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The Perception of Mission Drift

A Qualitative Study of the Strategic Value of Pursuing

Multiple Values Within Danish Hybrid Organisations

by

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"We envision a global economy that uses business as a force for good. This economy comprises a new type of corporation, the B Corporation, which is purpose-driven and creates benefit for all stakeholders, not just shareholders."

The B Corp Declaration of Interdependence (B Lab, 2020)

Abstract

The global corporate landscape is changing, making way for a new type of organisational structure emphasising less traditional stakeholder values, particularly non-financial values regarding social and environmental concerns. However, at the core of these organisations, the logics of traditional non-profit organisations and for-profit ventures are combined, which obliges the organisations to balance non-financial values and financial values, defining these organisations as hybrid entities. The study aims to deepen the understanding regarding managers' perception of the risk of mission drift and the possible strategic outcomes of pursuing multiple values within Danish hybrid organisations. The study builds on the findings of Muñoz and Kimmitt (2019), by challenging the conventional notion that hybrid organising solely is a source of contradiction and mission drift. The study is based on and draws its conclusions from a literature review, as well as four case studies of certified B Corporations in the Copenhagen region. The case studies were performed through initial interviews with the CEOs, alternatively with a partner, and follow up questionnaires/interviews. The study shows an awareness of the risk of mission drift, which was highlighted through strategies aimed at safeguarding the organisation's missions and, hence, mitigating mission drift. Furthermore, the organisations' social mission has been found to be perceived to further the organisations' financial value creation, resulting in the establishment or improvement of competitive advantage.

Keywords: Hybridity, B Corp, Value Creation, Blended Value, Shared Value, Mission Drift, Strategy, Competitive Advantage

Definition of Key Concepts

Key Concepts	**Definition**
Hybrid Organisations	Organisations that aim to create both financial value and non-financial value (i.e., social and/or environmental value) (Battilana & Dorado, 2010)
Integrated Hybrid	Integrated Hybrids integrate beneficiaries as customers and as such profit and social/environmental value are created through the same set of activities (Ebrahim, Battilana & Mair (Ebrahim *et al.)*, 2014)
Differentiated Hybrid	In Differentiated Hybrids, social activities are separated from commercial activities and as such their customers and beneficiaries are two distinct groups (Ebrahim *et al*., 2014)
Organic Hybrid	An Organic Hybrid is an organisation that is founded based on a single sector but during its lifetime evolves into a hybrid organisational entity (Billis, 2010)
Enacted Hybrid	An enacted hybrid is founded as a hybrid organisation (Billis, 2010)
Shallow Hybrid	In a Shallow Hybrid, the hybridisation process is superficial, not involving all levels of the organisation (Billis, 2010)
Entrenched Hybrid	In an Entrenched Hybrid, the process of hybridisation is profound, involving all levels of the organisation (Billis, 2010)
B Corporation (B Corps)	B Corps are for-profit companies, certified by the non-profit organisation B Lab, that use profits and growth as a means to create a positive impact for their employees, communities and the environment (B Lab, 2020) In this study, B Corps are examples of Hybrid Organisations

Multiple Value Creation	When an organisation is creating multiple values (i.e., financial values and non-financial values) rather than a single value (i.e., financial value) (Muñoz & Kimmitt, 2019)
Blended Value Creation	Organisations' creation of both financial and social/environmental value (Emerson, 2003)
Shared Value Creation	Financial value creation that also creates value for society (Porter & Kramer, 2011)
Organisational Mission	An Organisational Mission communicates the reason for an organisation's existence and how it should act (Grimes, Williams & Zhao (Grimes *et al.)*, 2019)
Mission Drift	Mission Drift occurs when an organisation knowingly or unknowingly prioritises one of its multiple values at the expense of another (Grimes *et al.,* 2019)

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The study was conducted during the global COVID19 crisis, which (due to the national lockdowns) put a limitation on the research in terms of observational studies with focal firms. Hence, observations have been replaced with Skype interviews, email questionnaires, and documentary data.

Finally, we would like to express our appreciation to our supervisor Anna Thomasson at the Department of Business Administration at Lund University, for the help and guidance provided throughout the research process. Furthermore, we are very grateful for the collaboration with the four B Corps who let us create an understanding of their organisations during these extraordinary circumstances.

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1 Introduction

The role of corporations in the transition to a sustainable economy has recently attracted increased attention. This trend was highlighted during the 2019 World Economic Forum, with the launch of for example the 1.5°C Business Playbook, that emphasises the need for businesses to take on responsibility for society as a whole (Exponential Roadmap, 2020). Simultaneously, the movement of so-called hybrid organisations, organisations pursuing both financial and non-financial missions, is growing (Emerson, 2003; Grimes *et al.*, 2019; Porter & Kramer, 2011). Benefit corporations (hereafter referred to as B Corporations; B Corps) are examples of hybrid organisations, striving for a change in global business culture, to build an inclusive and green economy by not operating purely to generate profit, but also, to balance profit with giving back socially and environmentally. This is achieved by creating both blended value (i.e., social/environmental value) and shared value (on a societal level) through multiple missions (B Lab, 2020; Emerson, 2003; Ebrahim *et al.*, 2014; Porter & Kramer, 2011). In other words, B Corporations, being hybrid organisations, aim to pursue and create multiple values (i.e., both financial and non-financial values) (Haigh & Hoffman, 2012; Pache & Santos, 2013).

However, research has shown that value creation in hybrid organisations is associated with risks, such as the risk of knowingly or unknowingly prioritising one value at the expense of another (Grimes *et al.,* 2019). This phenomenon is commonly known as mission drift, a concept which has been previously contested and reoriented from the notion of inevitably belonging on a continuum, with for-profit organisations at one end and charity organisations at the other (Muñoz & Kimmitt, 2019). Previous literature has predominantly studied social enterprises, i.e., organisations that apply commercial strategies to improve its social, environmental and financial well being, and so, may be categorised according to the hybrid organisational structure (Ebrahim *et al.,* 2014; Grimes *et al.,* 2019; Muñoz & Kimmitt, 2019). Hence, this study utilises the general theoretical aspects found in previous research regarding social enterprises (e.g., the utilisation of organisational missions, strategies to mitigate the risk of mission drift, and strategies to establish/improve a competitive advantage) in the examination of hybrid organisations (Ebrahim *et al.,* 2014; Grimes *et al.,* 2019; Muñoz & Kimmitt, 2019). More specifically, with a focus on certified B Corps in the Copenhagen region.

This study examines B Corp managers' perceptions of the risk of experiencing mission drift when pursuing multiple value creation to, also, investigate the perception concerning the strategic value of hybrid organising. In this way, the wider strategic value of hybrid organising will be further explored throughout this study, drawing on the earlier findings by Muñoz and Kimmitt (2019), to deepen the understanding of the potential strategic outcomes of multiple value creation. However, the strategic value of multiple values will be limited to a discussion regarding competitive advantage, to define an organisation's multiple value creation in relation to managers' perceptions of the risk of mission drift associated with pursuing multiple values, and the strategic value hybridity may incur.

Perceptions regarding the risk of mission drift are discussed through strategies that are utilised to mitigate the risk of mission drift. These strategies, however, are also highlighted as strategies utilised to establish/improve an organisation's competitive advantage. Competitive advantage is defined according to a set of aspects presented by Muñoz and Kimmitt (2019) (i.e., an organisation's ability to; improve its competitive position, attract new clients, influence consumer decision-making, hire and retain new employees, improve sales, create strategic relationships with suppliers, and/or develop strategic alliances with other organisations), in discussing whether a hybrid organisational structure affects the establishment and/or improvement of a competitive advantage.

In conclusion, an awareness of the risk of mission drift was found through the mitigation strategies put into place to avoid mission drift. Even so, financial and non-financial values were not found to be perceived as competing. Instead, in line with previous research undertaken by Muñoz and Kimmitt (2019), the organisations within this case study were found to experience an improvement of their competitive advantage, perceived to be originating from their social mission. Based on this, the strategies undertaken to mitigate the risk of mission drift were not found to differ from strategies undertaken to establish/improve competitive advantage.

1.1 Background: The Concept of B Corporations

The B movement was founded in 2006, based on the perception of a need for a systemic change to create an economy that would profit from the private sector and simultaneously create social and environmental value (Marquis, Klaber, & Thomason (Marquis *et al.)*, 2011). B Lab was founded as an independent non-profit organisation, providing infrastructure and support for this new social business sector (Marquis *et al.*, 2011). Hence, B Lab initiated the process of building a community of certified B Corps, regularly going through an extensive external assessment to ensure that they meet; "[...] a wide range of high social and environmental standards, public transparency, and legal accountability to differentiate socially positive business activity from marketing ploys" (Roth & Winkler, 2018:14).

According to B Lab (2020), B Corps are; " [...] businesses that meet the highest standards of verified social and environmental performance, public transparency, and legal accountability to balance profit and purpose". B Corps, then, are for-profit companies certified by the non-profit organisation B Lab, enabling them to; " [...] use profits and growth as a means to a greater end: positive impact for their employees, communities, and the environment (B Lab, 2020). Businesses of any kind, regardless of their industry or legal structure, can become a certified B Corp by meeting the extensive standards of social performance, accountability, and transparency (Gunther, 2013). B Corps can be seen a response to hybrid organising (Boyd, Henning, Reyna, Wang, Welch & Hoffman (Boyd *et al.*), 2009; Haigh & Hoffman, 2012; Pache & Santos, 2013), blurring the sectors between the traditional for-profit and non-profit sectors (Haigh & Hoffman, 2012).

To become a certified B Corp a company has to live up to several requirements. Firstly, the company is required to pass the B Impact Assessment administered by B Lab, which assesses the company's business practices and its impact on its stakeholders (Wilburn & Wilburn, 2015). During the assessment the company is evaluated against factors within four broader impact areas: 1) governance (including transparency and accountability factors), 2) workers (including factors of compensation, training and work environment), 3) community (including beneficial attributes of products and services), and 4) environment (concerning environmental practices) (Hiller, 2013). Depending on a company's size and sector, between 130 and 180 factors need to be addressed, which signals that the assessment process is an extensive evaluation of the companies' operations (Wilburn & Wilburn, 2014). To qualify for the B Corp certificate, the company needs to score a minimum of 80 points out of 200 (B Lab, 2020). Furthermore, it is obliged to adjust its corporate charter to conform to B Lab's commitment to sustainability and social missions by acting on the behalf of stakeholders, and so, not merely on the behalf of shareholders (Wilburn & Wilburn, 2015). To date there are more than 2500 certified B Corps operating in more than 50 countries around the world (B Lab, 2020).

1.2 Research Purpose

This paper examines managers' perception of the possible strategic outcomes of pursuing multiple values within Danish hybrid organisations (B Corps), due to the strategic importance inherent in their managerial role. The purpose of the study is to deepen the understanding regarding managers' perceptions of the risk of mission drift. Based on this, the study aims to further the previous research undertaken by Muñoz and Kimmitt (2019), to create an understanding of the potential valuable strategic outcomes for organisations that pursue multiple values. In doing so, this study investigates the perceived strategic value in aiming for multiple value creation, where hybrid organising might be implemented to establish and/or improve competitive advantage, and not merely, as discussed in previous research, cause mission drift.

