 6- Substantial value generated for the stakeholder

	Means	Stu	Fac	FA	Mai	LM	Gov	Alu	Com	Sup
Students	9,20		0,69	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Faculty	9,18	0,69		0,00	0,00	0,00	0,00	0,00	0,00	0,00
Technical-Adm	8,72	0,00	0,00		0,19	0,01	0,00	0,00	0,00	0,00
Maintainer	8,33	0,00	0,00	0,19		0,38	0,24	0,04	0,05	0,00
Labor Market	8,08	0,00	0,00	0,01	0,38		0,46	0,03	0,06	0,00
Government	7,93	0,00	0,00	0,00	0,24	0,46		0,21	0,29	0,00
Alummi	7,65	0,00	0,00	0,00	0,04	0,03	0,21		0,80	0,00
Community	7,58	0,00	0,00	0,00	0,05	0,06	0,29	0,80		0,02
Suppliers	6,72	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,02	

Tables 5 and 6 present the averages of the responses of the 88 managers and the values of the statistical tests. A value less than 0.01 indicates that the averages are different with a strong statistical significance. A value between 0.01 and 0.1 means that there are divergences regarding the interpretation of differences, but there is some statistical significance. The values above 0.1 indicate that the averages are not different.

According to Table 5, it can be noted that the Faculty and Students are the groups that, relatively, generate more substantial value for the HEI derived from their relationship. Then, with statistical difference for the first, is the technical-administrative body. Lastly in the table, the suppliers – average value is different from all stakeholders listed with statistical significance.

According to Table 6, the perception about the substantial value created for each stakeholder group in their relationship with the HEI has similar behavior to the previous question. These results suggest that there is reciprocity in relations with most stakeholders.

4.3 Correlations Analysis

The second phase of the analysis of results was the correlations analysis. Table 7, 8, 9 and 10 show the spearman's coefficient for the analyzed stakeholder groups, showing the correlation between principles of managing for stakeholders and value creation.

Table 7 - Correlation between Exchange information and knowledge and value creation (H1)

Informations & knowledge vs Value created by HEIs		sig.
Maintainer	0,653	0
Community	0,643	0
Suppliers	0,614	0
Alummi	0,576	0
Labor Market	0,537	0
Technical-Administrative	0,514	0
Faculty	0,411	0
Students	0,382	0,001
Government	0,274	0,017

According to Table 7, all stakeholders groups show a positive and significant correlation with value creation. These results show all groups create more value for the institution when they exchange information with the HEI, according to the answers of the head of the institutions. Thus, there is evidence that confirm hypothesis H1: Exchange information about the demands and preferences of stakeholder groups creates more value for the organization.

Table 8 - Correlation between groups' participation in decisions and value creation (H2).

Participation in Decisions x Value Creation		sig.
Maintainer	0,586	0
Technical-Administrative	0,433	0
Community	0,405	0
Alummi	0,296	0,01
Faculty	0,255	0,028
Labor Market	0,253	0,028
Suppliers	0,226	0,051
Government	0,161	0,168
Students	0,1	0,393

According to Table 8, all stakeholders groups except for the Government and Students have a positive and significant correlation with value creation. In other words, all groups, except for the Government and Students create more value for the institution if they are included in decision-making process of the HEI, according to the perceptions of the head of the institutions. Since seven of the nine groups presented positive and significant correlations, there is evidence that confirm hypothesis H2: The active participation of stakeholder groups in the decision making process creates more value for the organization.

Table 9 - Correlation between mutual trust relationships with stakeholders and value creation (H3).

Mutual Trust x Value Created by HEIs		sig.
Faculty	0,371	0,001
Students	0,252	0,029
Technical-Administrative	0,387	0,001
Maintainer	0,786	0
Government	0,3	0,009
Labor Market	0,544	0
Community	0,637	0
Suppliers	0,528	0
Alummi	0,471	0

According to Table 9, all stakeholders groups show a positive and significant correlation with value creation. In other words, all groups of stakeholders create more value for the institution when there is a relationship based on mutual trust between them and the

HEI. Thus, it is possible to confirm hypothesis H3: The mutual trust relationship with stakeholder groups creates more value for the organization.

Table 10 - Correlation between group of stakeholders relevant in strategic planning and value creation (H3).

Relevant in strategic planning x Value created by HEIs		sig.
Suppliers	0,608	0
Maintainer	0,552	0
Community	0,55	0
Technical-Administrative	0,48	0
Alummi	0,463	0
Government	0,394	0
Labor Market	0,324	0,005
Faculty	0,305	0,008
Students	0,17	0,144

According to Table 10, all stakeholders groups, except the student body, show a positive and significant correlation with value creation. These results show all groups, except the student body, create more value for the institution when they are considered relevant in the process of strategic planning, according to the answers of the heads of the institutions. Thus, there is evidence that confirm hypothesis H4: Considering the stakeholder group as relevant in the process of organizational strategic planning can create more value for the organization.

