

How Do B Corps Develop Relationships To Scale Up and Out Their Social and Environmental Impacts?

ABSTRACT

This paper explores how B Corps, a new form of purpose-driven organization, act as social change agents to catalyze change in society to improve social and environmental outcomes. We engaged with B Corps in Australia, Latin America and the USA to investigate how B Corps interact with their stakeholders and the types of relationships they form to scale up and scale out the B Corp movement. Our findings suggest that B Corps intentionally foreground beyond-profit purpose as both a selection criteria for and to facilitate their business activities. This ‘for-purpose’ positioning acts as a form of collective identity through certification and loosely coordinated networking provided by B Lab, the certification body. The pluralism of ‘purpose’ as symbolism attracts a broad range of businesses who were already committed to a form of purposeful business activity to scale up the movement. There is some evidence that B Corps are acting as a ‘signifiers’ in the market, offering future potential to draw stakeholders, especially those who share the beyond-profit purpose, into the movement via their associations with existing B Corps. Scaling out of the movement occurs through a loosely coordinated form of collective action whereby B Corps intentionally transmit purpose through their stakeholder relationships, to advocate for stakeholders to adopt new social or environmental practices intentionally or through a form of passive symbolism.

Keywords:

B Corps, B Lab, hybrids, purpose-driven, social responsibility, stakeholders

How Do B Corps Develop Relationships To Scale Up and Out Their Social and Environmental Impacts?

1. INTRODUCTION

New forms of enterprise are emerging as part of a broader movement towards a sustainable enterprise economy, as companies increasingly incorporate pro-social goals into their “very essence” (Waddock and McIntosh, 2011, p. 304). Hollensbe and colleagues (2014, p. 1228) propose redefining organizations as purposeful to positively transform society, “with purpose defining the remit and scope of business activity”. By coupling purpose directly with positive social and environmental outcomes, organizations generate profits from delivering products and services that benefit the “common good”. These organizations are driven by values beyond profit-maximization that characterizes the dominant business model. As Sevchenko et al. (2016: 913) observe, “profits are a necessary but not sufficient condition for long-term survival”. While corporations can be social change agents (Bies et al., 2007), purpose-driven organizations are typically small to medium sized enterprises (SMEs) trialing innovative forms of creative destruction, that are best positioned to create change (Sevchenko et al. 2016). There is significant scope for scholars to explore ways in which businesses can be purpose-driven (Hollensbe et al., 2014) to catalyze change in society to improve social and environmental outcomes (Sulkowski et al., 2017).

One relatively recent form of purpose and values-driven organization that is pursuing “profit with a purpose” is the B Corp (Stubbs, 2017b), which is related to but is distinct from the legally-chartered “benefit corporation”. B Corps are for-profit businesses that express intentions and operate to treat profit as a means to achieve positive social and environmental outcomes (referred to as “B-impact” in this paper), focusing on enhancing positive social and environmental impact rather than only maximizing profits (Stubbs, 2017a). The B Corp

model provides a common collective identity (Stubbs, 2017a) of “people using business as a force for good” (B Lab, 2017). This collective identity is a visible way for B Corps to classify their type of business and the ‘company they keep’, as well as to validate and explain their business model to stakeholders. Many B Corps see themselves as part of a social movement to drive a new way of doing business (Stubbs, 2017a). Nevertheless, with less than 3,000 B Corps in operation worldwide, the B Corp movement is relatively insignificant and largely represented by small privately held firms (Hiller, 2013; Stubbs, 2017b). As such, their ability to influence societal change towards a sustainable society is minimal.

One means of extending and amplifying B Corps’ B-impact is through their relationships and interactions with their stakeholder networks. Firms play a critical role in influencing stakeholders (Freeman, 1984). Sulkowski et al. (2017) refer to “shaking” stakeholders to alter their awareness, behavior, and networks in order to catalyze change in society and enable positive social and environmental outcomes. This suggests that B Corps can leverage their stakeholder networks to enhance their B-impact by “shaking stakeholders out of complacency” (Sulkowski et al., 2017, p.1). As such, this article poses the question: how do B Corps interact with their stakeholders to scale up and scale out their B-impact? To answer this research question, we explore whether and how: 1) B Corps extend their relationships with other stakeholders to leverage a broader movement? and, 2) B Corps develop relationships with other stakeholders to enable the scaling up and out of the movement? We draw on interviews with B Corps from Australia, Latin America and the USA to investigate how B Corps interact with stakeholders and the types of relationships they form to increase their B-impact. We are interested to understand if and how B Corps can influence their stakeholder networks to enable transitions to a sustainable society. To address our research questions, we draw upon new social movements theory, which emphasizes that values-based loosely

connected forms of collective actions can enable changes to the global socio-economic system (Buechler, 1993).

The article first reviews the literature to provide context and framing for the research study. It then discusses the research methods, followed by a discussion of the research findings before outlining the implications and contributions of the study.

2. LITERATURE REVIEW

Social movement theory has traditionally focused on forms of collective action as political acts that challenge the status quo of institutions, predominantly the elites and the state (Tilly, 1978; Tarrow, 2011). More recently social movements as stakeholders have been known to exert influence on corporations (King 2008). Social movements increasingly exert pressure on corporations as a response to the rise of corporate power and the bypassing of the state (Georgalis, 2017; De Bakker, et al., 2013). In this realm, social movement studies have focused on how stakeholders influence market outcomes through forms of collective action directed toward corporations (de Bakker and den Hond, 2008; King 2008). Such studies assume a triadic separation between and among the market, state and society, such that social movements emerge in the latter domain to exert pressure on corporations and the state to achieve more favorable societal-related market outcomes.

2.1 B Corps as a social movement in the business domain

B Corps arise in an emergent space blending a social purpose typically associated with the state or society, a 'for purpose' objective, with a market focused 'for profit' objective (Stubbs, 2017b). Thereby they can be categorized as an emerging form of hybrid organization (Haigh et al. 2015), operating within markets to challenge the status quo of the market (Boyd et al. 2017). Montgomery et. al. (2012) have identified a similar cross-sectoral convening to be an important but research-challenging variable in studies of social enterprises. Likewise,

the fair trade movement has been defined as a new social movement that is a form of collective action for distributive justice, directed toward the market rather than toward the state (Wilkinson, 2007).

Studies have analyzed the emergence of the B Corp or ‘purpose-driven’ businesses as part of a broader ‘for purpose’ social movement (Rankin and Matthews, 2016). Such studies have categorized B Corps as a social movement because their founders and/or leaders identify with a common purpose, a form of identification or shared interest in ‘business as a force for social good’ (Stubbs, 2017a). Increasingly, the state, business and civil society spheres are becoming blurred, such that the framing of collective action can be best understood as a process shaping and shaped by contextual and cultural factors (de Bakker et al., 2013). B Corps emerge in this blurred domain between and among market, civil society and state domains, so understanding how purpose is framed as a process of collective identity formation that enables collective action is still in its nascent stage and has been understudied.

2.2 Framing social movements

In this section, we review dominant concepts in the social movement theory related to resource mobilization and framing perspectives and compare these with previous studies of B Corps and stakeholders. Social movements have been analyzed according to their structural, political (that is, ideology) and relational dimensions (such as collective identity, culture, motivation and action).

First, the social movement perspective of the dominant resource mobilization focusses on the structural characteristics of a movement. The main focus has been to understand how actors gain access to resources, with a focus on the attributes of social movement organizations, while assessing collective identity as a ‘residual category’ or as a ‘static’ dimension (Cornelissen and Werner, 2014; Polleta and Jasper, 2001). Such theories were predominantly derived from insurgencies of civil and women’s rights and environmental

movements exerting their democratic rights by targeting the state through collective actions as form of political conflict (Langman and Marris, 2005). Previous studies have focused on the mechanisms of the mobilizing structures, such as networks and activist organizations that coalesce and organize collective action to enable stakeholders to influence firm activities (King, 2008; den Hond and de Bakker, 2007).