This study specifically focuses on certified B Corps due to their organisational structure, serving as practical examples of the theoretical explanations of hybrid organisations throughout the study because B Lab's certification process demands proof of non-financial as well as financial value creation (B Lab, 2020).

To enhance the understanding regarding managers' of hybrid organisations perceptions of the risk of mission drift, as well as the strategic value of multiple value creation, the theoretical concepts of hybrid organising (Grimes *et al.,* 2019; Ebrahim *et al.,* 2014), hybrid organisational types (Billis, 2010; Ebrahim *et al.,* 2014), organisational mission (Grimes *et al.,* 2019), mission drift (Ebrahim *et al.,* 2014), blended/shared value creation (Emerson, 2003; Porter & Kramer, 2011), and competitive advantage (Muñoz & Kimmitt, 2019), are outlined. Theoretical differences in hybrid organisational types are explained to discuss differences and/or similarities between managers' perceptions of the potential risk of mission drift, as well as the strategic value of multiple value creation, as based on differences/similarities in organisational type. Furthermore, since the B Corp certification demands proven multiple value creation, this study highlights the concepts of blended/shared value creation (Emerson, 2003; Porter & Kramer, 2011). Lastly, the concept of competitive advantage, as outlined by Muñoz and Kimmitt (2019), is explained and discussed in relation to multiple value creation, to analyse specific ways in which this study's case studies experience strategic value derived from their hybrid structure.

To achieve the purpose of this study seeks to answer the following two questions;

- How is the risk of mission drift perceived in hybrid organisations pursuing multiple values?
- How is multiple value creation perceived to generate strategic value in a hybrid organisation?

1.3 Outline of the Thesis

The study is divided into six chapters. The first chapter presents a general introduction of the research area, a background section outlining the concept of B Corporations and the purpose of the study, including the research questions. Chapter two contains an overview of relevant theories and literature regarding Hybrid Organising, Value Creation in Hybrid Organisations, Mission Drift and the Strategic Value of Hybridisation. The methodology chapter follows with an outline of the research approach and design, including a presentation of the case studies and data collection and analysis method, as well as a discussion regarding validity and reliability and the limitations of the study. Thereafter, the empirical findings and the individual analysis of each case study are presented, structured into two sections; Hybridity and Value Creation, and Multiple Value Creation: A Strategic Perspective, corresponding to the structure of the literature review. The following case study comparison includes a comparison between the four focal companies structured according to the same logical order and further discusses the empirical findings in relation to the literature review on an aggregate level. Lastly, the conclusion of the study is presented, together with suggestions for further research within the field of study.

2 Literature Review

In the following literature review, relevant theories and models for this study will be presented. The chapter begins by presenting the concept of hybrid organisations and value creation from a hybrid organisation perspective. Thereafter, a review of the concept of mission drift is presented, followed by potential consequences of mission drift and strategies for avoiding mission drift. Lastly, the strategic value of hybridisation/social missions is discussed.

2.1 The Hybrid Organisation

Hybrid organisations, organisations that aim to create environmental and social value, as well as profit (Battilana & Dorado, 2010), continue to attract researchers' attention (Grimes *et al.,* 2019; Muñoz & Kimmitt, 2019). Hybrid organisations entail the combination of certain non-financial logics with institutional logics in new ways (Battilana & Dorado, 2010), by emphasising their non-financial mission through a logic of positive change as well as through a more rationalised market logic that prioritises the role of business to solve problems (Khavul, Chavez, & Bruton (Khavul *et al.*), 2013). In doing so, both financial and non-financial values are at the core of the hybrid organisational structure (Battilana & Dorado, 2010). Haigh, Kennedy and Walker (Haigh *et al.)* (2015:60) define hybrid organisations as; "[...] enterprises that mix aspects of for-profit and non-profit realms to solve specific social or environmental issues while striving to remain economically sustainable".

The term hybrid organisations is used in the literature to define organisations that combine characteristics of both charity and business logics at their core (Battilana & Lee, 2014; Besharov & Smith, 2014; Mair, Mayer, & Lutz (Mair *et al.*), 2014; Galaskiewicz & Barringer, 2012). On one hand, the main objective of a hybrid organisation is to create value for the beneficiaries of the enterprise's non-financial mission, whilst, on the other hand, the organisation depends on market forces instead of donations or grants to maintain themselves, since the main revenue source of a hybrid is commercial (Ebrahim *et al.*, 2014). Hence, according to Ebrahim *et al.* (2014), commercial activities of hybrids merely function as means towards non-financial ends.

The hybrid organisation can be defined as being market-oriented, while, at the same time, being mission-oriented for the common good (Boyd *et al.*, 2009; Haigh & Hoffman, 2012; Pache & Santos, 2013). Hybrid ventures blur the lines between the for-profit and non-profit sectors, and, hence, adopt business solutions generating profit, while achieving non-financial missions (Haigh & Hoffman, 2012). However, financial value creation and non-financial value creation has historically been argued to contrast, generating trade-offs, as illustrated in Alter's (2007) hybrid spectrum model (see figure 2.1.). The model distinguishes between different hybrid organisational types depending on the rate of influence from the non-profit sector at one end of the spectrum, versus the for-profit sector at the other end (Alter, 2007).

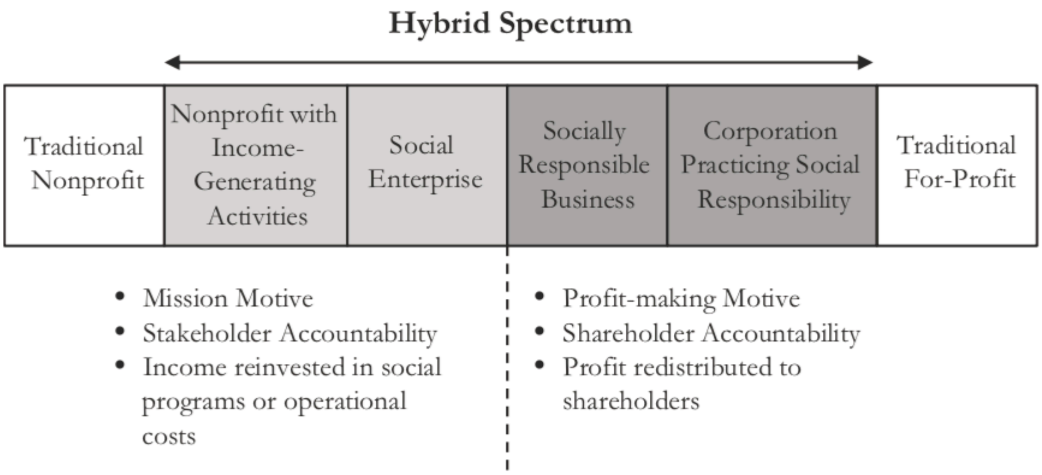

Figure 2.1 Hybrid Spectrum Model (Alter, 2007)

However, Boyd *et al.* (2009), argue that mission motivation and profit motivation can be perceived as independent organisational dimensions, which allows hybrids to be driven both by financial and non-financial missions. An illustration of the hybrid organisation in the profit-social spectrum can be seen in figure 2.2.

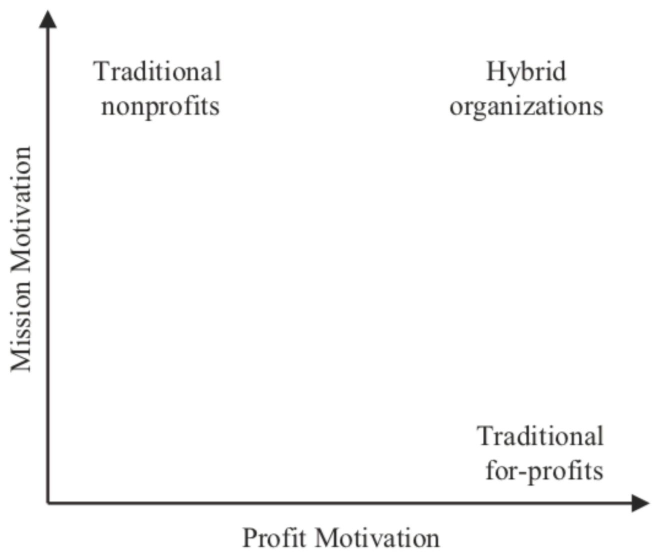

Figure 2.2 The Hybrid Organisation in the Profit-Social Spectrum (Boyd et al., 2009)

Several researchers state that all hybrid organisations undertake certain activities to achieve their non-financial missions, and commercial activities to create revenue, however, the level of integration between the different activities varies across hybrids (Battilana, Lee, Walker & Dorsey (Battilana *et al.,*), 2012; Battilana & Lee, 2014). Hence, Ebrahim *et al.* (2014) distinguish between two types of hybrid organising: 1) differentiated hybrids, and 2) integrated hybrids. However, the authors acknowledge that not all enterprises can be categorised according to these ideal types of hybrid organisations (Ebrahim *et al*., 2014).

For differentiated hybrids, the activities that aim to aid beneficiaries and achieve a non-financial mission are separate from the activities aiming to serve customers, which create revenue (Ebrahim *et al*., 2014). In differentiated hybrids, the profits earned through commercial activities (e.g., through selling products and services) finance activities that aid beneficiaries, who are not the primary customers of the enterprise (Ebrahim *et al*., 2014). An example of a differentiated hybrid is an organisation that reinvests its profit into a non-governmental organisation (NGO) with a social or environmental mission (Ebrahim *et al*., 2014).

For integrated hybrids, the activities that aim to aid beneficiaries also aim to serve customers (Ebrahim *et al*., 2014). In other words; "integrated hybrids achieve their mission by integrating beneficiaries as customers" (Ebrahim *et al*., 2014:83). For example, most microfinance organisations are integrated hybrids, achieving their non-financial goals by offering loans to their beneficiaries, also being their customers (Ebrahim *et al*., 2014). The microfinance organisations' primary activities (i.e., providing loans to financially limited entrepreneurs), allows the organisations to simultaneously pursue their non-financial missions whilst creating revenue to sustain their business (Ebrahim *et al.*, 2014).

Billis (2010) has developed an analytical framework regarding hybrid organisational types, based on a "four-cell scheme" illustrated in figure 2.3, categorising their level of hybridity (shallow vs. entrenched), as well as the degree of willingness in adopting the hybrid form (organic vs. enacted). In the shallow hybrid, the process of hybridisation is light or superficial whereas, in the entrenched hybrid, the process of hybridisation is thorough and profound, involving both the governance and operational levels of the organisation (Billis, 2010). The degree of willingness in adopting the hybrid form is established through the founding of the organisation (Billis, 2010). An organic hybrid is founded as a single sector organisation, but during its life cycle slowly transforms into a hybrid organisational entity (Billis, 2010). Contrarily, an enacted hybrid is founded as a hybrid organisation (Billis, 2010). Furthermore, Billis (2010) argues that a hybridisation process takes place every time an organisation, which belongs to a certain sector, employs operational procedure principles that originate from a different sector. Hence, an organisation's B Corp certification/assessment is defined as a hybridisation process in this study, based on the non-financial criteria needing to be fulfilled, beyond profitability.

