METHODOLOGICAL OPTIONS FOR ANALYZING SHARED VALUE DURING CLUSTER DEVELOPMENT

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Abstract

This paper revolves around the topic of shared value and will have the following objectives: (1) introducing the concept of shared value in literature, (2) analyzing quantitative and qualitative methods for operationalizing shared value, (3) operationalizing shared value during cluster development. As far as objectives (2) and (3) are concerned, we consider that among the presented methods, the case study, the interview, the questionnaire, the participant observation, the document analysis and the network analysis are the ones with the most frequent application in the literature of shared value. At the end of this exploratory research, the reader will find it interesting that shared value is a novel term in the microeconomics and still, it has a lot of potential to overcome its weaknesses.

Keywords: shared value, qualitative methods, quantitative methods, cluster development

Introduction

Creating social value is a multifaceted novel term which has been theorized by Porter and Kramer (2006, 2008, 2011, 2018) in their various papers and has stirred the attention of scholars and practitioners alike. It is defined as "policies and operating practices that enhance competitiveness of a company while simultaneously advancing the economic and social conditions in the communities in which it operates" (Porter and Kramer, 2011), but it also has been seen from other perspectives, either related to environment, "creating organizational value while simultaneously adding value to society and to the environment (Dubois and Dubois, 2012) or with finances, "balance of social and financial value creation" (Pirson, 2012). The concept is debated in the literature especially by Crane *et al*. (2014) who offer a series of strengths and weaknesses for Porter and Kramer to reflect upon, being practically an open literature debate between the authors.

We are facing times when capitalism is reengineered and "a wave of innovation and growth" is unleashed (Porter and Kramer, 2011). Nowadays the big economic players who have adhered to the new big idea of shared value (Nestlé, Coca-Cola, GE, Google, IBM, Intel, Johnson &Johnson, Unilever, Wal-Mart) have understood that corporate social responsibility is not enough any longer. This era is dedicated to shared value, which creates "economic and social benefits relative to

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cost, involves new and heightened forms of collaboration, realigns the entire company budget" and it does not act just in response to competition, but fosters beneficial competition and profit maximization. These and many other advantages were made possible in regions where the government manifested a flexible attitude and adjusted regulation for the common benefit. However, as the authors state, "not all societal problems can be solved through shared value solutions", but their final point is that the small steps have brought a more respectful image to companies in the communities they activate.

Porter and Kramer (2011) state that shared value is a very important engine for creating competitive advantages and for revolutionizing the business practice. Why is that?

According to them, "companies must take the lead in bringing business and society together" because they have shared value which "is not social responsibility, philanthropy, or even sustainability, but a new way to achieve economic success" (Porter and Kramer, 2011, p. 4). The authors consider that learning how to create shared value might legitimize business again.

Shared value is a new and controversial concept, which has been launched in 2006 by Porter and Kramer. The concept signifies economic and societal benefits relative to cost and is, according to its inceptors, a way to join the company value creation with the community value creation.

Porter and Kramer (2018) pass gradually from corporate philanthropy to corporate social responsibility and finally to creating social value, explaining how each of them is different from the other. While corporate philanthropy refers to donations to worthy social causes and volunteering, corporate social responsibility deals with compliance with ethical and community standards, good corporate citizenship and sustainability. The outcome of this indicator consists of mitigating risk and harm and improving trust and reputation. Lastly, creating shared value refers to addressing any social need through the business itself, with a business model, which leads to harnessing capitalism itself.

This article is divided into three parts. In the first part we introduce the concept of shared value to the reader, as it is perceived in the literature. In the second part, we present the definitions of four methods used in the shared value research, the case study, the qualitative interview, the participant observation and the questionnaire, respectively, along with other methods attributed to a new cluster existence, and in the third part we present a few cases when shared value was operationalized during cluster development.

1. Conceptualizing shared value

Shared value is a relatively new concept introduced in 2006 by Porter and Kramer and later defined by the same authors as "policies and operating practices that enhance the competitiveness of a company while simultaneously advancing the economic and social conditions in the communities in which it operates" (Porter and Kramer, 2011, p. 66). Shared value is also identified as "sustainable business practices" (Maltz and Schein, 2012, p. 56).