Second, another social movement construct, ‘framing processes’, has emerged as a reaction to the overly structural focus of resource mobilization theories. Framing is a significant construct across a variety of disciplines, but it is especially so in social movement and organization studies, and broadly theorizes the meaning-making processes of collective action (Cornelissen and Werner, 2014). Despite being reactive to structure, adoption of framing is often narrowly defined and limited to ‘static tendencies’ whereby ‘frame-alignment’ (McAdam, McCarthy and Zald, 1987) is analyzed as a strategic process to unify action. Reified ‘master frames’ are identified as strategic devices to align movement actors to more effectively take collective action. Thereby, collective action is enabled through cognitive framing, whereby knowledge structures or master frames coalesce shared cognition (Cornelissen and Werner, 2014). The strategic use of shared meanings for establishing collective identity has been identified as a key factor for enabling collective action between and among stakeholders (King, 2008).

Third, new social movement (NSM) theories, typified by the work of Tourraine (1981) and Melucci (1995), have a distinct framing perspective that is more closely aligned with social constructivism. Rather than focusing on the frame as a cognitive structure of shared meaning, a ‘symbolic-interactionist’ approach, which studies how people interact and make meaning through language as they interact, is suggested by Van der Voort et. al. (2009) who identify three framing processes: attribution, interpretation, and social construction. Unlike earlier theorists that expressed identity as continuity materialized through the formation of

ideologies, NSM theorists express discontinuity broadly as a reaction to the new conditions of the post-industrial society, so collective action emerges through non-confrontational tactics and dispersed grassroots modes of participation. Of significance is understanding the emergence of the collective identity frame as itself being negotiated. New social movements theorists state that social movement identity and collective action “may present itself as an empirical unity (a ‘we’) ... but it is a complex system of processes and actions (Melucci, 1996). Avoiding a tightly defined and unitary identity can be a purposive ‘strategic ambiguity’ tactic, to attract loosely affiliated actors and to avoid internal conflicts that may arise through a more tightly defined manifesto or ideology (Edwards and Baker, 2013), such that collective action does not always equal consensus (van der Voort et al., 2009). Typically, new social movements directed toward system change, thrive in loosely connected collective actions enabled through values-based and pluralistic identities (Buechler, 1993).

Previous B Corp studies found that early-adopter B Corps viewed themselves as part of a tribe (Stubbs, 2017a), which can be understood as a sense of “shared groupness” (King, 2008, p.31) that is essential for social movement formation. Less well-understood is whether and how such values-based identity is transmitted through their interactions with stakeholders. To understand how meaning-making occurs and how B Corps transmit meaning through their stakeholder relationships, we must look beyond the B Corp signifiers as a unitary empirical entity, to instead consider how B Corps frame their interactions at a micro-level by engaging and interacting with one another and their stakeholders. Given the relative small number of B Corp entities we assume that not all stakeholder relationships are formed with other B Corps.

Several theorists have sought to integrate between new social movement and resource mobilization approaches (Scott, 1990; Diani, 1992). One such micro-level framing theory derives from social psychology, focusing on how individuals participate in social movements (Klandermans, 1984). According to this perspective, collective identity and collective action

are mutually reinforcing and interrelated. An individual's inclusion and participation in the movement is mediated by four fundamental processes; social identity, social cognition, emotion and motivation (van Stekelenburg and Klandermans, 2017), with some theorists proposing emotional energy to be at the core of social movements, such that symbolic and ephemeral signifiers may be more important than rational processes (Goodwin et al., 2001). Examining how such processes mediate between an individual's identification with a movement and action, enables better understanding of the fine-grain interactions that enable B Corps to connect with one another and their broader stakeholders.

2.3 Framing collective action in stakeholder relationships

Stakeholder theory suggests that organizations should determine their effectiveness according to those relationships that can affect or be affected by the attainment of their purpose (Freeman, 1999). A dominant stream of stakeholder theory has focused on the instrumentality of these relationships to determine how more efficient stakeholder transactions enhance firm performance (Mitchell et al., 1997). The firm controls and negotiates the nexus of contractual relationships between various resource holders (Hill and Jones, 1992; Jones, 1995). Stakeholders are external entities, actors and social movements with whom managers consult and negotiate to determine optimal organizational efficiency via the appropriation of rents.

However, a relational view of stakeholder theory (Freeman and Liedtka, 1997) claims the impossibility of disentangling business value maximization from stakeholder value creation. Profit generation intertwines with value creation for all stakeholders beyond the immediate interests of owners (Freeman et al., 2010). There is a normative dimension to all transactions, for example, even contracting is imbued with moral notions of autonomy, solidarity, and fairness (Freeman, 1994). In general, stakeholder relationships can be framed by an 'ethical strategist' approach of respectful, open, honest, and multilateral communication (Noland and

Phillips, 2010). Relational dimensions of stakeholder engagement could enable business to influence stakeholders to engage in forms of collective action.

Predominantly, stakeholder theorists have examined how stakeholders seek to affect businesses through various forms of collective action for the purpose of obtaining more favorable social and environmental outcomes. Studies have examined the effects of social movements (De Bakker and Den Hond, 2008; King, 2008), shareholder activists, regulatory authorities and non-government organizations (Jonker and Nijhof, 2006; Burchell and Cook, 2013, 2008). Others have examined more complex effects, studying how stakeholders use a political advantage process (Cummings and Doh, 2000) to benefit from public policy and that within specific regional settings, stakeholders, such as social movements and civil society organizations, influence government policy to alter market conditions to affect business behavior (Doh and Guay, 2006). Such studies are researcher reactions to the overly instrumental approach of stakeholder theory and predominantly assume a traditional social movement framing perspective.

Fewer studies have focused on the opposite effect, that is, how businesses may affect stakeholders through a relational stakeholder perspective. From a normative perspective, it has been argued that businesses should be responsible for social and environmental outcomes beyond the attainment of their own self-interest that is beyond their own respective business cases (Hinings and Greenwood, 2002; Margolis and Walsh 2003). Several papers in a special issue of the *Academy of Management Review* demonstrated how corporations can be agents of social change at multiple-levels (Bies et al., 2007). For example, Corporate Social Responsibility can create positive actions within the firm when individuals engage in prosocial behaviors at the macrolevel a firm might fund the development of public infrastructure (Aguilera et al., 2007).

It is also possible for businesses to be initiators of stakeholder relationships for collective action that produce positive social and environmental outcomes, such as Green Mountain Coffee fostering relationships with local coffee growers to develop the fair trade movement (Bies et al. 2007). How firms seek to influence stakeholders to achieve such outcomes is largely under-examined, except for research in the field of sustainability management in which scholars have identified that mechanisms such as education, regulation, and sustainability-based value creation can facilitate sustainable development outcomes (Hörisch et al., 2014). These scholars identify that a firm's capacity to orchestrate common purpose between and among stakeholders and to empower stakeholders to act as advocates of social and environmental values and outcomes. Theorists have proposed that businesses can 'shake' stakeholders, not through hegemonic forms of control, but through authentic communication and other non-coercive means to raise awareness of social and environmental issues by advocating or educating for behavioral change (Sulkowski et. al. 2017). Through their interactions with stakeholders, organizations coordinate and activate many different stakeholders (Freeman et al, 2010; Driscoll and Starik, 2004) and could influence such relationships to obtain more beneficial social and environmental outcomes.