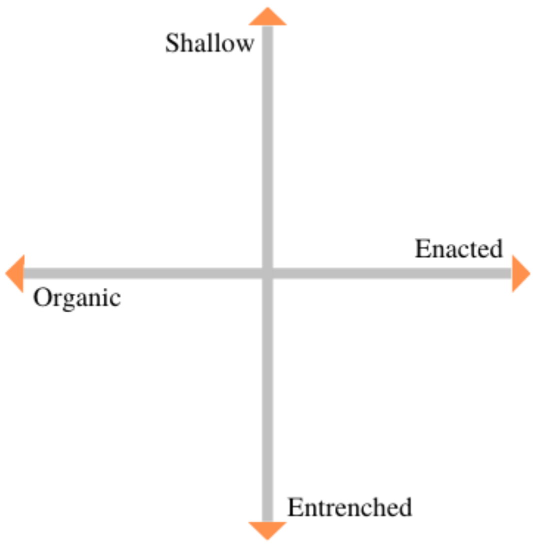

Figure 2.3 Hybrid Organisational Types (Billis, 2010)

By using business to solve sustainability issues, then, hybrid organisations aim to create financial as well as non-financial value (Billis, 2010; Ebrahim *et al.,* 2014). The structure of a hybrid organisation (integrated/differentiated), however, might influence differences in the perceived risk of mission drift, due to the different strategies needed to mitigate the risk of mission drift as a response to differing degrees of integration of commercial and non-commercial activities across hybrids (further discussed in section 2.2.2) (Ebrahim *et al.,* 2014). In the same way, the hybrid organisational type (shallow/entrenched, organic/enacted) might have implications for an organisation's ability to achieve an equal focus on its multiple values. Hence, the frameworks and models of both Ebrahim *et al.* (2014) and Billis (2010) will be utilised to analyse the distinctive features of the companies in this case study, and to analyse the potential risk of mission drift within each focal company.

2.1.1 Value Creation in Hybrid Organisations

The value creation taking place within hybrid organisations can be illustrated through the concepts of blended value creation and shared value creation. Emerson (2003), acknowledges that there is a wide array of value creation taking place within organisations, including elements that are easily quantifiable, and elements not as easily captured with existing methods of measurement. Hence, Emerson (2003) coined the concept of blended value, which represents the combination of financial, social and environmental output created by every organisation. According to the blended value theory, organisations create both financial and social/environmental value, where one type of value does not have to be created at the cost of another in a zero-sum equation (Emerson, 2003).

Porter and Kramer (2011), on the other hand, discuss a type of value creation that does not merely create value for an organisation's clients and business, labelled shared value. The concept of shared value involves creating economic value in a way that also creates value for society (Porter & Kramer, 2011). The authors argue that shared value entails redistributing the value that is already created, as well as expanding the total pool of economic and social value (Porter & Kramer, 2011). Creating shared value involves a firm's recognition of it being dependent on, and closely connected to its external environment and the organisations and individuals it comprises, rather than viewing itself as a separate entity that only transacts with the environment (Porter & Kramer, 2011).

Porter and Kramer (2011) predict that the shared value approach (i.e., creating economic value in a way that also creates value for society) will become an integral part of strategy theory. On this basis, hybrid organising can be considered as a strategic approach to establish and/or improve a competitive advantage (Muñoz & Kimmitt, 2019). This has been primarily explained in the literature as being due to the blended value created (i.e., organisations' creation of both financial and social/environmental value) (Emerson, 2003), which leads to a creation of shared value, in turn, enabling new needs to be met, new products to be offered and new customers to be served (Porter & Kramer, 2011). Furthermore, Porter and Kramer (2011) argue that the competitive advantages associated with shared value creation are going to be more sustainable than conventional cost and quality improvements. Even so, hybrid organising has been primarily discussed as a source of conflict in previous research (Ebrahim *et al.,* 2014; Grimes *et al.,* 2019).

In this study the concepts of blended and share value will be further utilised to describe the value creation taking place within the four hybrid focal companies.

2.2 Outcomes of the Pursuit of Multiple Values

To discuss the possible outcomes of multiple values in hybrid organisations, the concept of organisational missions will be outlined, since it regularly emphasises a company's values (Grimes *et al.,* 2019). Furthermore, the concept of mission drift will be discussed as a possible outcome of the pursuit of multiple values, where strategies to avoid this occurrence will be outlined to further the discussion of how organisations might protect their identity. Based on this discussion, multiple values will be highlighted as a basis for achieving and/or improving an organisation's competitive advantage and so, result in strategic value (Muñoz & Kimmitt, 2019). By emphasising the strategic value of multiple values, and by not merely discussing the risk of mission drift faced by hybrid organisations, this study has focused on literature that emphasises the managerial opportunity incorporated within the fulfilment of both financial and non-financial values.

2.2.1 Organisational Missions

Grimes *et al.* (2019), argue that by stipulating why an organisation should exist, and how it should act, an organisation's mission acts as a "sociocognitive bridge" between its identity and its actions. The public is informed about an organisation's mission through a published mission statement or through observations of consistent patterns of action and communications, which shape the external perception of what is central and unique about the organisation (i.e., the organisation's image). An organisation's mission, then; "[...] is meant to orient its members' attention and intentions toward actions consistent with the values underpinning its identity" (Grimes *et al.*, 2019:822). Due to the publication of mission statements on e.g., organisations' websites, the relationship between an organisation's identity and its actions, as well as an organisation's image and its actions, are formalised (Grimes *et al.,* 2019). In this way, the mission statement establishes the audience's expectations of what constitutes an appropriate set of actions for an organisation (Grimes *et al.,* 2019). A mission statement states the primary purposes of an organisation, describing an organisation's reason for being, what it does, and how it does it (Jäger, 2010). In other words, "[...] the mission is a social contract between the organization, its members and society at large concerning values and intended achievements" (Jäger, 2010:63).

2.2.2 The Risk of Mission Drift in Hybrid Organisations

Previous literature has identified hybrid organising as being a source of contradiction and potential mission drift (Ebrahim *et al.,* 2014). As mentioned above, external audiences are informed about an organisation's mission through its mission statement and through a consistent pattern of actions, which shapes the organisation's image (Grimes *et al.,* 2019). Consequently, when an organisation's actions are inconsistent over time, the likelihood that outsiders perceive discontinuity between its actions and image increases. Grimes *et al.* (2019), labels this perceived discontinuity as mission drift. According to Bennett and Savani (2011), mission drift occurs when there is a change in an organisation's actions that diverge from the organisation's perceived identity. Additionally, Grimes *et al.* (2019) argue that due to increasing demand for traditional firms to serve multiple objectives (Hollensbe, Wookey, Hickey, George, & Nichols (Hollensbe *et al.)* 2014; McMullen & Warnick, 2016), and increased pressure from a changing competitive environment (Bakker & Shepherd, 2017), mission drift is an emerging strategic challenge.

While the risk of mission drift is not unique to social enterprises, Ebrahim *et al.* (2014) argue that the occurrence of mission drift in social enterprises is especially acute since they are dependent on revenues originating from commercial activities to financially secure their operations, putting them at risk of prioritising commercial activities over social activities. Hence, over time, social enterprises risk conforming to the demands of paying customers at the expense of non-paying beneficiaries (Battilana, Sengul, Pache, & Model (Battilana *et al.)*, 2014). This situation can lead to a one-sided value creation where the organisation extensively focuses on financial value creation at the cost of blended and shared value creation.

However, due to their specific organisational prerequisites, different hybrid organisational types experience the risk of mission drift in different ways (Ebrahim *et al.,* 2014). Mission drift in differentiated hybrids, where the commercial and non-commercial activities are separated, arises through the prioritisation of creating value for customers, instead of for beneficiaries, leading to higher investments in commercial activities than non-commercial activities (Ebrahim *et al.*, 2014). For example, an organisation might choose to improve its commercial business or capture additional revenue whenever the commercial activities turn profitable, instead of investing them to promote and/or advance its social activities (Ebrahim *et al.*, 2014).

In integrated hybrids, however, the organisation is enabled to focus on one set of activities that fulfil both its non-financial and financial objectives since the beneficiaries are integrated as customers (Ebrahim *et al.,* 2014). Even so, integrated hybrids are subject to the risk of mission drift by, over time, giving priority to profit-seeking over a non-financial mission, e.g., by charging higher prices, offering additional products/services that are meant to generate profits rather than de facto help beneficiaries, and/or by shifting to market segments that can afford to pay for their goods or services rather than those who most need them (Ebrahim *et al.*, 2014). Hence, the main risk to the social mission in integrated hybrids is that activities will be performed in a way that generates limited social benefit (Ebrahim *et al.*, 2014). Since non-commercial and commercial activities are separate in differentiated hybrids, however, these organisations are more likely to experience mission drift (Ebrahim *et al.,* 2014).

Due to the separation of commercial and social activities within differentiated hybrids, management might fail to recognise potential contradictions between commercial and social activities, which can harm the organisation's overall social purpose (Bromley & Powell, 2012). Bromley and Powell (2012) conceptualise this risk in terms of "policy-practice decoupling", where managers legitimise the commercial activities based on the fact that they are sustaining the organisation's social mission, however, in practice, regularly engage in commercial actions that are detached from the social mission. In other words, there is a risk of managers creating a moral justification for an overwhelming engagement in commercial activities, but, de facto, do not evaluate these activities as being a risk to the social mission (Kreps & Monin, 2011). Bromley and Powell (2012) conceptualise the risk of mission drift within integrated hybrids in terms of "means-ends decoupling", where the alignment between organisational activities and intended social outcomes is disrupted. Hence, the challenge for integrated hybrids is to ensure that the commercial activity leads to social outcomes that can be achieved by, for example, producing the right mix of products/services that contributes to the intended social outcome and by the social and commercial activities remaining aligned over time (Bromley & Powell, 2012).

Furthermore, according to several researchers, the occurrence of mission drift is linked to the lack of measuring activities regarding non-financial value creation (Brakman Reiser, 2013; Ebrahim *et al.*, 2014). Brakman Reiser, (2013) suggests that the temptation to measure performance in terms that are in line with well-established definitions (i.e., financial performance), rather than in terms that are ambiguous and with few well-established definitions (i.e., non-financial performance), puts companies' social mission at risk. Also, Ebrahim *et al.* (2014) argue that this could lead to the reduced measuring of non-financial values in favour of financial values, causing mission drift.

2.2.3 Consequences of Mission Drift: Loss of Authenticity

Research grounded in a social actor view of organisational identity assumes the need for continuity regarding the alignment between the organisation's identity, and its strategies and actions (King, Clemens, & Fry (King *et al.)*, 2010; King & Whetten, 2008). Hence, failure to align organisational identity and action (i.e., mission drift), might lead to external audiences questioning the authenticity of the organisation (Whetten, 2006). Organisational authenticity refers to the perceived alignment between organisational action and organisational identity. Hence, when an organisation is perceived to "act out of character" the organisation's authenticity might be questioned (Grimes *et al.*, 2019).

Ibarra and Barbulescu (2010:140) define authenticity on an individual level as; "integrity of self and behaviour within and across situations". On an organisational level, concerns of authenticity can arise when e.g., organisations that claim to be an environmentally responsible act in ways that are counteracting those claims (Carlos & Lewis, 2017; Chandler, 2014). Actions that cause concerns regarding an organisation's authenticity form the basis for outsiders' judgements of the organisation's mission drift (Grimes *et al.*, 2019). In other words; "when organisations act in ways that are inconsistent with their image, this will increase perceptions of inauthenticity and, thus, judgements of mission drift" (Grimes *et al.*, 2019:830).