Dembek *et al*. (2016) made a selection of 402 articles related to shared value and applied content analysis to learn about the common and different sections of those articles. Starting with the definition of the term, the following table (Table 1) best summarizes the various definitions associated with the term shared value.

Table 1. Definitions of shared value

Definition of shared value	Studies
Policies and operating practices that enhance the competitiveness of a company while simultaneously advancing the economic and social conditions in the communities in which it operates	Group 1 Chatterjee (2012), Crane *et al*. (2013), Follman (2012), Hamann (2012), Hancock *et al*. (2011), Hartmann *et al*. (2011), Juscius and Jonikas (2013), Kapoor and Goyal (2013), Porter and Kramer (2011), Schmitt and Renken (2012), Sojamo and Larson (2012), Spitzeck *et al*. (2013) and Spitzeck and Chapman (2012)
A meaningful benefit for society that is also valuable to the business Creation of economic value ''in a way that also creates value for society by addressing its needs and challenges'' (Porter and Kramer 2011, p. 64)	Group 2 Aakhus and Bzdak (2012) and Porter and Kramer (2006) Athanasopoulou and Selsky (2012), Brown and Knudsen (2012), Cao and Pederzoli (2013) and Kendrick *et al*. (2013)
The ability to both create economic value and … social or societal benefit simultaneously	Driver (2012)
Creating organizational value while simultaneously adding value to society and to the environment	Dubois and Dubois (2012)
Value that is mutually beneficial to both the value chain and society	Fearne *et al*. (2012)
A global commercial organization's initiative to simultaneously create value for shareholders and the communities in which the firm operates, beyond the efforts required by law	Maltz and Schein (2012)
Consider the shared value of multiple stakeholders instead of focusing solely on firm value	Maltz *et al*. (2011)
Putting social and community needs before profit	Pavlovich and Corner (2014)
Balance of social and financial value creation	Pirson (2012)
Choices that benefit both society and corporations that arise out of the "mutual dependence of corporations and society"	See (2009)
The simultaneous creation of economic value for the firm and social and environmental value for the places in which they do business	Shrivastava and Kennelly (2013)
Creation of value not only for shareholders but for all stakeholders	Verboven (2011)
Shared value (i.e. concerning at the same time economic and social progress) [own translation]	Arjalie`s *et al*. (2011)

Source: Dembek et al., 2016, p.236

Group 1 of definitions keeps the main idea of Porter and Kramer's definition, while Group 2 differentiates itself through other meanings attributed to shared value. Dembek *et al*. (2016) focus on solving the mystery about three domains, means, resulting outcomes and beneficiaries of the outcomes, as far as shared value can be considered a buzzword. This mystery, if solved, can bring light into the operationalization and measurement of the concept. Pftizer *et al*.(2013) claims that there is no universal approach to measure shared value.

Kaufeldt *et al*. (2014, p. 70) support the idea that there is not a "single, best way to optimize shared value" because this concept "is in its infancy" (p.72). Its inceptors were Porter and Kramer, who mentioned this term in various articles (Porter and Kramer, 2008; Porter and Kramer, 2011; Porter *et al*., 2011) and differentiated three dimensions of it: reconceiving products and markets, redefining productivity in the value chain and enabling local cluster development. This paper will focus on the latter one.

The strengths of the concept according to Crane *et al*. (2014, p. 133) are: (1) the concept appeals both to practitioners and scholars, (2) it elevates social goals to a strategic level, (3) shared value articulates a clear role for governments in responsible behavior and (4) it adds rigor to ideas of "conscious capitalism" and provides an umbrella construct for loosely connected concepts like corporate social responsibility, non-market strategy, social entrepreneurship, social innovation and the bottom of the pyramid. As any new concept, it attracts criticism, and authors like Crane *et al*. (2014) address in their paper a response to Porter and Kramer's conceptualization of shared value by saying that the concept is (1) unoriginal, (2) it ignores the tensions between social and economic goals, (3) it is naïve about the challenges of business compliance and (4) it is based on a shallow conception of the corporation's role in society.