3. RESEARCH METHODS

B Corps are certified by B Lab, a non-profit organization founded in 2006 in the USA. The certification process involves companies completing an online B Impact Assessment, which assesses the social, environmental and economic impacts of the company on its stakeholders. A business must submit documentation to support its claims, complete a disclosure questionnaire, revise articles of incorporation or governing documents as necessary, sign the B Corp Declaration of Interdependence and Term Sheet, and pay an annual fee based on annual sales of the company. Businesses must earn a minimum 80 points out of a possible 200

points in the B Impact Assessment to qualify for certification. B Corps recertify every two years and ten percent of certified B Corps are randomly selected each year for an on-site review (Stubbs, 2017a).

Since little is known about how B Corps scale up their positive social and environmental impacts through their stakeholder relationships, this study employed a qualitative exploratory approach across three countries (Australia, Chile and USA). An exploratory approach is appropriate where little is known about a phenomenon (Blaikie, 2000). We drew a sample from different countries to tap into a potentially wide view of perspectives. The USA, Australia and Chile were chosen because they were the home countries of the largest number of B Corps at the time of the research study (July 2016) and B Lab had a physical presence in each of these countries.

3.1 Data selection and collection

At the time of the study, there were approximately 2,400 B Corps worldwide. We used purposeful sampling to identify those B Corps that had multiple and more established stakeholder relationships and partnerships. Purposeful sampling identifies information-rich cases, in order for the researchers to learn about issues of central importance to the research question. These cases yield insights and in-depth understanding rather than empirical generalizations (Patton, 2002).

We identified an initial sample of B Corps through the publicly available global B Lab database. Established stakeholder relationships were assumed to be associated with longer duration of certification and higher certification score. Purposeful sampling required access to key informants in the field who can identify information-rich cases (Patton 2002). We reviewed the initial list with B Lab staff, who were familiar with the B Corps in their countries, to identify the B Corps who had a complex variety of established stakeholder relationships. We identified the top 10 organizations in each country, and aimed to recruit

enough participants to reach theoretical saturation - the point where “incremental learning is minimal” (Eisenhardt 1989, p. 545). A total of 20 organizations agreed to participate (see Table 1). Codes are used to identify participants to maintain anonymity.

 Insert Table 1 about here

Research participants were founders, directors or CEOs of the B Corps. We also sought interviews from B Lab representatives in each country to gain their perspectives. Semi-structured interview questions explored the formative and relational aspects of partnerships and stakeholder interactions and the challenges encountered when building partnerships aligned to their values and purpose (see Appendix A). Interviews ranged between 30 minutes or 1 hour and were conducted during August 2016 – February 2017. All were face-to-face and held at participants’ offices or via phone/skype. All interviews were recorded (with consent) and transcribed to aid the analysis process, then loaded into NVivo, the qualitative database analysis software, for coding.

One limitation of using a small number of interviews is that it does not allow for generalization to a population. However, generalization is not the intention of exploratory research using purposeful sampling. The objective is to generate understanding, which can then be tested in further research studies to establish their range of application.

3.2 Data analysis

Following Strauss and Corbin (1998), we used a grounded approach to code and analyse the interviews. The process involved open coding, axial coding and selective coding (Minichiello et al., 1995; Strauss and Corbin, 1998). First, the interview text was analyzed line-by-line to generate codes (open coding). Next, a coding summary was created and discussed between and among three members of the research team to validate key concepts arising from the coding. Following this, another round of coding occurred to group related codes together under categories (axial coding). These categories were then organized into

three main thematic clusters (selective coding): motivation for becoming a B Corp; how B Corps form relationships with various stakeholders (including other B Corps, B Lab, customers, suppliers, large organizations and other organizations); and, characteristics of relationships with stakeholders (see Appendix B). Theoretical saturation was reached after coding the 20 interviews – no new codes were added in the last few interviews.

The project maintained a case database to assist data collection and ordering of field notes. The database consisted of the transcripts of the interviews, a file to keep track of the researchers' reflective notes/impressions from the interviews, an analytical file to capture ideas emerging as the study progressed, and company information. The case database and Nvivo database maintained a chain of evidence to track how understanding of the data was gained (Minichiello et al., 1995). In addition, the interview transcript was provided to each participant for comment or correction. This increases the reliability and validity (Minichiello et al., 1995) of the research study.

4. FINDINGS

B Lab (2009) presented itself as “leading a global movement of people using business as a force for good”. Its vision is “all companies will compete not to be the best in the world but the best *for* the world” (B Lab 2009, italics added). Speaking to the Academy of Management theme of ‘improving lives’, B Lab’s goal was to “*redefine success in business*”, referring to B Corps as change makers that “*use the power of business to solve social and environmental problems*”. Given the small size of this movement, the aim of this study was to explore how B Corps scale up their positive social and environmental impacts through their stakeholder relationships to drive change. This section reports the findings of the interviews with B Corp and B Lab participants. To provide some context, we first examine what motivated the B Corp participants to undertake B Corp certification. We then discuss how B Corps attempt to

extend stakeholder relationships (intentional or organic) to address the question “whether and how do B Corps extend their relationships with other stakeholders to leverage a broader movement?” Finally, we discuss the four major characteristics of these relationships (purposeful, advocacy, symbolic and transactional) to address the second question “whether how do B Corps develop relationships with other stakeholders to enable the scaling up and out of the movement?”

4.1 Motivation

The main reasons that the participants certified as B Corps were: to be part of a movement of like-minded businesses; to validate their approach to business; and, to reflect how the B Corps were already doing business. While 12 participants referred to B Corps as a movement, five also referred to it as a “*tribe*”, “*community*” or “*family*”, reinforcing findings from previous studies (Stubbs, 2017a). B Corp certification provides a “*platform*” for showcasing a socially and environmentally sustainable way of doing business. However, one participant believed that it was not a cohesive social movement that shares a single specific goal but a broad coalition of like-minded businesses that promote an ethical and sustainable approach to business. Furthermore, two participants’ organizations were not motivated to be part of a movement but became B Corps to be part of “*something that has a common ideology and values*” and that could “*make a difference*”. They pointed out that while B Corps have different goals and desired outcomes, certifying as a B Corp provided a “*flag*” that like-minded businesses want to “*gather around*”.

For 11 participants, the B Corp model reflected how the participants were already doing business and was the “*best fit*” for the participants. The certification process validated what they were doing compared to a third party standard and provided confidence to their customers that “*it [a B Corp] is not greenwashing*”, that B Corps were “*walking the talk*” and “*doing good*”.

4.2 How B Corps extend stakeholder relationships: Intentional

Intentional relationships were those deliberately pursued by B Corps to reinforce or spread the B Corp values and approach to business. B Corps intentionally sought out other B Corps, or where they were not able to locate appropriate B Corps, they sought like-minded businesses, with which to form relationships. Most of the relationships were intentional, with all participants providing examples of this approach. For example, one B Corp had a formal partnership principle specifying that they only work with other B Corps or companies aligned with B Corp values. Another's ideal was to become part of a global communications network of B Corps. Others had policies to give preference to working with local B Corps or adopted objectives to ensure all of their suppliers were B Corp certified. B Corps also had instrumental reasons for adopting this intentional relationship approach, such as, it can increase the number of points gained in the assessment process for recertification:

“so, the assessment is influencing the choices we make about who we give our money to, who we partner, the mix of suppliers ... the assessment is a magnificent tool for driving change”. (A1)

B Corps were also sought out by other B Corps or like-minded companies:

“there is a positive stigma kudos with being associated with others [B Corps]. So, we've had a film house, designers, and documentary people come in. There's probably six meetings we've had where they've come and picked us”. (A1)

B Corps were said to be “good people to work with” and trust was described as already established due to a commitment to the same values, making it easy to forge relationships. One B Corp interviewee intimated “*transparency, trust, collaboration are at the heart of the business model*”. However, according to one B Corp, there was a need to clearly define the scope of collaborative relationships to mitigate any competitive tensions.