2.2.4 Avoiding Mission Drift: A Strategic Perspective

A central problem for many companies, as discussed by Ometto, Gegenhuber, Winter and Greenwood (Ometto *et al.)* (2019), is the avoidance of mission drift. Since hybrid organisations are accountable for both a specified mission, as well as making profit, they are required to achieve multiple performances (Ebrahim *et al.,* 2014). Therefore, governance mechanisms (e.g., legal and regulatory) are widely used by organisations to safeguard their mission (Cornforth, 2014). Furthermore, compartmentalising (i.e., separating the different activities of the organisation) is widely used (Binder, 2007; Cornforth, 2014). However, there is no guarantee that separating non-commercial and commercial activities eliminates all tensions between non-financial and financial objectives (Cornforth, 2014). Therefore, it is also important to consider agency and what possible actions by key actors can reduce the risk of mission drift (Cornforth, 2014). A micro-level strategy is careful selection and socialisation of actors into an organisation (Lodahl & Mitchell, 1980).

Several studies have investigated how an organisation can prevent mission drift (Grimes, 2010; Smith, Gonin & Besharov (Smith *et al*.), 2013), and have found that an organisation's likelihood of diverging from its mission depends on its capability of dealing with external and internal pressures regarding commercial achievements through e.g., the organisational design (i.e., shaping how the organisation operates) (Binder, 2007) and accounting tools (e.g., KPIs or B Corp certification) (Battilana, Pache, Sengul, & Model (Battilana *et al.)*, 2013), to preserve a socially-oriented culture (i.e., where social values are emphasised throughout the organisation) (Battilana & Dorado, 2010). These examples will be utilised to identify strategies for mitigating mission drift within the focal companies of this study.

2.2.5 The Strategic Value of Hybridisation

Even though mission drift can present an organisation with authenticity issues, it may also offer unexpected benefits under certain conditions. Several researchers advocate that organisations need to be adaptable to the uncertain and complex values of a specific context (Anderson, 1999; Davis, Eisenhardt, & Bingham (Davis *et al.)*, 2009; Greenwood, Raynard, Kodeih, Micelotta, & Lounsbury (Greenwood *et al.)*, 2011; Sirmon, Hitt, & Ireland (Sirmon *et al.)*, 2007). Since several organisations operate with purposes that reach beyond commercial ends, and so, are infused with multiple values (Grimes, Gehman, & Cao (Grimes *et al.)*, 2018; Miller, Grimes, McMullen, & Vogus (Miller *et al.)*, 2012; Williams & Shepherd, 2016; 2018), tension can arise between an organisation's efforts to preserve values that characterise it, and the organisation's efforts to adapt to a complex environment (Kraatz & Flores, 2015; Selznick, 1992). In this view, actions that diverge from an organisation's identity might also help the organisation appear as being more responsive to its environment (Suchman, 1995).

Furthermore, Muñoz and Kimmitt (2019), have investigated combinations of strategic conditions that allow for hybrid entrepreneurs to improve their competitive advantage through their non-financial mission. Previous literature commonly assumes that financial and non-financial values exist at either end of a continuum and that social entrepreneurs tend to navigate away from their social mission when financial value creation becomes strategically necessary, leading to mission drift (Florin & Schmidt, 2011; Moss, Short, Paine & Lumpkin (Moss *et al.*), 2011). However, Muñoz and Kimmitt (2019:856) argue that; "the literature underplays the strategic importance of a social mission to a firm's competitive advantage; social missions may actually improve financial performance, and one does not necessarily compromise the other". This is because an organisation can learn more about a non-financial mission, and how to target it, when it is able to sustain the business financially (Muñoz & Kimmitt, 2019).

Muñoz and Kimmitt's (2019) findings show that social entrepreneurs can stay competitive without drifting away from their social value creation. Hence, mission drift is not the sole possible outcome for social entrepreneurs prioritising financial value creation (Muñoz & Kimmitt, 2019). On this basis, hybrid organising can be defined as a form of business strategy concerned with how the organisation competes within a particular industry or market, by attaining a position of advantage (Grant, 2016). However, hybrid organisations build on the notion of accomplishing non-financial objectives through the market, ensuring that non-financial value is created as an outcome of financial performance (Peredo & McLean, 2006), complicating the understanding of strategies undertaken to mitigate the risk of mission drift, or to improve an organisation's competitive advantage.

Building on Stevens, Moray and Bruneel (Stevens *et al.)* (2015), Muñoz and Kimmitt (2019) have identified seven determinants that capture whether a non-financial mission is valuable for achieving competitive advantage. These competitive determinants capture the relevance of the non-financial mission by looking at whether it allows the organisation to; 1) improve its competitive position, 2) attract new clients, 3) influence consumer decision-making, 4) hire and retain new employees, 5) improve sales, 6) create strategic relationships with suppliers, and/or 7) develop strategic alliances with other organisations (Muñoz & Kimmitt, 2019). Hence, to establish in what ways multiple values are perceived to entail strategic value within the four focal companies, these determinants will be further explored in this study.

To create multiple values hybrid organisations undertake activities that fulfil their financial as well as their non-financial missions (Ebrahim *et al.,* 2014). These activities may be undertaken strategically to improve the organisation's competitive advantage (Muñoz & Kimmitt, 2019), or to mitigate the risk of mission drift (Grimes *et al.,* 2019). To assess the strategic value of these activities, profound utilisation of methods measuring non-financial value creation are crucial (Muñoz & Kimmitt, 2019), where the B Corp certification can be a way to fulfil this need. However, methods assessing financial performance are typically well established, while methods for assessing social performance generally lack standardisation and comparability (DiMaggio, 2002; Ebrahim & Rangan, 2010; Paton, 2003).

Companies normally employ numerous measures of financial performance to create an overall assessment of performance, such as accounting measures (e.g., regarding sales, profit, return on investment) and market measures (e.g., market value, share price, return on equity) (Meyer & Gupta, 1994). These measures often have standardised definitions and methods of assessment, which facilitates comparability with other companies over time (Ebrahim *et al.*, 2014). However, in measuring social performance managers have no common measures to rely on. This can be explained by the fact that social performance involves a wide range of diverse activities (from poverty alleviation to environmental improvements), for which few common standards are developed (Ebrahim *et al.*, 2014). Furthermore, assessment of social performance is often complicated by the lack of insight about the cause-effect between activities and outcomes, especially regarding outcomes occurring outside of the organisation (Glouberman & Zimmerman, 2002; Rogers, 2008).

On this basis, the actions undertaken to mitigate the risk of mission drift, and/or establish/improve competitive advantage, originate from an organisational mission, being fulfilled through the blended and shared value created. However, without an established track record of an organisation's non-financial achievements, mission drift is more likely to be experienced (Ebrahim *et al.,* 2014), and competitive advantage is less likely to be established (Muñoz & Kimmitt, 2019).

2.3 Literature Review Summary

Hybrid organisations combine characteristics of both charity and business logics at their core and hence strategically balance multiple values (i.e., financial and non-financial values) in their day to day business operations (Battilana & Lee, 2014). Hybrid organisations undertake certain activities to create non-financial value and commercial activities to create financial value, however, the level of integration between these activities vary across hybrids (Ebrahim *et al.,* 2014). Hence, hybrid organisations can be categorised into two types of hybrid organising, differentiated hybrids and integrated hybrids (Ebrahim *et al.,* 2014). Furthermore, the level of hybridity and the degree of willingness in adopting the hybrid form can also differ, thus, hybrid organisations can be classified as either shallow or entrenched, as well as either organic or enacted (Billis, 2010). The process of value creation within hybrid organisations can be illustrated by the concepts of blended and shared value creation, where blended value represents the combination of financial and social/environmental value creation (Emerson, 2003), and shared value represents value creation that also creates value for society (Porter & Kramer, 2011).

Historically, hybrid organising has been described as a source of contradiction and mission drift (Ebrahim *et al.,* 2014). External peers are generally informed about an organisation's mission through a combination of its mission statement and consistent patterns of actions, which shapes the organisation's image (Grimes *et al.,* 2019). Consequently, when an organisation's actions are inconsistent over time a perceived discontinuity between its actions and image can arise, which is labelled mission drift (Grimes *et al.,* 2019). The risk of mission drift has also been found to be linked to the lack of measuring activities regarding non-financial value creation (Brakman Reiser, 2013). However, due to their distinct organisational prerequisites differentiated and integrated hybrids experience the risk of mission drift in different ways, with the risk of the occurrence of mission drift being greater in differentiated hybrids (Ebrahim *et al.*, 2014).

The consequence of mission drift within a hybrid organisation is a diverged value creation process where the organisation largely focuses on financial value creation at the cost of non-financial value creation (Battilana *et al.*, 2014). Furthermore, organisations experiencing mission drift risk damaging external peers' perceived authenticity of the organisation (Whetten, 2006). However, companies can employ several strategic actions to avoid the risk of mission drift, such as separating the activities within the organisation (i.e., compartmentalising) (Cornforth, 2014), and carefully select and socialise key actors into the organisation (i.e., consider agency) (Lodahl & Mitchell, 1980). Furthermore, organisational design (Binder, 2007), and accounting tools (Battilana *et al.*, 2013), utilised to preserve a socially-oriented culture that emphasises social values within the organisation (Battilana & Dorado, 2010), have been identified as strategic tools to prevent mission drift.

On the other hand, research has shown that mission drift is not the only possible outcome for hybrid organisations that prioritise economic goals (Muñoz & Kimmitt, 2019). Instead, social value creation may improve financial value creation, without the two processes compromising each other, leading to social entrepreneurs staying competitive without drifting away from their social value creation (Muñoz & Kimmitt, 2019). Hence, an organisation can establish a sustainable competitive advantage through differentiation by prioritising multiple values (Grant, 2016). Several determinants for capturing whether a non-financial mission is valuable for achieving competitive advantage has been identified, e.g., whether the social mission allows the organisation to attract new clients and create strategic relationships with suppliers. An illustration of the literature review summary is provided below, see figure 2.4.