Table 2. The Strenghts and Weaknesses of the Shared Value Concept

Strengths	Weaknesses
CSV successfully appeals to practitioners and scholars	CSV is unoriginal
CSV elevates social goals to a strategic level	CSV ignores the tensions between social and economic goals
CSV articulates a clear role for governments in responsible behavious	CSV is naïve about the challenges of business compliance
CSV adds rigor to ideas of "conscious capitalism" and provides an umbrella construct for loosely connected concepts	CSV is based on a shallow conception of the corporation's role in society

Source : Crane *et al.*, 2014, p. 132

(1) Why shared value concept is unoriginal? Crane *et al*. (2014) considers that creating shared value is based on corporate social responsibility, stakeholder management and social innovation literature, thus being unoriginal and also,

according to Dembek *et al*. (2016), it is rapidly evolving into a management buzzword. Moreover, according to Mehera (2017), shared value articles are related either with (1) means to create shared value, or (2) resulting outcomes of shared value. This is another argument why shared value is perceived as an unoriginal concept, taking into consideration the variety of literature related to the term.

The Economist (2011)[1] sees shared value concept as "a bit undercoocked" and it has not enough theoretical background according to Beschorner (2014). Crane *et al*. (2014) state that creating share value would have a purpose only in the case when companies would have a narrow view on creating value, only limited to the economic value. But nowadays companies are concerned on social and financial values and also on moral and political values, so the concept's terminology does not bring a novel idea. Moreover, there is great similarity between shared value and blended value, Jed Emerson's concept, in which firms seek simultaneously to pursue profit and social and environmental targets. There is also an overlap with Stuart Hart's 2005 book, "Capitalism at the Crossroads"(The Economist, 2011). Moreover, the availability of win-win scenarios that seem to function according to Porter and Kramer (2011) are rather a disadvantage for the conceptualization of creating shared value.

The authors explain the other limitations of the concept as follows:

(2) As far as the second limitation is concerned, Crane *et al*. (2014, p. 137) claim that in their initial article, Porter and Kramer ignore the tensions between social and economic goals, and this is happening for all the three dimensions of creating shared value, reconceiving products, redefining productivity and enabling clusters. Porter and Kramer approach reconceiving products dimension by choosing shared value success stories in new markets, with little regard for the negative impacts of companies' core products and markets (Crane *et al*., 2014). As far as redefining productivity in the value chain is concerned, Porter and Kramer place significant emphasis. They focus on energy use, logistics, procurement, distribution and employee productivity. Research shows that shared value initiatives put in place with the intention to promote sustainability in supply chains for social and environmental gains only survive in economic terms (Crane *et al*., 2014). Finally, there is the dimension of cluster development, Porter and Kramer claiming that cluster formation will create shared value (Crane *et al*., 2014, p. 139).

(3) Porter and Kramer presume that company compliance with rules and regulations is implicit, however the actual state is not alike. They imply the following: "creating shared value presumes compliance with the law and ethical standards, as well as mitigating any harm caused by the business, but goes far beyond that"(Porter and Kramer, 2011). The concept of creating shared value is

[1] "Oh, Mr Porter–The new big idea from business's greatest living guru seems a bit undercooked", The Economist, available at: https://www.economist.com/business/2011/03/10/oh-mr-porter.

therefore, in the opinion of Crane *et al.* (2014, p. 139), biased because it is “built on the assumption that compliance with these legal and moral standards is a given.”

(4) Last, but not the least, Crane *et al*. (2014, p. 140) mention another limitation of creating shared value concept, that is based on a “shallow conception of the corporation’s role in society”. Crane *et al*. (2014, p. 140) claim that shared value model as it is presented by Porter and Kramer (2011) works against them because “Michael Porter’s own models of competitive strategy would need to be overturned in order for shared value to flourish”.

2. Qualitative and quantitative methodologies to operationalize shared value

Shared value is not a novel concept for scholars, but it may be one for the practitioners who are becoming more and more interested to gain experience on it. This chapter deals particularly with the operationalization of shared value through various qualitative and quantitative methods like case study, interview, participant observation and questionnaire and others.