5. DISCUSSION

The principles related to stakeholder theory addressed in this research, more specifically: i) knowledge sharing; II) mutual trust relationship; III) stakeholder involvement in the decision making process; and iv) inclusion of stakeholder interests in the strategic planning process, have a strong relationship with intangible aspects that are distributed to stakeholders, and that has the potential to generate more value to the organization.

Harrison et al. (2010) make a theoretical discussion about what kind of treatment given to stakeholders would lead to the achievement of competitive advantages, based on the managing for stakeholder framework proposed by Freeman et al. (2007). Stakeholder treatment advocated by Harrison et al. (2010) is based on reciprocity and distributive justice, which refers to the allocation of value to stakeholders based on their respective contribution to the creation of value of the organization. This comes to reflect, the management orientation and the perception of the top management teams by engaging these stakeholder groups, whether in sharing information, building a trust and fair relationship, and considering their interests in the decision-making process and strategic planning of the organization.

Through a relationship based on reciprocity and fairness with the primary stakeholders, the organization has more access to information about the utility function of the stakeholders, generating potential advantages such as increased demand and efficiency, innovation and the ability to dealing with unexpected situations. The advantages obtained, when used by the organization, generate value that is distributed in a fair way among all stakeholders, as we could see from the perceptions of HEIs managers.

The effort and appeal to the participation of the stakeholders in the decision processes of the companies can serve a double purpose: on the one hand, participation allows organizations to better understand their demands beyond which they already expect to be based on those who participate in the decision-making process. In this case, having the involvement of the maintainer, the technical and faculty body among other stakeholder groups in the decision-making process, is facilitating the construction of a more assertive and non-conflicting dialogue, compared to practices where the groups of stakeholders are excluding participation.

On the other hand, the involvement of stakeholders in decision making can be used to assess the level of alignment between their demands and interests, with the objectives and purposes of the organization itself, also improving the relationship between stakeholders and the organization, trust and perception of justice, which can into a possible competitive advantage.

The value creation by the educational institutions and the inverse, captured by the perception of managers about the value created by the Stakeholders, is also something already referenced by Griffin (2000), and approached in other studies, which justify the corporate Social Performance – CSP, as an interaction between the organization and its stakeholders, and vice versa, that is, the value Substantial generated would be a performance proxy , which is generated from one part to another.

Previous studies focusing on higher education institutions (Chapleo & Simms, 2010; Mainardes et al., 2012) have identified that faculty and students are the most relevant and priority stakeholders for universities. According to Cho (2017), this stakeholder group values and assists in building institutional identity, provides valid and reliable information, and both have a very strong influence on the decision-making of institutions when compared to other stakeholders such as local governments and communities, which are classified as less saliency grade.

6. CONCLUSIONS AND RECOMMENDATIONS

The findings show that the arguments used by stakeholder strategy theorists, where the attributes associated with relationships based on fairness (knowledge and information sharing, mutual trust relationship, involvement in the decision making process and stakeholder alignment interests in the strategic planning process) can create more value and influence in a competitive advantage for the company. Our main contribution is to empirically show that the principles of stakeholder management have the potential to create value to the organization.

As in all studies, there are certain limitations that should be noted. The sample of this study represents the experiences and perceptions of a group of directors of HEI of Brazil. Although the perceptions presented here are not necessarily representative of all Brazilian universities, we highlight the heterogeneity of the respondents and the degree of importance of their positions in these institutions, mostly directors and deans.

This work also sought to provide practical implications, both for managers of educational institutions and for all stakeholders involved and interested in the subject and field studied. Based on the results found, it is evident that the involvement of stakeholders in decision processes, whether they are more prominent as faculty, students and community as other stakeholders, brings mutual benefits to all stakeholders. Sharing information and engaging in collaborative actions leads the company to better align its organizational goals with the social demands expected by stakeholders, which in the approach of stakeholders is called *justice/fairness* and reciprocity in the relationship.

As in studies already developed in the context of higher education (Yuthas, 2008; Manetti, 2011; Dabija et al. 2017; Cho, 2017; and Ferrero-Ferrero et al. 2018), the engagement of stakeholders with institutions needs to be explored in such a way that feedback and participation in decisions is something lasting and permanent and that the monitoring of this relationship is done constantly. The implication in this study is to emphasize that fair and trusting relationships bring more benefits and can be sources of value creation and competitive advantage.

Notwithstanding this, the social contribution of work is evidenced by the concern in the development of best practices, processes and strategies of these educational institutions, which are inserted in an important context for the development of society. Analyzing and predicting better conditions for fair and reliable relationships between educational institutions and their stakeholders leads us to reflect on the role of business engagement with society in its environment and its purpose in existing in the community, which is create more value for all stakeholders.

The results of this study seek to advance towards the improvement and fostering of future research on the relationship with stakeholders in the context HEI. In addition, other empirical studies in different contexts are equally necessary, as well as using other aspects not discussed here in the context of the stakeholder theory approach, such as value distribution, synergy among the stakeholders, values and conflicting orientations among groups and other research possibilities.

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