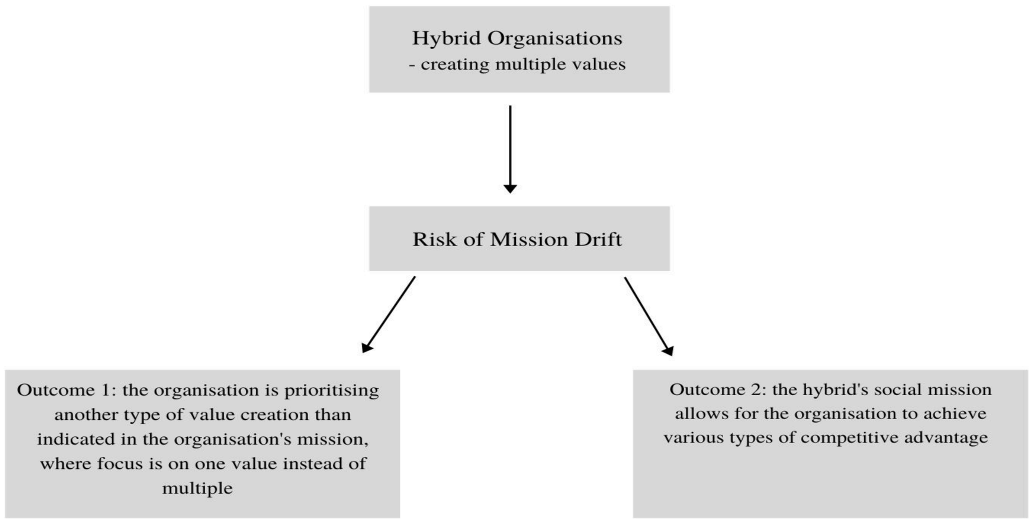

Figure 2.4. Illustration of Literature Review Summary

3 Methodology

In this chapter, the research approach and research design are outlined. The following sections will, therefore, present an overview of the four case studies, as well as the chosen methods for data collection and data analysis. Thereafter, the strategies for achieving reliability and validity will be discussed and lastly, the limitations of the study are presented.

3.1 Research Approach

This study has been conducted through a qualitative methodology with an iterative approach regarding theory, data collection and processing. The qualitative approach has been undertaken since the study is primarily relying on human perception and understanding (Stake, 2010). Hence, interviews have been conducted with key individuals sampled from selected case studies. Either CEOs or partners within the chosen focal companies have been interviewed, to capture their perceptions on several concepts central to our study.

As the study seeks to answer “how” questions, the focus is placed on a few case studies sampled from the same geographical area, which allows for an analysis of local similarities and differences. To allow an in-depth analysis, qualitative data has been utilised to highlight the history of actions and events (Ometto *et al.*, 2019). As emphasised by Doganova, Giraudeau, Helgesson, Kjellberg, Lee, Mallard, Mennicken, Muniesa, Sjögren and Zuiderent-Jerak, (Doganova *et al.*, 2014), it is analytically meaningful to focus on moments of innovation, e.g. valuation techniques and practices being contested and new ones proposed, therefore, this study focuses on managers’ perspectives to highlight processes of value creation, and strategic actions taken to mitigate the risk of mission drift, and/or establish/improve competitive advantage. To go beyond an organisation’s formal policy level, the analysis focuses on perspectives, i.e., everyday activities as well as shared meanings and understandings, that are shaped and reshaped by strategic activities (Feldman & Orlikowski, 2011).

3.2 Research Design

This study is based on case studies of the four hybrid companies presented in table 3.1. Sekaran and Bougie (2016:98) define case studies as; “a research strategy that involves an empirical investigation of a particular contemporary phenomenon within its real-life context, using multiple methods for data collection”. The authors add to this definition by stating that to create a comprehensive picture of a problem, the researcher must investigate the real-life sample from numerous aspects by using various methods for data collection. Hence, this study examines the case studies by using two different methods for data collection; primary interviews, see section 3.4.1, and follow up interviews/questionnaires, see section 3.4.2.

The case studies have been selected from the database of certified B Corporations, as listed on the website of the organisation B Lab (B Lab, 2020). The focus of this study is narrowed down to hybrid companies within the greater Copenhagen area and so, specifically, relates to hybrid organisations in this particular geographical location. Furthermore, the decision to focus on Nordic B Corps was founded upon the interest in discussing managers’ perception of the strategic value inherent in multiple value creation in a geographical area where B Lab is not yet widely recognised. This was of importance as to not solely study the strategic value of becoming a certified B Corp due to the recognition of B Lab.

The reasons for specifically focusing on the Copenhagen region are as follows; 1) the main part of the Nordic certified B Corps, 20 out of 27, are located in the Copenhagen region (B Lab, 2020), 2) Denmark was ranked to be the fifth-best out of 134 countries worldwide in the 2019 Best Countries for Business ranking by Forbes, measuring which economies are the most inviting for capital investment (Forbes, 2020), and 3) Copenhagen has been proclaimed as one of the world’s greenest cities (Wilmott, 2020), where the city was also acknowledged for its sustainability achievements in the 2019 Global Destination Sustainability Index due to the objective of becoming carbon neutral by 2025, and numerous other sustainable initiatives taking place (Global Destination Sustainability Index, 2020). Hence, the Copenhagen region is of special interest due to its high concentration of B Corps, its business friendly and innovative environment, and its sustainability progress.

3.3 Case Studies

In this section, the four case studies are briefly presented according to six comparable parameters, see table 3.1. Note that a company must achieve a minimum score of 80 points to certify as a B Corp on the B Impact Assessment (B Lab, 2020)

Table 3.1 Presentation of the Case Studies

Name of the Company	**Sector**	**Produce/ Offering**	**The Company Consists of**	**Founding Year**	**Year of B Corp Certification**	**B Impact Score**
Skandinavisk	Commodities	Fragrance (scent diffusers), cosmetics (e.g., hand and body lotion) and flame (scented candles)	About 20 people	2012	2019	84.1
Skagerak	Commodities	Indoor and outdoor furniture (e.g., seating, tables and storage), accessories (e.g., mirrors, pots and textiles), and lighting	40	1976	2017	102.2
MäRK	Service	Consultancy services for companies that want to make a difference for the world and explore how they can use their business as leverage to make a real difference	Three founding partners and two employees	2017	2015	97.4
Goodwings	Service	A hotel booking platform where every booking results in a donation to a charity	22	2015	2019	86.3

3.4 Data Collection Method

This study is based on purposeful sampling (Tracy, 2012), where companies that create multiple values and seek to fulfil non-financial and financial missions, are in focus. The study defined Danish certified B Corporations as the sampling frame, where opportunistic sampling was utilised (Tracy, 2012), based on the interest shown by the possible participants, and the managerial position of the interested individuals.

The data was collected from interviews and questionnaires, as well as through documentary data. Interviews were utilised due to the study's focus on participants' perspectives to capture viewpoints and lived experiences. However, since interviews are created by the researchers, the resulting data comes with the obligation to be treated with ethical care, based on the difference in control between researchers and respondents (Tracy, 2012). To ensure ethical care of the collected data, the data was collected systematically in the same way by using the same interview questions in the initial interviews, transcripts were written based on notes from the interviews to ensure data-collection based on a single conversation, and the transcripts were used for quality assurance purposes (i.e., clarifications).

This study focuses on the perceptions of top-level managers and so, three CEO's and one firm partner were interviewed. Only one manager was chosen from each company, based on their involvement in the hybridisation process (i.e., multiple value creation), to enable a comparison between perceptions of managers running different hybrid organisations. This study did not choose a specific sector from which the managers were sampled. This decision was based on the consideration that the study focuses on the strategic value of multiple value creation in a certain geographical area, rather than in a certain sector where a specified product/service is being produced.

The study used an initial structured interview with each participant, which took a narrative approach, to stimulate discussion rather than dictate the conversation (Tracy, 2012). Here, the participants were encouraged to tell stories (e.g., the history of the company and the reasons behind their non-financial missions), facilitated by the open-ended questions asked. Since the participants' perspectives are central to the study, it has been crucial from a validity perspective to encourage a participant-led discussion in the early stages of collecting the data, as to not influence the outcome of the data collected. Hence, a narrative approach facilitated data based on the participants' perspectives. To facilitate storytelling by the participants, a collaborative interviewing stance was used (Tracy, 2012), promoting a discussion rather than differing levels of control in the conversation.

Since interviewing is an organic form of data collection, where content and meaning are created between individuals, examination not only of what data is collected but also how the data is gathered through the interview, is of importance (Tracy, 2012). Therefore, being self-reflexive in our roles as researchers have been crucial to gain an understanding of how we might have impacted the interview process. By using the same structured interview questions, and by taking notes of the interviews instead of recording the conversations, we were able to discuss the participants' perspectives based on their initial reaction to a concept. Insights into the collected data, then, were discussed by the researchers to heighten our awareness of our roles as researchers by highlighting our different impressions of the data, as well as our research methods.

Follow up questionnaires or interviews were used to collect additional detailed information regarding aspects that had been discussed in the interviews. Here, the follow-up questions were both based on information availed in the initial interviews, enabling elaborations as well as clarifications, and on newly identified theories of relevance, which is in line with the iterative process approach. Furthermore, documentary data such as mission statements have been collected, which enabled comparisons between data gathered from interviews and the participants' perspectives as presented by themselves in a written form. Also, virtual documents (i.e., websites) were utilised for additional insights into the participants' perspectives.

3.4.1 Interviews

We reached out to the companies of interest a couple of weeks before the scheduled interview period in April 2020 and requested participation in the study. Additionally, we informed the participants about the research purpose and gave an approximate idea of the time frame for the interview as well as decided on a convenient time for the interview to be conducted. Before conducting the interviews, we created an interview guide consisting of different themes based on our theoretical framework presented in the literature review, see appendix A. To create a general understanding of the case studies broad initial interview questions where applied. Hence, the answers to all of the questions were not incorporated into this study.

Initially, the interviews were planned to be conducted face-to-face, however, since Demark closed its borders on the 14th of March 2020 as a result of the Coronavirus outbreak, all of the interviews were conducted through Skype. One advantage with online interviews is that it can eliminate any discomfort that interviewees might feel in facing the interviewer (Sekaran & Bougie, 2016). Hence, we let the interviewees decide whether to turn on the web-camera or not during the interview. Another advantage of online interviews is that respondents might feel less uncomfortable sharing sensitive information through online media, than when they interact face-to-face with the interviewer (Sekaran & Bougie, 2016).

However, we are aware of the disadvantages concerning online interviews and we have employed different strategies to mitigate these disadvantages. Firstly, there is a risk of faltering technical devices and unstable connection, which can prevent the interview from being undertaken at the scheduled occasion and adversely affect the overall understanding between the interviewer and respondent (Sekaran & Bougie, 2016). Secondly, there is a risk of the respondents not fully focusing on the interview, due to noisy environments or drifting attention (Sekaran & Bougie, 2016). These two risks were mitigated by performing the interviews at an early stage in the process so that the interviews could be rescheduled if these types of technical or practical issues would arise.

Thirdly, when the interviewee chose not to turn on the web camera there is a risk of the interviewers missing nonverbal cues, which can indicate for example discomfort or stress, from the respondent (Sekaran & Bougie, 2016). In line with this theory, after having completed the interviews we concluded that we, as researchers, had established a closer relationship and connection with the participant that chose to turn on his web camera during both the initial interview, and the follow-up interview. However, since the other interviews chose to not turn on their cameras a compromise had to be made, since the most important aspect was to make the interviewee feel comfortable to share information and so, the Skype call was conducted on their terms.

To make the interviewees feel more comfortable, and potentially more inclined to share vital information, we decided not to record the interviews. Also, recorded interviews might bias the interviewees' answers due to their awareness of their voices being recorded and, as such, their anonymity is not fully preserved (Sekaran & Bougie, 2016). Instead, throughout the interviews, we took turns on facilitating the interviews by guiding the respondents through the interview guide and taking notes. Assigned roles during the interviews mitigated the risk of focus being taken away from the message the respondent is conveying in favour of taking notes.