2.1. Qualitative methods

The case study

Case study is a common research method used in the literature of social sciences “to build upon theory, to produce new theory, to dispute or challenge theory, to explain a situation, to explore or to describe a phenomenon or an object”(Krusenvik, 2016, p. 3).

A definition offered by Eisenhardt (1989, p. 534) points out how the case study is a “research strategy which focuses on understanding the dynamics present whithin single settings.” Moreover, case studies combine data collection methods (archives, interviews, questionnaires and observations) and the evidence may be qualitative (words), quantitative (numbers) or both (Eisenhardt, 1989, pp. 534-535). Another definition of case study takes into account the option of multiple case study: “The detailed examination of a single example of a class of phenomena, a case study cannot provide reliable information about the broader class, but it may be useful in the preliminary stages of an investigation since it provides hypotheses, which may be tested systematically with a larger number of cases” (Abercrombie *et al*., 1984, p. 34). When talking about multiple case studies, one of the most important aspects is when to reach closure. Researchers might stop adding cases when theoretical saturation is reached (Eisenhardt, 1989, p. 545).

Krusenvik (2016, pp. 5-6) mentions a few advantages of case studies: the suitability of this method both for qualitative and quantitative research, they can be used to understand real-life situations that are unfolding in practice; the availability of both single-case and multiple case studies makes this method very valuable; also a lot of information can be discovered along the process in the situation of in-depth case studies; case studies are used when the investigator has little control over events and when one is dealing with how and why questions. Last but not the least, case studies are very flexible and combine multiple kinds of data collection methods as documents, interviews, questionnaires and observations.

Apart from advantages, as any other method, case studies have disadvantages or limitations. Flyvbjerg (2006) argues that there are five common misunderstandings related to case-study research: one cannot generalize from a single case, theoretical knowledge is more valuable than practical knowledge, the case study is most useful for generating hypotheses, whereas other methods are more suitable for hypotheses testing and theory building, It is often difficult to summarize specific case studies and the case study contains a bias toward verification.

The Qualitative Interview

Qualitative interview can be structured, semi-structured or open and they are methods of data collection (Hopf, 2004, p. 203). Other classification refers to interviews as standardized, semi-standardized and unstandardized (Babbie, 2007).

Standardized interviews have a more rigid structure and do not allow the interviewer to change the order of the questions. In this case, they are similar to a questionnaire survey and generates predominately quantitative data (Ryan *et al.*, 2009) Semi-standardized interviews are more flexible than the standardized ones and they use open-ended questioning (Tod, 2006) in order for the interviewee to tell his/her own story and not necessarily answer to a series of structured questions (Ryan *et al.*, 2009). Finally, the unstandardized interviews do not have a certain framework for questioning. In this case, the interview guide comprises themes and not specific questions. It is a broader approach than the other two types because the hypothesis is that there is little knowledge about the topic of interest and they are generally used to supplement field work observations (Ryan *et al.*, 2009).

These types of interview can be performed as one-to-one interview (face to face) or as an online interview**.**

Face-to-face interviews have the following advantages: they are structured, flexible and adaptable; they are based on personal interaction and can be controlled within the survey environment. Respondent emotions and body language can be observed, but on the other side the disadvantages are related to the interviewer bias, the high cost per respondent, geographical limitations and the time pressure on respondents (Szolnokin and Hoffmann, 2013, p. 58).

The online interviews, on the other hand have as advantages a lower cost and a higher speed, they are visual, interactive and flexible and often busy people tend to answer more willingly to questions on their computers, so the geographical limitation disadvantage is solved. As disadvantages, relying on these interviews may lead to selective samples and nonresponse bias (Szolnokin and Hoffmann, 2013, p. 58).