B Lab provided the “*infrastructure*”, through the certification process, the impact assessment tool, the analytics platform, the B Hive online portal, and its “*best practice*” resources to support the B Corp community. These resources enabled B Corps to find other B Corps and to “*chat with each other without having to go through B Lab*”. They could search for other B Corps to find those with whom they would like to collaborate or to forge partnerships and relationships. B Lab organized a number of conferences and events to bring the B Corps together for networking, education and sharing experiences, such as the Champions Retreat and Leadership Development. B Lab also facilitated smaller events for networking and recruitment. B Lab asked B Corps to host monthly drinks, lunches and morning teas to deepen relationships between B Corps and attract potential new B Corps. These B Lab facilitated events also enabled B Corps to promote their products and services to other B Corps: “*let’s just meet these people and they might need our services*”. This is reinforced by B Lab leveraging the expertise of B Corps to help other B Corps and potential B Corps. For example, B Lab asked one B Corp to help a company through the assessment process and another to help train new B Corps on

“how to tell their stories better... So, in those sessions we shared heaps of wisdom, knowledge and insight, priceless stuff for no cost – we do that. You give, you share, it’s just part of the notion” (A1).

More formally, one B Corp undertook “*ambassador training*” in which B Lab trained B Corps to recruit other B Corps. They saw themselves as “*an extension of what B Lab is doing*”. However, three B Corps felt that B Lab promoted and profiled the larger B Corps not the small ones. As a result, B Lab was seen as not having created the “*right environment*” for small B Corps to forge stronger relationships with other B Corps and to identify opportunities to work together. While these B Corps felt that B Lab could do more to “*reach out and broaden the influence*” and “*mobilize the network*”, particularly amongst larger companies

and through industry forums, the B Corp ambassador questioned whether this was B Lab's responsibility and argued that ultimately B Corps themselves should "*get other businesses excited and move the movement forward*". Again, the lack of consensus amongst the B Corps indicates a loosely connected movement, further reinforced by one B Corp's argument that B Lab has developed a community of like-minded organizations but not an ecosystem that can drive change:

"I would have thought that a lot of it is around building an ecosystem not just a community, and they are two different things. A community is just a collection of like-minded organizations. Creating the ecosystem is laying fertile foundations for interaction between those key elements of the system and participants, and I think they have done community fine but there is not much of an ecosystem." (A8)

Evidence suggested that B Lab was working on initiatives to move beyond a loose coalition of "like-minded individuals" and enable more collective action by B Corps to "act together to create change within business". B Lab was first focusing on diversity and inclusion, to not only try to increase the diversity of B Corps, but for B Corps to develop, and adopt, diversity and inclusions targets. One B Lab participant mused that one day, "it'd be really cool if we ended up with our own version of the B Corp sustainable development goals (SDGs), that's what I'd like to see". Another indicated that B Lab is now targeting its recruitment campaign to attract companies that are highly influential within their sector. B Lab maintained a "running list" of companies that it is internationally targeting for certification:

"while I think that it's great that we get another accounting firm or a legal firm or another sustainability consultant, it's not really how we're going to scale a movement. The way we're going to scale it is by being able to point to really impactful business

that is redefining success in business, so, that's what we're doing with the B Corp certification". (A9)

The B Corp collective identity was enabling collective action between B Corps and their customers. The business-to-business B Corps were intentionally seeking customers whose values align with their own. One B Corp identified companies with whom they would not work (those in the tobacco and mining industries) and focused on locating values-driven clients, even if they were not as profitable as organizations in those industries. Another took the perspective that *"we don't punish companies for previous behavior"* but aligns their own values and those of their clients to the SDGs to identify the impacts of the project. They believed this was a means to identify how the client's project can have positive impacts:

"If there's any kind of opportunity to have a project and prove the case for doing good as core business and doing that well and proving the benefit of it we'll jump at it". (A6)

While one B Corp had influenced five clients to undertake B Corp certification, the participants did not feel that they could influence large companies to adopt B Corp values. However, they did provide examples of large companies, such as airlines, banks and retailers, wanting to do business with them because their customers were concerned about the issues that B Corps addressed. One small B Corp attracted four large retail clients because of their B Corp status:

"[retailer] always buys the cheapest and when we competed for winning this project we were not the cheapest, but they selected us because we were a B Corp". (C3)

According to a B Lab participant, B Lab was attempting to influence large organizations to support B Corp values. For example, B Lab was working with three large banks to engage with B Corps. One bank was giving preference to suppliers that are B Corps and another was asking companies, in which it is considering investing, to undertake the B Corp assessment. One large financial services company expected its business model to be *"disrupted"* and

wanted to learn from organizations that are driving change through new business models, such as B Corps. These large organizations were enabling collective action between stakeholders and supported the movement without undertaking the certification process themselves. They joined with other large global companies in B Lab's Multinational Public Market Advisory Group to consider how B Lab can “*scale our standards to meet the needs of the multinationals but also maintain and mitigate our risk*”, envisioning a time when large public-listed companies certify as B Corps. However, the B Lab participant stressed that it is a big challenge for large listed companies to become B Corps and suggests that it is more likely that B Corps who become listed will become larger and able to drive change:

I ultimately think that those big complex organizations that have lots of shareholders, it's a big conversation for them. I think the likelihood of a company which is business as usual using the B Corp to transform and then be a leader, is unlikely, but I think that idea of a purpose driven company [becoming listed and] scaling and then being a leader is quite likely. (A9)

B Corps intentionally sought suppliers who were B Corps or like-minded businesses, NFPs or social enterprises, with five acknowledging that they “*could do better*”. Three had more formal assessment processes such as surveys and supplier codes of conduct for choosing suppliers that are aligned to B Corp values. However, three participants were unable to find like-minded suppliers or distribution channels, so they attempted to talk to these suppliers about their B Corp values, and to change suppliers if values-aligned suppliers were subsequently found:

if you don't do it, if you don't go through the processes, we perfectly respect that. But we will look for a provider with – part of our objectives is to have 100% of our provider to be certified. It's not this year, some day that will happen. So, you have two options; whether to get certified or know we will change you. (C3)

Further reinforcing its B Corp values, one participant actively requested that its suppliers take the B Corp impact assessment.

4.3 How B Corps extend stakeholder relationships: Organic

Organic relationships were exploratory and/or opportunistic being primarily formed through “*networking*” events. These may lead to referrals or future business opportunities, but there were no expectations of immediate business resulting from these relationships – “*so it's more about just chatting to them*”, fostering the B Corp community and sharing ideas and projects. There were fewer examples of organic relationships, with seven participants providing examples. These organic relationships appeared to be more focused on exploring the shared meanings that underpin the B Corp collective identity (King, 2008). The resulting relationships may form on a “*quid pro quo*” basis as one B Corp stated:

but there are other organizations that we come into contact with who might want us to do some blogs for them or some talks or this kind of thing in exchange for something else that we would do for them or that they would do for us, and it is just a very organic, easy space to operate in. (A8)

Two B Corps explicitly pointed to the role of B Lab in fostering these organic relationships through the B Corp network. One B Corp maintained a list of like-minded organizations and had informal “*coffee conversations*” to connect them to “*complementary*” B Corps, which may or may not generate business for themselves or other B Corps.

4.4 How B Corps develop stakeholder relationships: Purposeful

Purposeful relationships were those where there is a strong alignment of purpose and values. These were the most discussed type of relations. Ten participants sought to work with businesses that were certified B Corps, including customers, suppliers and other partners. The “*commonality of values and purpose*” meant that they did not have to screen these companies to ensure that the values were aligned. Five participants suggested that there was an inherent

sense of trust doing business with B Corps because they have all had “*somewhat of a similar journey*” – they share a collective identity.