3.4.2 Questionnaires

Subsequently, the participants were given a choice of answering a questionnaire or participating in a second interview, where follow-up questions were based on the previously collected data. The follow-up questions partially consisted of participant-specific questions which sought to understand the individual perspective and context to a deeper extent and partially of questions based on newly identified theories of relevance, which is in line with our iterative process approach. Two participants chose the questionnaire, and two participants chose a second interview. Since we were only administering two follow-up questionnaires, and each questionnaire was adapted to the specific participant, we decided to send them through email. One of the advantages of mail questionnaires is that respondents can answer at their convenience, at a time and a pace that suits them (Sekaran & Bougie, 2016). However, there is a risk of participants not devoting enough time to answer the questions, only giving brief or shallow answers (Sekaran & Bougie, 2016). We mitigated this risk by keeping the questionnaires as short as possible. Furthermore, when interviewing participants, important information that the researcher is not explicitly asking for is often conveyed, which is an opportunity that is foregone with email questionnaires. To facilitate additions of information by the participants, we constructed the questionnaires based on open-ended questions, with a few exceptions of yes/no questions for clarification purposes.

3.5 Data Analysis Method

To be able to reduce the gathered data we began the data analysis process by creating four main themes based on previous theory and to facilitate the coding process we established a colour based coding index, see table 3.2. Codes were given to units of text representing a theme, which is in line with the theories of Sekaran and Bougie (2016), who argue that one might assign a code to a text unit of any size, as long as the unit represents a single theme. As new codes and categories emerged inductively we changed and refined these during the research process, which is in line with the theories of Miles & Huberman (1994). Hence, categories emerged related to the theme Strategic Value (STV), see table 3.3. These categories are directly based on concepts described in the article by Muñoz and Kimmitt (2019). By adopting existing themes and categories we were able to directly build on prevailing knowledge (Sekaran & Bougie, 2016). During the data analysis process we have acknowledged that qualitative data analysis is not a step-by-step, linear process, but rather a continuous and iterative process (Sekaran & Bougie, 2016), which means that we returned to each step in the data analysis several times throughout the process.

Table. 3.2 Themes

Theme Name	**Abbreviation**	**Definition/description**	**Coding Index**
Value Creation	VCR	Mention of activities/methods/means which adds value to a certain aspect for the organisation, environment, or society, in relation to the organisation's mission	Blue
Measuring Value Creation	MVC	Mention of activities/methods/means which highlight or emphasise a certain value	Yellow
Mission Drift	MDR	Mention of activities/methods/means which include aspects of prioritisation and/or compromise	Red
Strategic Value	STV	Mention of strategic action which positively or negatively influences the organisation's mission	Green

Table. 3.3 Categories

Category Name	**Abbreviation**
Improving Competitive Position	ICP
Attracting New Clients	ANC
Influencing Consumer Decision-Making	ICD
Hiring and Retaining New Employees	HRE
Improving Sales	ISA
Creating Strategic Relationships with Suppliers	SRS
Developing Strategic Alliances with Other Organisations	SAO

The themes were assigned colours, enabling the data (i.e., interview transcripts and documentary data) to be colour coded. In this way, the mentioning of the themes were highlighted and extracted as bases for a second round of data collection. In this way, the data had been categorised into wider themes, which could be further coded through specified categories regarding competitive advantage, to collect meaningful data in relation to the research questions. The information derived from the second data collection, then, was analysed according to the categories in table 3.3. Hence, the presentation of the empirical findings and the data analysis in chapter 4 is arranged according to the themes presented in table 3.2 and the categories presented in table 3.3, where table 3.2. provides a general overview of the collected data, and table 3.3 specifically refers to the second research question in this study.

3.6 Validity and Reliability

There is an on-going discussion among qualitative researchers whether the concepts of reliability and validity, commonly associated with assessing the quality of quantitative research, are applicable in the evaluation of qualitative research (Bryman, 2012). Hence, several researchers have set out to adapt reliability and validity for qualitative research. Among them are Lincoln and Guba (1985) who have developed two alternative criteria for evaluating qualitative research: 1) trustworthiness, and 2) authenticity. Since the authenticity criteria mainly correspond to research performed from a consultancy perspective we have chosen to examine our research process mainly based on the trustworthiness criteria. According to Lincoln and Guba (1985), the concept of trustworthiness consists of four criteria:

a) Credibility - which corresponds to internal validity
b) Transferability - which corresponds to external validity
c) Dependability - which corresponds to reliability
d) Confirmability - which corresponds to objectivity

a) Credibility - Credibility is closely linked to the idea that there can be several possible accounts of an aspect of social reality. Hence, the achievement of credibility of research findings involves submitting findings to the members of the social reality who were studied, for confirmation that the researchers have correctly understood the social reality (Lincoln & Guba, 1985). To ensure good correspondence between the findings, the perspectives and the experiences of the research participants we have employed so-called respondent validation, which means that we have shared some of our writing with the participants that are based on the study of that specific participant. Three out of four participants agreed to contribute to the respondent validation.

Another commonly used method for ensuring the credibility of a study is triangulation, which involves the research being addressed from multiple perspectives. We have employed Denzin's (1970) four forms of triangulation:

1. Methodological triangulation, which refers to the use of more than a single method for collecting the data. Hence, we used multiple methods of data collection, both through interviews, questionnaires and collection of data on the focal companies' websites. Denzin (1970) defines this type of method triangulation as between-method triangulation, since it involves contrasting research methods.
2. Data triangulation, which entails gathering data through a variety of sampling strategies, meaning that parts of the data are gathered e.g., at different times. Hence, we collected data at two different points in time, by performing primary interviews in April 2020 and by follow-up interviews/questionnaires in May 2020.
3. Researcher triangulation, which refers to multiple investigators gathering and interpreting the data. We have achieved researcher triangulation by two researchers collecting and analysing the data.
4. Theoretical triangulation, which refers to the use of more than a single theoretical position when analysing the data. Hence, we used multiple theories to interpret and explain the data.

b) Transferability - Since qualitative research often entails intense studies of few case studies (i.e., depth rather than breadth), the findings often concern the contextual uniqueness in the social reality being studied, which can lead to problems of transferability. To increase the possibilities of transferability we are providing what Geertz (1973) defines as thick descriptions, in other words, rich accounts of the details of the cases studied, see chapter 4. According to Lincoln and Guba (1985), thick description provides other researchers with a database for making judgements about possible transferability of findings to other settings.

c) Dependability - Since dependability corresponds to the concept of reliability in quantitative research, Lincoln and Guba (1985) suggests that researchers adopt a so-called auditing approach, which entails presenting complete records of all phases of the research process. Hence, our study includes detailed information regarding the selection of participants, interview guides, data analysis decisions, etc. This allows for our supervisor and people in our seminar group to act as auditors during the research process to determine to what extent proper research procedures have been undertaken.

d) Confirmability - Confirmability corresponds to objectivity and, hence, ensures that the researchers have not allowed personal values or biases affect the conduct of the research and/or the findings (Lincoln & Guba, 1985). Thus, throughout the research process, we have actively kept in mind that our educational backgrounds in political science and social science may lead to a biased outlook, which has been mitigated by thorough discussions in every step of the process. Furthermore, we have used the seminars as a tool to confirm that we are keeping an objective outlook.

3.7 Limitations

Originally, we planned to perform an observational case study focusing on one company, however, since Demark closed its borders the 14th of March 2020 as a result of the Coronavirus outbreak, we decided to perform a small number of distance case studies instead. The main reason for this was that we would not gather enough data on one single company without performing an observational study, and, also, we did not want to risk overburdening a single company during the difficult times of the pandemic. Hence, we contacted 70 certified B Corps located in Sweden, Norway, Denmark and the UK. However, due to the Coronavirus, the main part declined participation in our study. Eventually, five Danish companies accepted participation and, hence, the focal group consists of the companies that were willing to allocate time for our study despite the extraordinary circumstances. However, during the process, we have found it increasingly difficult to retain contact with one of the companies and despite numerous reminding emails, they never answered the follow-up questionnaire. Thus, eventually, we decided to remove this company from our sample, and as such, our sample consists of four companies.

4 Empirical Findings and Analysis

In this section, we are presenting the empirical findings and the analysis of the individual case studies resulting from interviews, questionnaires and data gathered from the companies' websites. The structure of the presentation of the empirical findings is based on the four main themes according to which the gathered data is coded. Hence, in each empirical findings section, the company's perceived value creation, mission and activities/strategies for measuring value creation is presented. Additionally, the managers' perception of mission drift (including activities/strategies for balancing multiple values), and their perception of the potential strategic value (i.e., competitive advantage) originating for their social mission, is presented. The analysis of the empirical findings follows the same structure. To facilitate the reading the terms "CEO" and "partner" have been exchanged in favour of the companies' official names. All of the quotes presented in this chapter originate from the interviews and questionnaires administered in April and May 2020.

4.1 Goodwings - Empirical Findings

4.1.1 Hybridity and Value Creation

Goodwings emphasises that they focus on creating value by neutralising carbon (e.g., by offsetting credits like planting trees), and improving people's lives (e.g., by providing girls with schooling in African countries or building infrastructure in Nepal). The customer value proposition is explained to be founded upon the fact that people need to travel, where Goodwings allows their customers to travel in the best way possible by; "saving money, saving the planet". To attract customers, Goodwings has established partnerships with Danish non-profits. This way of marketing the brand is based on a desire to find new ways to go to market to, also, create value in new ways. Therefore, the company's profit is shared with its customers through price reductions and non-profits through donations. In this way; "customers get a discounted offer and they get to have an impact". This is explained to be made possible by the marketing approach, where money is saved by not using traditional marketing methods (e.g., TV-commercials), and by establishing a balanced relationship with non-profits, where donations are preconditioned by the non-profit's ability to build the Goodwings brand.

Goodwings' professional partners need to validate that they are a non-profit organisation, where impact metrics are required to highlight the impact of the organisation. The impact metrics are emphasised due to Goodwings's wish to create a company that is; "highly scalable, with a great potential impact for the people on the planet". Therefore, the company's business model is based on subscriptions. Customers pay a monthly fee to get access to favourable rates, whilst also donating money. Furthermore, a customer gets instant information regarding their impact of booking with Goodwings through the website reporting aspects, such as the number of lives that have been improved, and the amount of CO2 that has been neutralised through Goodwings' activities (Goodwings, 2020). On this basis, Goodwings argues that; "customers go to Goodwings because it is the only way to both save money and the planet, it is an integral part of the offer". The business model is designed in such a way that impact is part of the structure, according to Goodwings; "it provides a level of comfort, if the company was bought by someone else and they were to continue Goodwings, it would still have an impact because it is who we are".

4.1.2 Multiple Value Creation: A Strategic Perspective

Goodwings emphasises that; "without profit, there can be no impact, the notion of having to choose between these values is a leftover from the old days". However, there is a perceived need to balance the company's purpose and profit. In doing so, the need for the private sector to have a positive impact on the planet is emphasised, since, according to Goodwings; "businesses need to provide products and services that are better for the world since consumption is part of the solution to the sustainability issue". To balance profit and purpose the B Corp certification obliges the company to consider its impact on others when making management decisions. The decision-making process is highlighted as being monitored by the company's internal culture, which influences the decisions being made more significantly than the mission statement.