The participant observation

Marshall and Rossman (1989, p. 79) define observation as „the systematic description of events, behaviors, and artifacts in the social setting chosen for study". It provides the context for development of sampling guidelines and interview guides (DeWalt and DeWalt, 2002). Bernard (1994) defines participant observation as the process of establishing rapport within a community and learning to act in such a way as to blend into the community so that its members will act naturally, then removing oneself from the setting or community to immerse oneself in the data to understand what is going on and be able to write about it. He includes more than just observation in the process of being a participant observer; he includes observation, natural conversations, interviews of various sorts, checklists, questionnaires, and unobtrusive methods. Participant observation is characterized by such actions as having an open, nonjudgmental attitude, being interested in learning more about others, being aware of the propensity for feeling cultural shock and for making mistakes, the majority of which can be overcome, being a careful observer and a good listener, and being open to the unexpected in what is learned (DeWalt and DeWalt, 1998). As advantages of the method, DeWalt and DeWalt (2002, p. 8) signal that it improves the quality of data collection and interpretation and facilitates the development of new research questions or hypotheses.

From the point of view of the disadvantages, participant observation offers information that the researcher might not be interested in and one must rely on the use of key informants.

2.2. Quantitative methods

The questionnaire

The questionnaire is one of the most widely used method of data collection. Usually questionnaires are used in survey situations, where the purpose is to collect data from a relatively large number of people, between 100 and 1000, for example (Rowley, 2014). As advantage, there can be stated the following: it is not necessary to be physically present as a respondent to answer to a questionnaire, as in many cases online or telephone surveys have as basis the questionnaire, and it covers a large number of respondents.

One of the limitations is that you may not be sure whether the respondents have understood the questions or if they have taken the time to provide accurate data or answer to all the questions (Rowley, 2014). Recommendations given by the same author are the following: the questions should be as short as possible, the questions should not be leading or having implicit assumptions, do not include two questions in one, only exceptionally ask closed questions (with yes/no answers), the questions should not be vague or general, do not use double negatives, the questions should not be invasive or intrusive, do not invite respondents to breach confidentiality (Rowley, 2014, pp. 314-315).

In the cluster development literature, there are other qualitative and quantitative methods which indicate the existence of new clusters. While qualitative methods have a more bottom-up approach, the quantitative methods are more top-down oriented.

Table 3. Explanation of qualitative and quantitative cluster mapping methods

Qualitative method	**Explanation**
Interviews Questionnaires	The netwin guide for cluster development (netwin 2002) recommends **interviewing** regional opinion leaders to obtain an overview of the regional economy and information about persons with more information about the main business concentrations. The method can be used to identify small and potential clusters and to collect information about the competitiveness and develop first ideas for an action plan.
Focus groups	Cluster Navigators Ltd (2001: 16) emphasise *group discussions* and *cluster workshops* as successful tools for cluster identification. These kinds of discussions and workshops pull together “more than 100 people from across the community”, bringing together the Economic Development Agency with local bank managers, journalists, logistic companies and others. The variety of actors involved help to reveal in-depth information and are particularly suited to identifying niche clusters.
Snowball method	A special case of asking experts is the *Snowball method*. The sample selection of this method relies on the knowledge of questioned experts about further key informants. After experts are asked about clustering in a region they are asked about reference key actors of certain clusters and about experts who (should) know more about the cluster. The questioned persons are asked if they see themselves as belonging to a certain cluster, sub-cluster, etc. The “snowball” stops when no new references to other key informants can be given. The advantage of the method is that clusters and their connection to other clusters can be revealed (Andersen *et al*., 2006).
Quantitative method	**Explanation**
Spatial concentration	Koschatzky / Lo recommend that “… the first step in each cluster identification is to determine a spatial concentration.”(Koschatzky / Lo 2007, p. 7).
Localisation quotients	*Localisation quotients* are a popular indicator for cluster existence (European Cluster Observatory, dti). For example, the quotient compares an industry's share of total employment in a given region to the industry’s total employment share of the whole geographical area. If there is an agglomeration of an industry within a country, the