B Lab provided formal mechanisms to empower B Corps to “*mobilize the B Corp network*” (see s4.2), such as the “B Hive” online portal and “Ring the Bell” newsletters, which list all new B Corps. For four participants, these were useful resources to find B Corps to work with as one stated:

B Corp in America sends out, 'Ring the Bell', which is a newsletter of all certified B Corps in the last week. I always look at that and think who in Australia has just been certified, and always click through to see what they're about. And we're finding more of those sorts of agencies being certified as well, so PR agencies, consultancies, media agencies, web designers, things like that, which is great, because they're services that we could potentially use. (A2)

However, three participants pointed out that the movement was too small to be able to only do business with B Corps, and suggested that a “*critical mass*” is required to increase the level of engagement with other B Corps. As a result, B Corps sought relationships with organizations that share similar values. While B Corp certification provided a structural frame for the movement, the B Corp collective identity was not a static dimension (Cornelissen and Werner, 2004). 10 participants purposefully sought “like-minded” businesses that were purpose-based and shared the same values. In fact, one B Corp stated that shared values were more important than external certification. This approach led to more successful and sustainable partnerships and enabled B Corps to stay “*true to your purpose*”. Three participants also looked for partnerships with organizations that have adopted the SDGs and UN Global Compact, as they saw parallels between B Corp values and these frameworks.

Two B Corps had formal partnership principles that embody the B Corp values, while others did this more informally through talking to potential partners to find the “*story match*”

and to assess the alignment of values. For four participants, the informal vetting process was particularly relevant for seeking out clients with aligned values as demonstrated:

I wouldn't say that it is a formal criterion. [we don't] check a box saying are they B Corp? But on the other hand, we definitely are very careful about vetting partners.

What are the values of the people with whom we might work? What's the mission of the organization? Where do they focus? What do they care about? ... And that's part of our DNA. (U1)

Another participant had developed an “*executive summary version*” of B Lab’s impact assessment that “*challenges our clients and our suppliers to do better, but doesn't make it an unnecessary burden*”. They believed those partners that were willing to do the assessment were “*the sort of people you want to do business with*” and the relationship was more likely to succeed. The participant believed that this would broaden their impact, “*proving responsibility beyond just our part of the value chain*”. These vetting processes strengthen the relationship with the B Corps’ customers, and two were attracting customers that were willing to pay more because of the B Corps’ values and approach to business. However, another believed that they could be more profitable if they did accept clients that weren’t values-aligned, but this would not “*sit as comfortably with our other business mix*” of values-aligned clients.

Nevertheless, two participants found that some of their clients didn’t really “*get what we're doing*” and were not interested in hearing the B Corp story. In all, six participants felt that they could not just restrict their relationships to like-minded organizations. For one, its customers were “*bottom of the pyramid*” and driven by price, not concerned about the values of the B Corp and its products. Three others felt restricted as they could only source from suppliers who had the right products or expertise but weren’t values-aligned, and they didn’t have the “*bargaining power*” to influence them.

And sometimes you're a very small voice because they've got much larger accounts...

Some of them will listen, and some of them will just say, "Well, when is your next purchase ordering coming?" (A2)

There was also a sense that *"in the end, you have to be really pragmatic as well"* because values-aligned businesses may not have the right skillset or may be too expensive, which is of particular concern to B Corps in the consumer market because, *"at the end of the day, we have to compete"*.

4.5 How B Corps develop stakeholder relationships: Advocacy

The second most discussed type of B Corp relationship were "advocacy" – promoting the B Corp values and way of doing business in order to influence other organizations to be certified as B Corps, to use the B Corp impact assessment tool, or to adopt B Corp values. For seven participants, advocacy was a primary means to grow, or scale, the movement. These participants talked about proactively advocating for organizations (e.g., customers, suppliers, joint ventures, industry groups, government bodies) to certify as B Corps in order to grow the B Corp community. They tried to influence their partners and other organizations with whom they associate, to align (parts of) their business with B Corp values. However, four B Corps were quite passive in advocating for the B Corp movement while one did not believe it was their role to be a B Corp advocate. While the issue of who is responsible for advocating the B Corp approach (B Lab or B Corps) was not widely discussed by participants, there was no consensus amongst those who did raise this.

4.5.1 Proactive advocacy

Two B Corps were explicit about their success in advocating for their customers, investors or suppliers to certify as B Corps, while one had yet to convert any of its partners even though this B Corp's partners were strongly aligned with B Corp values. The proactive B Corps felt responsible to help *"grow the movement"* and one felt that they were an *"extension of B Lab"*

in their role as a B Corp “*ambassador*” to recruit B Corps. Another B Corp who was successful in converting its partners argued that B Corps need to be more aggressive in pushing their partners to certify as B Corps.

Another five B Corps and two B Lab participants did not necessarily advocate for B Corp certification, but tried to influence partners to adopt or support B Corp values. One B Corp directly lobbied one of the largest companies in its industry to build sustainability and environmental criteria into its preferred supplier list. It also pushed its large clients towards selecting “Green Leader Hotels” which puts pressure on the hotel industry to adopt sustainable business practices.

I can just constantly niggle them to remind them – because they have got a, I think it's a \$500 million market capitalization – to add a couple of extra clauses when they're looking for preferred suppliers, what are you doing in this space, sustainability, environment, etc. They're probably not going to end up with a whole lot of new suppliers because there are only so many in the industry, but you would probably end up with a whole lot of suppliers having to change the way they do business to guarantee them getting the contract, and before you know it that's hundreds of millions of dollars worth of business that suddenly these businesses are suddenly going to start caring about the environment etc. (A4)

Three others were educating their suppliers and clients about B Corp values to encourage them to adopt these values and “*be part of the change that the world needs*”, without the expectation that they will become a B Corp:

whether a company certifies or not is not my primary concern in the work I do locally. I want more companies to think and act like a B Corp. And once you've gone through that stuff, whether or not you certify ... I am not too concerned with that. (U2)

One B Corp in the food industry took a different approach by broadening its influence beyond clients and suppliers through “*advocacy partnerships*”. It worked with consumer advocacy groups, health professional groups, medical organizations and health practitioners “*in a collective voice for change*” to lobby for changes to food marketing regulation. Through these types of advocacy relationships, B Corps were seeking to change their behaviors in alignment with B Corp values.

4.5.2 *Passive advocacy*

Four B Corps took a more passive advocacy approach, through talking to other organizations about B Corps and demonstrating “*a good way to act*”. They felt that they weren’t big enough to influence suppliers and customers to adopt B Corp values or certify. They wanted to see B Lab doing more to broaden the B Corp approach and increase the momentum, particularly with governments, large companies and influential business leaders who could “*convince millions*”.

4.5.3 *Responsibility for driving advocacy*

B Lab’s focus appeared to be shifting from recruiting individual B Corps to advocating at the “big picture” level. B Lab was focused on facilitating the B Corp community to recruit B Corps:

That is far and away the best way to expand this movement – the existing community to be active in recruiting their leading peers, whether they be your partners, customers, suppliers, just local folks to join this community. (U7)

B Lab argued that it provided the infrastructure to bring B Corps together (s4.2), to support and share “*best practice*”, but it does not have the resources to continue to drive recruitment at the individual B Corp level. This was reinforced by one B Corp who suggested it was not B Lab’s role to recruit new B Corps, as it was more effective for B Corps to “*carry the load*” and get other businesses “*excited about joining the B Corp movement*”. However, two B

Corps did expect B Lab to take a more active role in driving B Corp certification, as *“it still feels like early days and you would like there to be more involvement [from B Lab]”*.