One of the main priorities made by Goodwings is to not spend substantial amounts of money on advertisement, but do good things with the financial resources instead. Goodwings acknowledges that the company struggles with ordinary business decisions (e.g., how to make the website known, how to convert website visitors to customers, and how to retain customers), therefore, these fundamental business challenges are tackled through scaling. Finding customers and retaining them can, however, be problematic through the company's marketing approach, where confusion arises among customers around the non-profit partnerships. Hence, discussions have been undertaken to decide whether several partners are needed from a marketing perspective, or if a stronger partnership should be established with a single partner.

According to Goodwings, the B Corp certification has not improved the company's competitive advantage in itself because; "the problem with the B Corp certification is that it is quite unknown as a concept so it might resonate with other B Corps, but beyond that, I do not think it creates that much value". Even so, being part of the B Corp community is expressed as entailing a sense of pride and belonging, where the network provides fellowship. However, Goodwings acknowledges that their social mission has contributed to achieving competitive advantage in its own right, regardless of the organisation being a certified B Corp, because the business model is designed so that; “impact is in our DNA”. For example, Goodwings’ social mission is perceived to have led to customers being more inclined to book through Goodwings, Goodwings being able to form a strategic relationship with Danish non-profits and commercial partners, Goodwings attracting people with similar sets of values to work for them and Goodwings influencing customers to become more sustainable travellers.

4.2 Goodwings - Analysis

By expressing that Goodwings needs to make a profit (i.e., create financial value) to create impact (i.e., create non-financial value), Goodwings emphasises a logic of positive social change through a rationalised market logic, prioritising the role of business to solve problems, and so, can be characterised as a hybrid organisation (Khavul *et al.,* 2013). By emphasising the need for Goodwings to provide services that are better for the world by offering the consumers to save money, while simultaneously saving the planet, shared value is perceived to be a crucial output created by the company (Porter & Kramer, 2011). Additionally, by arguing that the notion of businesses having to choose between purpose and profit is a leftover from out-dated business logic, Goodwings is demonstrating its blended value approach (Emerson, 2003). However, Goodwings emphasises the need to actively balance these two values within the company.

Goodwings’ B Corp certification highlights an aim to increase the level of organisational hybridity, and certain organisational government choices (e.g., the demand for non-profits to present impact metrics before a partnership is established) enables Goodwings to be characterised as an entrenched hybrid (Billis, 2010). By designing the business model in such a way that impact is part of the structure, where every purchase incorporates a donation, Goodwings can be categorised as an enacted hybrid, having been founded based on these principles (Billis, 2010).

Goodwings creates non-financial value by investing in external projects to neutralise carbon and improve people’s lives. Other organisations are utilised to undertake the actions needed to fulfil Goodwings’ non-financial mission, being employed as marketing agents to increase Goodwings’ financial ability to invest in external projects, as well as being on the receiving end of the donations provided by Goodwings. Based on this, Goodwings can be defined as a differentiated hybrid, since the profit earned from commercial activities are invested in external projects, where the beneficiaries cannot be categorised as being the primary customers of the organisation (Ebrahim *et al.,* 2014). However, in cases where Goodwings’ non-profit partners (i.e., functioning as sales agents) also utilise their services for their employees and, hence, can be categorised as customers, the organisation can be defined as an integrated hybrid (Ebrahim *et al.,* 2014). The hybridity characterisation of Goodwings, then, depends on situational activities undertaken by the organisation, leading the organisational type to be fluid, which is in line with Ebrahim *et al.* (2014) statement that not all organisations can be categorised strictly into these two hybrid organisational types.

The organisation's mission to save both money and the planet leads Goodwings to emphasise the fact that financial resources are needed to make a social/environmental impact. The risk of mission drift, however, is described as being considered in terms of balancing the organisation's purpose and profitability. Here, the B Corp certification is utilised as a governance mechanism to oblige the company to consider its impact on stakeholders, which is in line with previous studies showing that regulatory measures provided through a third-party validation can be a governance mechanism safeguarding an organisation's mission (Cornforth, 2014). When acting as an integrated hybrid, Goodwings utilises the certification as to not explicitly focus on their scaling objective, to continuously be reminded of the non-financial impact their customers/beneficiaries create (Ebrahim *et al.,* 2014). When acting as a differentiated hybrid, however, the organisation has structured the company to use its revenue to create value for customers (i.e., through discounts), and beneficiaries (i.e., through donations), instead of for commercial activities (Ebrahim *et al.,* 2014). In this way, the risk of investing in commercial activities to a higher extent than non-financial activities is reduced.

Furthermore, since Goodwings emphasises the importance of creating a strong internal culture based on the organisation's hybrid values to ensure an equal focus on their multiple values, the organisational design is continuously maintained, decreasing Goodwings' likelihood of experiencing mission drift (Battilana & Dorado, 2010, Grimes, 2010; Smith *et al.*, 2013). This is mainly carried out by compartmentalisation (i.e., separating financial and non-financial activities), which has been defined as a mitigation strategy to avoid mission drift (Cornforth, 2014). Even though strategies to avoid mission drift have been identified within Goodwings, as presented above, occurrences of the concept have not been found. On the contrary, mission drift is not perceived as a risk due to the emphasised relationship between the values of profit and impact, where financial value creation is seen as a means for Goodwings to pursue their non-financial mission.

In line with Muñoz and Kimmitt's (2019) argument that a company can improve their non-financial value creation dynamically as an economic mission improves, Goodwings emphasises that their non-financial value creation has improved their financial situation, and so, their competitive position. How the organisation's competitive advantages have been improved is presented in table 5.2. However, it is worth noticing that Goodwings emphasises that it is their social mission, which is inherent in the organisational structure where the creation of blended and shared value is central to the core of the company, that allows the company to establish a competitive advantage, rather than the B Corp certification itself.

Goodwings stresses that the main reason for the B Corp certification not playing a crucial role in establishing a competitive advantage is because it is perceived as not being well-known in the Nordic region. However, Goodwings acknowledges that the B Corp network has provided an, for them, unprecedented sense of fellowship, which can be interpreted as the certification allowing Goodwings to develop strategic alliances with other organisations. Additionally, the

B Corp logo is visible on Goodwings website (Goodwings, 2020), which can be interpreted as Goodwings experiencing that the certification might still contribute to creating competitive advantage by attracting new clients or by improving sales.

4.3 MäRK - Empirical Findings

4.3.1 Hybridity and Value Creation

MäRK is a consultancy firm with the mission of; "changing the DNA of business, one company at the time", by helping businesses understand, renegotiate and redefine their role in society, identifying their societal ambition and ignite and communicate their contribution to society. MäRK further aims to change; "the dominant logic of governance between the NGO and the business sector to contribute to building an impact-driven economy". The partners at MäRK label themselves corporate activists and identify the company as a change agent. MäRK's main value is to help society flourish, which involves; "building companies that are more inclusive, regenerative, participative, interdependent and community-oriented". These values are also clearly presented on MäRK's website (MäRK, 2020). MäRK emphasises that; "the ultimate value creation is for society, as responsible business is both good business and good for society. The primary value is for businesses, we help them change; make them future-fit and more resilient. The value is often system value, creating value for the value chains both upstream and downstream [for suppliers, for customers]".

Since MäRK is a small company, their impact on the world is through the impact they have on their clients. Hence, to assure that MäRK is delivering their values, they are working with clients over long periods, ensuring that their identified societal ambition becomes a strategy and action. MäRK further mentions that when they are supporting companies to become certified B Corps the progression is easy to follow because they can easily compare the clients' starting score to their certification score. Furthermore, MäRK signed the Net Zero 2030 commitment with the B Corp movement in December 2019, which means that they have committed to measuring their carbon footprint. To follow up this commitment, MäRK has hired a consultant to identify a baseline and to set targets to follow up against.

MäRK is also following terms that they have created and introduced to the Danish society, for example, the term "societal ambition". MäRK was the first Danish company to discuss impact business models and to push the role of business as corporate activists. MäRK further states that; "we are measuring our input in how the companies are changing because that is where we can claim our biggest impact to the world, but we are also noticing signs of system change that we have infused or been the starting point of". Furthermore, MäRK measures their impact through the B impact assessment every third year when they are recertified, which includes a 360 degree assessment of the company. However, MäRK has not produced the type of impact report B Lab is asking for in their assessment, but since MäRK is supporting their clients to produce B Lab-adapted impact reports they have discussed establishing one for MäRK.

MäRK is further inspired by the Future Fit Organisation and their Key Fitness Indicators, however, for a small company they believe that developing a large amount of KPIs is too extensive.

4.3.2 Multiple Value Creation: A Strategic Perspective

MäRK has established a set of equally weighted portfolio criteria to help them decide which client projects to engage in. The primary criteria for engaging in a project is 1) a personal desire to work on the project, hence, MäRK declines if the consultants do not desire to work with the client or do not believe in the project. The other criteria have to do with whether 2) the project has an impact on society in the direction MäRK stands for (i.e., does it help the society flourish), 3) whether it pays well (which, according to MäRK, can be a reason for engaging in a project as long as it makes the consultants happy, and does not contribute negatively to the ability of society to flourish, however, it does not necessarily have to change the world), 4) whether the consultant, or MäRK as an organisation, learn something from the project, and 5) whether it is a branding advantage (which includes assessing whether the client can be used to leverage, or open up other possibilities). Each consultant can choose a mix of these criteria, however, if they choose projects that pay well but do not live up to the other criteria, normally; “the consultants are not happy, because they are dedicated to having a societal impact”. However, MäRK emphasises that if they would only sign up for societal impact projects that do not pay well, they would have to work at a very high pace to gain their salaries.

MäRK also brings up the company’s right to exist, which they believe could only be evaluated by assessing their social impact and the value MäRK is creating versus the cost that it entails. MäRK adds that; “you have to make more value for society than you potentially cost, which is an interesting balance”. However, MäRK concludes that there are no methods for evaluating this, and that; “we don’t have a global allocation board so no one can look at MäRK and say that they have created great value at a cost that is okay for people and the planet”. However, MäRK is experiencing a change towards an increased focus on measuring impact, instead of measuring growth and turnover within the B Corp movement. MäRK concludes; “the question is how much does financial value creation mean? It is a means for us to do something else”. Additionally, MäRK mentions that their financial value creation allows the consultants to invest 30 % of their time in projects aimed at changing the economic system and the DNA of business, for example, by driving the Nordic B Corp movement, and starting up impact businesses.

MäRK underlines that pioneering a new form of business (being a certified B Corp), provides a privileged position because; “it positions us at the edge/forefront of thought, leaders and companies that identify with the value of driving new paradigms are more likely to work with consultants like us. Our edge is sought after from a specific, ambitious group of companies, those who are courageous, curious, world-changing”. Furthermore, MäRK mentions that the B Corp certification is a key element for their employees and that the company is sought after as a workplace to a higher extent than other consultancies of their size. Finally, MäRK emphasises that; “being a B Corp is a sign of organisational commitment to our values”. However, MäRK stresses that being a; “radically different type of consultancy is truly a part of MäRK’s unique selling point”, regardless of their B Corp certification because; “we do what we advise our clients to do”.