Qualitative method	Explanation
	location quotient has to lie significantly above one. The dti (2001) defines a localisation quotient above 1.25 as a necessary criterion for clusters. This means that the employment within that industry in the region lies 25 % above the national average. An alternative localisation quotient is based on turnover data for registered companies. The advantage of this method is that data is easily available from EUROSTAT, or national or regional statistical sources. On the other hand, localisation quotients are based on data sources oriented towards traditional industries and are highly dependent on the choice of borders. The difficulty is that some clusters might only be identified at a small geographic scale, while others require a larger geographic scale (Andersen *et al*., 2006).
Ripley's K-method	*Ripley's K-method* is a rather technical approach to identifying clusters, circumventing the problem of choosing borders and the size of the region a priori. The method is based on the data of all distances between the locations of all companies in each industry. Comparing the geographical concentration with a benchmark distribution points out industries which are concentrated within the region. These industries can be considered as globally oriented. By optimising the distances between companies, the method identifies systematic co-locational patterns of companies in the pre-selected industry (Andersen *et al*., 2006, p. 17). This new geographical method is not yet widely applied in cluster mapping. A problematic feature is the potential difficulty of obtaining detailed location data.
Export data	*Export data* can sometimes be used to identify clusters, but more often they are used to assess the global relevance of an industry. As identification criteria for global industries, the national share of a commodity can be compared to the average national share of exports, the world market share or the export growth. Because export data is usually only available on a national level the method is rarely used for cluster identification. The dti (2001) used the export data method to measure the global competitive performance of an industry.
Graph analysis	*Graph analysis*, founded in graph theory, identifies cliques and other network linkages between firms or industry groups. These methods give a more detailed picture of the cluster but are associated with higher costs. To yield valuable information, highly disaggregated data and interaction matrices from surveys are needed (DeBresson / Hu 1999).
Input-output method	The *input-output method* indicates the interactions between companies and the strength of these interactions. In a first step, industries are grouped based on export data or by focusing on the largest transactions, in relative terms, between industries. In a second step, the patterns of clustering are found by graph analysis. The weaknesses of the method are the absence of co-location as a criterion

Qualitative method	**Explanation**
	and the difficulty of getting input-output data at sub-national level (Andersen *et al*., 2006 and Kiese 2008). For that reason, input-output analysis is difficult to perform at a regional level.
Network analysis	Rather than focusing on the interaction between industries, *network analysis* concentrates on the interaction between the different actors. In addition to trade or innovation-based input-output tables, surveys and other qualitative sources are used to identify the relationships. The data is analysed by matrices or graphical network analysis. The quality of interlinking can be assessed by analysing the concentration, the structural cohesion or the centralisation of the network. The usage of surveys for data collection allows a cluster mapping that includes the interactions with universities and other institutions. The disadvantages of this method are the high costs, the high dependence on the response rate and the constitution of the sample (Kiese / Schätzl 2008).

Source: Petersen, K., 2010, pp.17-18, pp. 20-21.

As far as the literature on shared value is concerned, we came across papers which depict the practical side of the shared value concept, by placing it in case studies in different regions. Our intention was to show how this novel concept faces the methodological challenges in cluster development. There is no preference between qualitative and quantitative methods while applying shared value in cluster development, as the studies already elaborated show both types of methods to be validated, together with their advantages and disadvantages.

3. Operationalizing shared value during cluster development

In this paper the purpose is to present methodological options found in the literature related with shared value to analyse the concept in clusters, especially along cluster development. Why clusters? We have chosen the dimension of cluster development because clusters are economic and social formations that contribute significantly to the economy of a country and furthermore they drive the competitiveness of an entire region. Moreover, clusters are influential poles that attract foreign direct investments and other financial resources. Clusters determine an improvement in the operational efficiency of the companies that are members of the cluster and also generate a welfare state to the satellite companies revolving around the members of the cluster. Clusters determine growth of employment and entrepreneurship. Last but not the least, clusters encourage the innovation flow and tacit knowledge sharing both inside the cluster and at the inter-cluster level.