B Lab was focused on driving strategic partnerships and initiatives with government, industry groups, business networks, investors and big organizations that have large supply chains and/or customers. Through these strategic partnerships, B Lab was focusing on broadening companies' use of the B Corp impact assessment as *“a tool to embed impact into their company”*, in order to spread B Corp values. Over 40,000 businesses worldwide have used the impact assessment, but the conversion rate was very low (fewer than 3,000 certified). Hence, B Lab was shifting its focus from certifying B Corps to advocating for companies to measure their impact as they saw this was a better way to *“scale the movement”*. A B Lab participant stressed that its *“concerted focus”* was on working to leverage its strategic partners' relationships and networks to encourage companies to measure impact:

“So, there's a lot of businesses using it as a tool for change without ever certifying, and that's absolutely one of our aims”. (A9)

B Lab appeared to be shifting the structural framing from the certification process to the impact assessment process, thereby widening the movement beyond certified B Corps. The framing process is not static, as in the resource mobilization social movement perspective (Cornelissen and Werner, 2014). For example, B Lab was working with a major bank who was considering using a version of the impact assessment tool with its small-to-medium customers to help them better understand their impact, and how it could drive greater employee engagement. B Lab was also working with local governments on an impact assessment tool to measure employee engagement and encourage small-to-medium sized business in their municipalities to more effectively interact with government staff and increase diversity in their workforce and external stakeholder sets.

4.6 How B Corps develop stakeholder relationships: Symbolic

The third most discussed type of relationship was 'symbolic' meaning relationships that were formed as a stakeholder was attracted to working with B Corps because of B Corps' values or the B Corp approach to business. The B Corp "symbol" or "label" attracts customers, suppliers, employees, other B Corps, and large organizations, without B Corps actively advocating or intentionally approaching these organizations.

Five participants provided examples of potential clients seeking out B Corps with whom they do business. One had been approached by four large global retailers to provide its services:

They chose us because we are a B Corp and what it means for them might be, "You're a B Corp and that means that we can be sure that you have some social and environmental impact," or, "You're a B Corp and we know you're going to be transparent," or, "You're a B Corp and we know that you're going to treat your employees in the best possible way," or, "You're a B Corp and you're imaginative and you're going to show us different alternatives," or, "You're a B Corp and we'd love to work with you". (C3)

Two others talked about how being a B Corp "sets you apart" from other organizations which is noticed by potential customers. The B Corp collective identity was built on "transparency, openness, accountability and trust" which provided a competitive advantage for attracting customers. However, this collective identity was not widely recognized, as indicated by one B Corp's assessment that 80 percent of the time the B Corp had to approach customers, and "20 per cent they're approaching us".

Another participant also referred to the advantage of being a B Corp to attract suppliers, and the trust that the B Corp label evokes:

... gives you an advantage, it's like buying from a friend. You're more than a company, you have a soul, they understand, so the treatment is different, their prices go down immediately, it's easier to close deals. As a matter of fact, being a B Corp gives you trust. (C2)

In all, three participants provided examples of the B Corp symbolism attracting suppliers, with one referring to the “*positive stigma kudos ... so, we haven't selected suppliers, they've selected us*”. B Lab is also found that non-B Corps were giving preference to B Corps as suppliers.

While the study focused on understanding organizational relationships that B Corps form to scale up their impacts, one participant found that the B Corp values also attract, and help to retain, employees. This B Corp also referred to the tribe, or family-like nature of B Corps and the “*doors open because you are part of a community, so it is easier to just collaborate and do things without a formal agreement*”. As discussed in section 4.2, B Corps intentionally sought out other values-aligned relationships but they also attract other values-aligned organizations:

“when they see that we are a B Corp they start to associate us with a certain set of values or a certain ethical standing... the recognition allows us to get straight to the bread and butter of what we do and it is sort of an acknowledgement that we are operating at a higher bar of ethical standing”. (A8)

4.7 How B Corps develop stakeholder relationships: Transactional

The final relationship, and the one which was least discussed by our participants, was a transactional relationship. These B Corps' relationships were based on price, cost or efficiencies rather than values-alignment, because “*at the end of the day, we have to compete*”. Many of the customers of three B Corp participants were not interested in the social or environmental benefits of the products or services and were driven by price. Six

participants could not find suppliers who were values-aligned, or the level of service was not sufficient to meet their requirements, and/or they wanted to contain costs for their products to be competitive. For example, two participants talked about sourcing technology from large suppliers because of the reliability and cost-effectiveness of their products and services and another talked about “*price-shopping*” to reduce costs. While these B Corps have attempted to find values-aligned suppliers, “*in the end, there wasn’t another option*”.

5. DISCUSSION AND CONCLUSION

Through a traditional social movement lens, B Lab can be seen as a Social Movement Organization. The B Lab “infrastructure” provides a mobilizing structure (King, 2008; den Hond and de Bakker, 2007), to facilitate partnerships between B Corps and to enable collective action between stakeholders (King, 2008). However, there is a lack of consensus between and among participants regarding the role and function of B Lab as a movement facilitator, indicating a loosely connected movement (Buechler, 1993), or a nascent social movement.

B Corp certification and the impact assessment act as signifiers to coalesce activities of businesses intending to embed social and environmental impacts into economic activity. It provides a master frame, or knowledge structure, that establishes a collective identity (Cornelissen and Werner, 2014) to enable shared cognition about “business for social and environmental good”. In some cases, the certification provided a validation for already existing practices and provided a platform to allow amplification of their social and environmental impacts. Predominantly, participants expressed a desire to be connected with others who wanted to do business differently, yet there was no overriding ideology shaping their business approach. Our findings therefore demonstrate that while the certification and impact assessment acted as signifiers, participants identified with this phenomenon in a

variety of ways without apparent consensus among the participants (van der Voort et al., 2009). Concurrent with a NSM approach (Buechler, 1993), these B Corps are loose coalitions of change-makers, holding in common a values-based, but pluralistic identity.

Predominantly, B Corps intentionally sought to develop purpose within their stakeholder relationships. The pluralism of ‘purpose’ as symbolism attracts a broad range of businesses who were already committed to a form of purposeful business activity. Although a consistent approach was not apparent in the means for transmitting purpose through stakeholder relations, this can be understood as a form of dispersed collective action, so while action is undertaken by individual B Corps, collectively these actions intentionally aim to disrupt the status quo of market conditions. Therefore, in relation to our overarching research question, it appears that B Corps intentionally foreground purpose as both a selection criteria for and to facilitate their business activities. Such action of transmitting purpose through stakeholder relations, is undertaken by all B Corps, albeit characterized differently, as either being purposeful, advocacy, symbolic or transactional. Aside from the latter, all other intentional forms of stakeholder relationship were aiming to either self-select like-minded or to influence non-aligned stakeholders. Transmitting purpose between relationships with like-minded stakeholders was predominantly categorized as purposeful or advocacy. Our finding demonstrate that relationships with like-minded other stakeholders amplifies the existing advocacy of the movement. This is a form of scaling-up the movement to disrupt the status quo of markets.

There is also some evidence that momentum is building such that the ‘B Corp’ is a ‘signifier’ in the market offering future potential to draw stakeholders into the movement via their associations with existing B Corps. Scaling out of the movement occurred through a loosely coordinated form of collective action whereby B Corps intentionally transmit purpose through their stakeholder relationships, to advocate for stakeholders (particularly suppliers) to

adopt new social or environmental practices intentionally or through a form of passive symbolism. The latter is a pervasive expression of a ‘positive stigma kudos’ which attracted stakeholders through a form of moral and/or emotional signifier, as doing business with B Corps being the right thing to do from an ethical perspective. B Corp relationships are facilitated by the sentiments attached to B Corp status such that stakeholders are attracted to develop relationships with B Corps. This form of ‘pull’ provides an opportunity to further scale out the B Corp movement.