Very few cases report the presence of shared value in clusters, while in most of the cases the focus is on the "organizational side of shared value" (Dambek *et al*., 2016, p. 244). Even Porter and Kramer (2011, p. 16) state that "companies will be less successful if they attempt to tackle societal problems on their own, especially those involving cluster development". The key here is the collaboration among companies and their competitors to be able to create shared value in clusters. Literature review shows that shared value creation process is in most of the cases evaluated through qualitative methods like case study and interviews. Also, the majority of papers focus on the multinational company as unit of analysis and not on cluster, which constitutes a gap we would like to fill. Moreover, Dembek *et al*. (2016, p. 245) shows that shared value is analysed mostly at a project or initiative level.

We have developed an exploratory analysis on the methodologies used to operationalize shared value over cluster development. What the studies have shown is that the case study, used either as a qualitative method, or as a quantitative one is the most frequently preferred in such kind of studies. Case study functions as a method flexible for building a business model for shared value. In the examples provided above, the authors used either single or multiple case studies, exploratory case studies or in-depth.

The methods which were used to collect information more often were interviews and questionnaires, which were the basis for surveys. In our opinion, regarding quantitative methods, the authors are more prone to use the social network analysis, a method which focuses of the interaction of different participants. The advantages of using these qualitative and quantitative methods consist in their flexibility, in their ability to work together very well, as for example a case study cannot work independently from methods of collecting data such as a questionnaire or an interview or from document analysis or participant observation.

The disadvantage in the case of cluster development is the difficulty to properly identify the existence of a cluster or to validate an already existing cluster with these types of methods of collecting data. Shared value must work in collaboration with cluster development and for this to happen various studies have been described in a few words below.

There are some recent cases of companies and clusters which implement shared value in their frameworks. For example, Alberti and Belfanti (2019) use an exploratory case study and secondary data to describe an Italian cluster initiative in food waste prevention. Yelpo and Kubelka (2019) use a cross-sectional, exploratory and multiple case study and data collected through semi-structured interviews. Spitzeck and Chapman (2012) verify the concept of shared value through an in-depth case study, and semi-structured interviews, participant observation and document analysis as qualitative methods. In Michelini and Florentino (2012) shared value is created through a business model based on a multiple case study of 30 cases, and the data is collected through secondary sources. Moreover, Maltz and Schein (2012) develop a large-scale qualitative study to evaluate shared value, by applying the field interviews and phone interviews with more than 50 company managers from various B2B and B2C corporations. Porter *et al*. (2011) propose a framework to integrate shared value strategy and measurement through four steps called: (1) identify the social issues to target, (2) make the business case, (3) track progress and (4) measure results and use insights to unlock new value. This type of framework mixes qualitative and quantitative methods.

On one side, there are the win-win situations (“A cases”) like Nestlé (Pfizer *et al*., 2013, Porter and Kramer, 2008, p. 502), Coca-Cola, Novo Nordisk, Intel, InterContinental Hotels Group, Microsoft. On the other side, there are the win-lose cases (“B cases”) which are not so popular among the shared value authors, but are signaled by de los Reyes *et al*. (2016) as biases in shared value interpretation. As Dembek *et al*. (2016, p. 244) support, “presenting shared value on the basis of brief examples, without adequate data support and analysis, is unlikely to reflect the reality of the phenomenon more broadly.” For example, there is the case of Becton Dickinson, a medical technology firm from New Jersey which values shared value initiatives and reached the conclusion that “any shared value initiative required a rigorous business case and clear indicators of social impact”(Kramer and Mehta, 2018).

Conclusions

Shared value, designed as a “reconciliation between business and society” (Dembek *et al*., 2016), becomes a concept with little basis on its theoretical and epistemological roots.

Crane *et al*. (2014) have mentioned some strengths and weaknesses of the concept creating shared value. On one side, this concept has the following qualities: it successfully appeals to practitioners and scholars, it turns social goals into strategic ones, it articulates a clear role for governments in responsible behaviour and it adds rigor to ideas of “conscious capitalism” and provides an umbrella construct for loosely connected terms.

On the other side, creating social value has some biases too because it is an unoriginal concept which disregards the tensions between social and economic goals. Moreover, it considers companies as having full compliance with the regulations, which would cancel the fervent and frequent NGOs efforts in this area and lastly, it is based on a shallow conception of the role of the company in society. Apart from that, shared value suffers from the challenge of measurement as well as any other new concept which deals with indicators of social impact, as one may well know that inside a corporation the social report of activity is more often considered inside the financial report, because of the impossibility of a proper way to quantitatively measure. If this does not happen, then it means the company has adopted a qualitative way of measuring the social contribution of the company to the corporate environment.

After unveiling a shallow facet of the term shared value, our question was how can it be operationalized among cluster development, as this is one of its dimensions along with reconceiving products and markets and redefining productivity in the value chain. Our research showed that there are some methods used to map cluster existence and they can be qualitative and quantitative. The qualitative ones are interviews, questionnaires, focus groups and snowball method and the quantitative methods are spatial concentration, localization quotients, Ripley's K-method, export data, graph analysis, input-output method and network analysis.

The qualitative methods of interviews and questionnaires, focus groups and snowball method have the following advantages: they offer possible information about the regional economy, about persons with more information; they help identify business concentrations, small and potential clusters, information about competitiveness and ideas for action plans. Their limitations consist of being subjective and suffering from selection bias (Petersen, 2010, p. 16).

The quantitative methods have their strengths and weaknesses as well. The first method, localization quotients has the advantage of being easy to use, but on the downside it needs orientation on administrative borders and traditional industries. Ripley's K-method can be easily identified without setting borders, but the pre-selection of industries is still necessary and it remains as a limitation for this method. Export data provides identification of the national relevance of the industry, but, as a disadvantage, the disaggregated data are rarely available. The input-output method has the advantage of the quality of interaction, but the disadvantage of absence of co-location and data availability. Lastly, Network analysis has the strength of the quality of interaction and the weakness of the lack of data available (Petersen, 2010, p. 16).

Among the methods which are recognized to work well in cluster development phase and with shared value formation, there are the case study, the interviews, the participant observation, the questionnaire and the (social) network analysis, as the cases depicted from the literature have shown. We recommend these methods to be used in shared value studies and when encourage the elaboration of more such studies which deal with the methodological aspects of the controversial term of shared value.

We consider our study to be original through its exploratory purpose, as there are no such studies developed in Romania and we acknowledge the importance of foreign researching materials which made the basis of our documentation. Because shared value concept is still new in the literature we mention the limitation of the available sources for research and study for the literature review. Therefore studying shared value during cluster development in terms of methodologies represents an innovative topic and this can stir the curiosity of other authors who desire to elaborate studies on developing Romanian clusters. Not only the researchers but also the practitioners might be interested to study shared value in clusters because this could be an interesting subject of policy making. If more and more companies in Romania would adopt the creating shared value model, then societal and environmental needs would be included in the responsibilities of the stakeholders of those companies. Those companies would become pioneers in the work with shared value.

Some companies investing in Romanian economy like Nestlé, Coca-Cola, Enel or others have already implemented strategies that consist of applying creating shared value principles. But this is not enough. In our opinion, not only multinationals should use this modern concept, but also small and medium sized enterprises because change starts with small steps from the small community level. For an even more relevant impact, creating shared value should be introduced in the development policies of Romania for the government to incentivize small and medium enterprises to start developing shared value principles. For this to happen, proper methodology and measurement indicators should be introduced for the national level.

As a step forward we consider that a future quantitative analysis would be appropriate in order to set some lines of thought to the measurement of shared value. In their well-known paper on shared value measurement, Porter *et al*. (2011) state: "Despite the wide-spread embrace of the shared value concept, however, the tools to put this concept into practice are still in their infancy.…Even the companies that are most advanced in pursuing shared value today lack the data they need to optimize its results." Although lacking a proper measurement indicator is not a matter of concern for its inceptors, Hamilton and Preston (2018) dedicated a study to this matter and their results show how the rate of investment (ROI) is one of the indicators fitted to measuring shared value. Other attempts for measurement rely on proxy indictors and other economic models. Their conclusion in the study is that "the measurement regime adopted must speak to your management, core project partners and other major stakeholders you are endeavoring to satisfy" (Hamilton and Preston, 2018).

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