Mostly this was achieved without binding stakeholders to become certified B Corps, but rather attracting them to a better way to do business. Or where B Corps seek educate suppliers or customers to adopt more environmentally friendly practices. Through these types of advocacy relationships, B Corps are “shaking” their stakeholders (Sulkowski et al., 2017), seeking to change their behavior in alignment with B Corp values. Therefore, the loosely defined ‘business for purpose’ appears to generate further movement activity, without tightly controlling or restricting entry. Interactions at the level of individual B Corps in their relationships with non-aligned stakeholders appears to offer some promise for scaling out the movement.

Despite this, some evidence suggested the need to more actively leverage the core of the movement through centralized advocacy. Relationships with other B Corps are based upon amplification of an already existing common identity driven by some form of broader purpose. While this occurred intentionally between and among some B Corps as they purposefully selected other B Corp partners where possible, this was not generally formalized. Strengthening such relationships through more enduring forms of alliance may be beneficial to enable further growth. For example, the UK fair trade industry established a fair-trade market through a virtual integration strategy. This strategy means alliances and inter-company networks were purposefully developed between and among fair-trade businesses,

and the organizations remained flexible and small while projecting size to the market (Davies, 2009).

B Corps are an emerging new social movement challenging the prevailing status quo of the dominant economic market logic to forge social and environment purpose into the market through a form of hybrid enterprise. By foregrounding the relational dimensions of stakeholder relationships (Freeman and Liedtka, 1997), B Corps engage in the struggle over historicity (Touraine, 1981) to redefine the purpose of the market as an entanglement of social, environmental and economic transactions. This manifests, as a master frame enabled by B Lab, in the form of evaluation and certification that attracts businesses into a new form of purposeful market. Purpose is not static or unitary, as in the typical movement ideology, but rather porous and malleable and translated into significance as it is conveyed through ongoing conversations with stakeholders. Purpose can be deliberately transmitted through stakeholder relationships. This is not always signified through references to the B Corp as a form of symbolism. Rather purpose is a phenomenon which can be defined in a multitude of ways, but always as values-laden.

Taken together these findings suggest B Corps operate beyond their immediate business model to create and establish relationships in their operating environment that could enable sustainable development outcomes and in doing so they can scale out a movement. However, movement framing is an ongoing process. While B Corps transmit a hybrid logic through their relationships with customers, the symbolism of the B Corp outside of the existing network is undervalued. An opportunity exists to further develop the value of B Corp through stakeholder relationships with non-B Corps.

5.1 Implications for Practitioners

B Corps, pending B Corps, and businesses possibly interested in becoming B Corps may take several cues from this research. First, along with B Lab, these businesses may want to

publicize the B Corp certification as broadly and frequently as possible, in order to provide signals to as many of their stakeholders as possible in projecting the need for and utility of purpose-driven organizations and relationships. Second, these actual or potential B Corps should probably expect to take responsibility for scaling the movement up and out, since B Lab appears to be focusing more attention on its Measure What Matters program, which focuses on larger businesses, many of which may never certify as B Corps. B Corps in our sample seemed to be favoring creating referential networks with like-minded businesses, thereby scaling-up the movement by amplifying purpose, but limiting this to the 'usual suspects'. If they want to further challenge the status quo through building critical mass by scaling out, they should also focus on influencing non-aligned stakeholders. Finally, in countries where this is possible, the "B movement" may want to pay close attention to and cultivate relationships with legally chartered "benefit corporations", since such businesses, which are already far more numerous than B Corps, may either be good candidates for becoming B Corps or may be interested in establishing positive relationships with existing B Corps, since these "benefit corporations" often share the same values as B Corps.

5.2 Limitations and Future Research

Among this study's limitations that could be addressed by future research are, first, the study's limited number of participants, which could be increased both in number and in type of organization both within and outside the B Corp environment. Other businesses, government organizations, and non-profit organizations with an interest in purpose-driven businesses may be important participants to include in future studies. Second, future research could assess the quality and other performance aspects of B Corps and their relationships, including the potential short-term and long-term financial gains of these relationships. Thirdly, future researchers may want to identify whether other types of salient B Corp

relationships exist or if the frequency (or ranking) among the relationships we have identified is similar to those that exist in their own B Corp samples. In addition, future researchers may want to develop suggestions on how each of the relationships we identified or they identify anew can be broadened, deepened, or strengthened. Finally, future research could assess the effectiveness of B Lab in each of the countries in which it operates to identify recommendations on how B Lab could be more effective and/or how other organizations, such as the Global Reporting Initiative and the U.N. Global Compact could play significant complementary roles in advancing purpose-driven businesses. The authors welcome other suggestions from this article's readers that would better describe, analyse and/or evaluate the emerging "B movement".

6. REFERENCES

- Aguilera, R.V., Rupp, D.E., Williams, C.A. and Ganapathi, J., 2007. Putting the S back in corporate social responsibility: A multilevel theory of social change in organizations. *Academy of Management Review*, 32(3), pp.836-863.
- B Lab, 2009. What are B Corps? B Corp Anthem –B The Change. <http://www.bcorporation.net/what-are-b-corps>, Retrieved 21/11/2017.
- B Lab. 2017. B Corporation. <http://www.bcorporation.net/>, Retrieved 21/11/2017.
- Bies, R. J., Bartunek, J. M., Fort, T. L., & Zald, M. N. 2007. Corporations as social change agents: Individual, interpersonal, institutional, and environmental dynamics. *Academy of Management Review*, 32(3), 788-793.
- Blaikie, N. W. H. 2000. Designing social research: the logic of anticipation. Malden, MA: Polity Press.
- Buechler, S. M. 1993. Beyond resource mobilization? Emerging trends in social movement theory. *The Sociological Quarterly*, 34(2), 217-235.
- Burchell, J., & Cook, J. (2013). Sleeping with the enemy? Strategic transformations in business–NGO relationships through stakeholder dialogue. *Journal of business ethics*, 113(3), 505-518.
- Boyd, B., Henning, N., Reyna, E., Wang, D., Welch, M. & Hoffman, A.J., 2017. *Hybrid organizations: New business models for environmental leadership*. Routledge.
- Cummings, J. L., & Doh, J. P. (2000). Identifying who matters: mapping key players in multiple environments. *California Management Review*, 42(2), 83-104.
- De Bakker, F.G., Den Hond. F., King, B., & Weber, K. (2013). Social movements, civil society and corporations: Taking stock and looking ahead. *Organization Studies*, 34 (5-6), 573-593.
- Den Hond, F. & De Bakker, F. G. A. 2007. Ideologically motivated activism: How activist groups influence corporate social change activities. *Academy of Management Review*, 32(3), 901-924.
- Diani, M., 1992. The concept of social movement. *The sociological review*, 40(1), pp.1-25.
- Doh, J. P., & Guay, T. R. (2006). Corporate social responsibility, public policy, and NGO activism in Europe and the United States: An Institutional-Stakeholder perspective. *Journal of Management Studies*, 43(1), 47-73.
- Driscoll, C. & Starik, M. 2004. The primordial stakeholder: Advancing the conceptual consideration of the natural environment's stakeholder status. *Journal of Business Ethics*. Vol. 49 (11), 55-73.
- Edwards, M. & Baker, E., 2013. Construction in human interaction dynamics: Organizing mechanisms, strategic ambiguity and interpretive dominance. *Emergence: Complexity and Organization*, 15(4), 21.
- Eisenhardt, K.M., 1989. Building Theories From Case Study Research. *The Academy of Management Review*, 14(4), 532-550.
- Freeman, R.E. (1984). Strategic management: A stakeholder approach. Boston: Brown-Little.
- Freeman, R. E. (1999). Divergent stakeholder theory. *Academy of Management Review*, 24, 233-236.
- Freeman, R. E., Harrison, J. S., Wicks, A.C., Parmar, B. L., & De Colle, S. (2010). *Stakeholder theory: The state of the art*. New York, NY: Cambridge University Press.
- Georgalis, P. 2017. The link between social movements and corporate social initiatives: Toward a multi-level theory. *Journal of Business Ethics*, 142, 733-751.
- Goodwin, J., Jasper, J.M., & Polletta, F. 2001. *Passionate politics: Emotion and social movements*. Chicago, IL: University of Chicago.

- Haigh, N., Walker, J., Bacq, S. & Kickul, J., 2015. Hybrid organizations: origins, strategies, impacts, and implications. *California Management Review*, 57(3), 5-12.
- Hiller, J. S. 2013. The Benefit Corporation and Corporate Social Responsibility. *Journal of Business Ethics*, 118(2), 287-301.
- Hinings, C. R., & Greenwood, R. 2002. Disconnects and consequences in organization theory? *Administrative Science Quarterly*, 47: 411–421.
- Hollensbe, E., Wookey, C., Hickey, L., George, G., & Nichols, C. V. 2014. Organizations with purpose. *Academy of Management Journal*, 57: 1227-1234.
- Jonker, J., & Nijhof, A. (2006). Looking through the eyes of others: Assessing mutual expectations and experiences in order to shape dialogue and collaboration between business and NGOs with respect to CSR. *Corporate Governance: An International Review*, 14(5), 456-466.
- King, B.G. 2007. A social movement perspective of stakeholder collective action and influence. *Business and Society*, 47, 21-49.
- Klandermans, B., 1984. Mobilization and participation: Social-psychological expansions of resource mobilization theory. *American sociological review*, 583-600.
- Langman, L. Morris, D. (2005). Networks of Dissent: A Typology of Social Movement in a Global Age. *Information, Technology, Education and Society*, 6(2), 5–25.
- Margolis, J. D., & Walsh, J. P. 2003. Misery loves companies: Rethinking social initiatives by business. *Administrative Science Quarterly*, 48, 268–305.
- McAdam, D., McCarthy, J. D., & Zald, M. N. (Eds.). (1996). *Comparative perspectives on social movements: Political opportunities, mobilizing structures, and cultural framings*. Cambridge University Press.
- Melucci, A. (1995). The process of collective identity. *Social movements and culture*, 4, 41-63.
- Minichiello, V., Aroni, R., Timewell, E., & Alexander, L. 1995. *In-depth interviewing: researching people* (second ed.). South Melbourne: Longman Cheshire (first published 1990).
- Mitchell, R. K., Agle, B. R., & Wood, D. J. (1997). Toward a theory of stakeholder identification and salience: Defining the principle of who and what really counts. *Academy of Management Review*, 22(4), 853-886.
- Montgomery, A., Dacin, P., & Dacin, M. 2012. Collective social entrepreneurship: Collaboratively shaping social good. *Journal of Business Ethics*. Vol. 111.3: 375-388.
- Noland, J., & Phillips, R. (2010). Stakeholder engagement, discourse ethics and strategic management. *International Journal of Management Reviews*, 12(1), 39-49.
- Patton, M. Q. 2002. *Qualitative research & evaluation methods* (3rd ed.). Thousand Oaks, Calif.: Sage Publications.
- Rankin, C.P., Matthews, T., 2016. Benefit Corporation Certification. *Proceedings of the International Association for Business and Society*, 198-207.
- Scott, A., 1990. *Ideology and the new social movements* (No. 24). Allen & Unwin Australia.
- Shevchenko, A., Lévesque, M., & Pagell, M. (2016). Why firms delay reaching true sustainability. *Journal of Management Studies*, 53(5), 911–935.
- Strauss, A. L. & Corbin, J. M. 1998. *Basics of qualitative research: techniques and procedures for developing grounded theory* (2nd ed.). Thousand Oaks: Sage Publications (first published 1990).
- Stubbs, W. 2017a. Sustainable entrepreneurship and B Corps. *Business Strategy and the Environment*, 26(3), 331–344.
- Stubbs, W. 2017b. Characterising B Corps as a sustainable business model: An exploratory study of B Corps in Australia. *Journal of Cleaner Production*, 144, 299-312.

- Sulkowski, A. J., Edwards, M., & Freeman, R. E. 2017 (in press). Shake Your Stakeholder: Firms Leading Engagement to Cocreate Sustainable Value. *Organization & Environment*: DOI 10.1177/1086026617722129.
- Tarrow, S. (2011) Power in Movement Social Movements and Contentious Politics. NY, Cambridge University Press.
- Tilly, C. (1978) From Mobilization to Revolution, Reading, Mass: Addison-Wesley Pub. Co
- Touraine. A., (1981). The Voice and the Eye. An Analysis of Social Movements. Cambridge, Cambridge University Press.
- Van Der Voort, J. M., Glac, K., & Meijs, L. C. (2009). "Managing" corporate community involvement. *Journal of Business Ethics*, 90(3), 311-329.
- Van Stekelenburg, J. & Klandermans, B., 2017. Individuals in movements: A social psychology of contention. In Klandermans, B. and Roggeband, C. (Eds) *Handbook of social movements across disciplines*, Springer, pp. 103-139.
- Waddock, S. & McIntosh, M. 2011. Business Unusual: Corporate Responsibility in a 2.0 World. *Business and Society Review*, 116(3), 303.
- Walker, E. 2012. Social movements, organizations, and fields: A Decade of theoretical integration, *Contemporary Sociology*; Washington 41.5, 576-587.
- Wilkinson, J. (2007). Fair trade: Dynamic and dilemmas of a market oriented global social movement. *Journal of Consumer Policy*, 30(3), 219-239.

TABLE 1: SUMMARY OF PARTICIPANTS

Code	Type of organization	Location
A1	Consulting	Australia
A2	Fast moving consumer goods (FMCG)	Australia
A3	FMCG	Australia
A4	Travel	Australia
A5	Web services	Australia
A6	Consulting	Australia
A7	Financial services and media	Australia
A8	Consulting	Australia
A9	B Lab	Australia
C1	Food wholesaler	Chile
C2	Solar energy solutions	Chile
C3	Waste management solutions	Chile
C4	Financial services	Chile
U1	Consulting	USA
U2	Consulting	USA
U3	Consulting	USA
U4	Consulting	USA
U5	Consulting	USA
U6	Urban Development	USA
U7	B Lab	USA

APPENDIX A: INTERVIEW QUESTIONS (B CORPS)

- Can you provide some background on yourself and your role in the company?
- How do you describe the purpose of your company?
- Why did you become a B Corp?
- What sorts of partnerships and relationships do you currently have with other organizations?
- What partnerships or collaborative arrangements would you like to have to fulfill your business purpose and goals?
- How do you communicate to and influence your partners?
- What do you need to assist you to build effective partnerships with other organizations to be more successful?
- How do you select your suppliers?
- How important is it that your suppliers share your purpose?
- (How) do you communicate/educate your suppliers about B Corp values and business practices?
- How do you select your customers?
- How important is it that your customers share your purpose?
- (How) do you communicate/educate your customers about B Corp values and business practices?
- (How) have you been working with B Lab to develop collaborative partnerships with other organizations?
- What do you see is the role of B Lab in developing collaborative partnerships and networks?

APPENDIX B: SAMPLE THEMES, CATEGORIES AND CODES

Themes	Categories	Sample codes
Motivation	Part of a movement Certification and validation Best fit	Tribe Community Movement 3 rd party standard Transparency Common identity
How B Corps develop relationships	Intentional Organic	Relationship with B Corps Relationship with customers Relationship with suppliers Relationship with large organizations Relationship with other organizations Relationship with B Lab
Characteristics of B Corps' relationships	Purposeful Advocacy Symbolic Transactional	Do business with B Corps Do business with like-minded companies Not like-minded Proactive advocacy Passive advocacy Responsibility for driving advocacy Attract suppliers Attract customers Attract B Corps Attract employees