4.4 MäRK - Analysis

By expressing that MäRK’s financial value creation can be viewed as a means for doing something else (i.e., create non-financial value), MäRK can be characterised as a hybrid organisation (Khavul *et al.*, 2013). By emphasising the importance for MäRK of creating more value for society than they cost, and MäRK’s main value of helping society flourish, shared value is expressed to be a crucial output created by the company (Porter & Kramer, 2011). Furthermore, by having developed portfolio criteria as a tool for balancing financial and non-financial values, MäRK is demonstrating its blended value approach (Emerson, 2003).

MäRK’s level of hybridity can be defined as entrenched since the process of hybridisation is estimated to be profound, involving every level of the company (Billis, 2010), which can be illustrated by that the hybridity of the organisation being embedded in its governance structure through the B Corp certification. Regarding MäRK’s degree of willingness to adopt the hybrid form, MäRK can be defined as an enacted hybrid because the company was founded as a hybrid organisation (Billis, 2010). The direct beneficiary of the value that MäRK is creating is the customer, who purchases a service form MäRK and receives an opportunity to create social/environmental value that has the potential to lead to the types of competitive advantage described in section 2.2.5. However, since integrated hybrids achieve their mission by integrating beneficiaries as customers (Ebrahim *et al.*, 2014), and the direct beneficiaries of MäRK’s general value creation are the customers, MäRK can be defined as an integrated hybrid.

Over time, one of MäRK’s tools to balance the focus on profit versus impact when deciding which projects to engage in has been the portfolio criteria mentioned above. However, a consultant can choose which of these criteria a project needs to live up to for MäRK to engage in it. Hence, a consultant can choose a project exclusively based on profitability, or exclusively based on the possible impact on society. This raises the question of whether the portfolio criteria tool is a reliable mitigation strategy for reducing the risk of mission drift. MäRK stresses that all of the consultants have the drive to make an impact, which means that they will choose to engage in projects with a potential impact. Here, agency as a micro-level strategy to reduce the risk of mission drift is central (Lodahl & Mitchell, 1980). Also, the consultants’ salaries are not based on commission, which means that their salaries are not dependent on highly profitable projects. In this way, MäRK utilises a regulatory measure as a governance mechanism to safeguard the organisational mission (Cornforth, 2014). Thus, the portfolio criteria tool can be perceived to be a reliable tool for reducing the risk of mission drift.

MäRK's social/environmental value creation, as well as the impact of the company's operations, are mainly evaluated by following the development of clients over time, which is performed through continuous interaction with the clients rather than the establishment of KPIs to follow up against. However, MäRK highlights that the B Corp certification process that their clients go through is a tool that allows MäRK to follow up on their impact. Furthermore, MäRK stresses the importance of the B Corp certification process in evaluating the social/environmental value creation of their own operations. Hence, the B Corp assessment process is the main tool that allows for MäRK to balance their multiple missions, which is in line with previous studies where accounting tools have been found to function as a strategy to decrease the risk of mission drift (Battilana *et al.*, 2013). Additionally, this accounting tool (i.e., the B Corp certification) is identified as also functioning as a strategy to enhance the possibility of achieving multiple value creation.

Strategies to avoid mission drift have been identified, even so, occurrences of the concept have not been found. On the contrary, mission drift is not perceived as a risk due to the emphasised relationship between the values of profit and sustainability, where financial value creation is seen as a means for MäRK to "do something else", i.e., pursue their non-financial mission.

In line with Muñoz and Kimmitt's (2019) argument a company can improve their non-financial value creation dynamically as an economic mission improves, then, MäRK emphasises that being a certified B Corp provides a privileged position. How the organisation's competitive advantages have been improved is presented in table 5.2. However, MäRK's identity of being "a radically different type of consultancy", and the company living its values, is additionally perceived to have established a competitive advantage not directly related to the B Corp certification, but inherent in the hybrid organisational structure, where the creation of shared and blended value is central to the core of the company.

4.5 Skagerak - Empirical Findings

4.5.1 Hybridity and Value Creation

Skagerak uses the term philosophies when describing the values associated with their organisation. Examples of some of their central philosophies are; wanting to prove that it pays off to go the extra mile (i.e., "the voluntary struggle"), wanting to give more than they take, and wanting to change how people consume things to a more positive way (i.e., by a customer paying more for the right quality). Skagerak's vision of creating; "products crafted in high-quality materials and pure aesthetics that are produced responsibly for people and the planet", can be found on their website (Skagerak, 2020). Furthermore, Skagerak's main objectives are to 1) strengthen the brand, 2) create an attractive workplace, and 3) establish a solid economic foundation.

When describing the customer value proposition, Skagerak emphasises the company's three promises to their customers: 1) quality in design, 2) quality in production, and 3) quality in relationships. According to Skagerak, the beneficiaries of the values the company creates are both direct customers and, from a more holistic view, people around the world who benefit from the switch to improved, sustainable consumption patterns on a global level. However, Skagerak stresses that they are a small company and, hence, their global impact is not substantial. Even so, Skagerak is convinced that the company can inspire both consumers and other companies to undertake sustainable actions.

Skagerak emphasises that most of their procedures are based on heart and gut feeling because; "some things are not measurable". Skagerak has been discussing measurements internally for a couple of months and concluded that they are not interested in measuring how to make the company stronger. However, due to the Corona situation, Skagerak runs weekly meetings with the employees regarding the company's progression and areas of development. Furthermore, Skagerak's objective of upholding a strong internal economy is measured every month. A financial report is produced monthly, including a follow up on some B Corp objectives, for example, the time devoted to charity work. Another B Corp objective that is included in the report is the company's energy consumption.

Given the current Coronavirus situation, Skagerak measures the company's turnover daily. Normally this is done weekly or bi-weekly. Additionally, the company's overall costs are measured every month. Skagerak is also following some key customers closely and if a positive or negative development is noticed with a certain customer, measures are taken. Furthermore, Skagerak is looking at net zero carbon 2030 with the help of some NGOs, with the aim of both measuring and reducing the company's carbon emissions. Nevertheless, Skagerak does not utilise any other KPIs to follow up on the performance of the company's operations, nor do they perform market or competitor analyses. However, Skagerak performed its first B Corp assessment in 2016 and the second audit will take place in 2020, where B Lab is evaluating five different areas of performance. Skagerak is also a UN Global Compact member, which involves adhering to the BSCI system that helps companies live up to the UN Global Compact, and they produce a public report regarding their performance in relation to the applicable Sustainable Development Goals yearly. Their scores are then made available on their website (Skagerak, 2020). Furthermore, Skagerak is FSC (Forest Stewardship Council) certified.

4.5.2 Multiple Value Creation: A Strategic Perspective

Skagerak aims to always discuss values before price with its customers, as a tool for prioritising between financial and social/environmental values. Skagerak further emphasised that profit is important for the company's business model, however, the aim is to always present their values first. Furthermore, Skagerak ensures an equal focus on their values by identifying few values, which makes the values stronger and enables the employees to stay focused, and by creating values that are self-explaining, which makes them easy to understand, both internally and externally. However, Skagerak states that; "profit and sustainability are not concepts that are clashing", rather the company is emphasising that the concepts go hand in hand because; "if you have poor financial performance it will be difficult to really live your values". Skagerak also stresses that; "B Corps need to make money because it creates a better chance to do something different, which creates a chance to do better".

According to Skagerak; "initially, becoming a certified B Corp just felt like the right thing to do". Hence, they never did a business case on B Corp certification nor the FSC membership. However, Skagerak experiences that being a B Corp has become a competitive advantage, especially in the US and the UK. For example, regarding the community aspect between B Corps. Furthermore, according to Skagerak, some international buyers are curious about new developments; "they do not know every aspect of the B Corp movement but they know that we are companies taking on a different approach on how to run successful businesses", which Skagerak means provides the company with competitive advantage because the buyers; "know that you do not just get a B Corp certificate, you have to prove that you can really do it". According to Skagerak, the buyers have never explicitly stated that they chose the company specifically because of their B Corp certification, however, Skagerak is convinced it is one of their parameters, which gives the company an edge. Furthermore, Skagerak mentions that their long-term relationships, both with customers, suppliers and employees, are considered a competitive advantage. Skagerak also describes that they use their philosophies to distinguish the company from other companies when hiring people because it is of importance that the employees share the idea of "the collective before the individual".

4.6 Skagerak - Analysis

By expressing that B Corps need to create positive financial performance (i.e., create financial value) to make a difference (i.e., create non-financial value), Skagerak can be defined as a hybrid organisation (Khavul *et al.*, 2013). By emphasising the organisation's philosophies, shared value is perceived by Skagerak to be a crucial output created by the company (Porter & Kramer, 2011). Skagerak's shared value approach is further highlighted through their vision of creating; "products crafted in high-quality materials and pure aesthetics that are produced responsibly for people and the planet" (Skagerak, 2020). Additionally, by expressing that profit and sustainability are concepts that go hand in hand, Skagerak is demonstrating their blended value approach (Emerson, 2003).

Skagerak's level of hybridity can be defined as entrenched since the process of hybridisation is profound, involving both the governance and operational levels (Billis, 2010). This is illustrated by the fact that the hybridity of the organisation is embedded in its governance structure through the B Corp certification, and by Skagerak emphasising the importance of the employees sharing the values that the company is founded upon. Regarding Skagerak's degree of willingness to adopt the hybrid form, the company can be defined as an organic hybrid, which is explained by the fact that Skagerak was founded as a single sector organisation that over time has evolved into a hybrid organisation (Billis, 2010).

According to Skagerak, the beneficiaries of the values they create are both the direct customer, and the world population from a holistic point of view. Ebrahim *et al.* (2014) define integrated hybrids as organisations that achieve their mission by integrating beneficiaries as customers. Assuming that the customers buying furniture from Skagerak are beneficiaries of their products, both in terms of direct utility from using the furniture, and indirect utility from the world switching to more sustainable consumption, Skagerak could be defined as an integrated hybrid (Ebrahim *et al.,* 2014).

Since Skagerak is defined as an integrated hybrid, Skagerak is according to Ebrahim *et al.* (2014) subject to the risk of mission drift by, over time, giving priority to profit seeking over the non-financial mission, for example, by charging higher prices. Skagerak's social/environmental value creation is not measured internally because it is perceived to be unmeasurable. Hence, no KPIs are established internally to follow up on the social/environmental value creation. This is related to the fact that values that are difficult to quantify and measure are more commonly omitted from analysis (DiMaggio, 2002; Ebrahim & Rangan, 2010; Paton, 2003). According to Ebrahim *et al.* (2014), methods assessing financial performance are typically well established, while methods for assessing social performance generally lack standardisation and comparability. Ebrahim *et al.* (2014) argue that this could lead to the reduced measuring of social values in favour of financial values, causing mission drift.

However, Skagerak's social/environmental value creation is continuously measured and followed up externally through different kinds of certifications and memberships, such as the B Corp certification, the UN Global Compact membership and the FSC membership. Furthermore, Skagerak has incorporated some of the objectives established through the B Corp certificate into their monthly financial reports, such as time devoted to charity work and their energy consumption. Hence, these certifications and memberships can be seen as accounting tools for avoiding focusing on the financial value creation at the cost of the social/environmental value creation, which is in line with previous studies where accounting tools have been found to function as a strategy to decrease the risk of mission drift (Battilana *et al.*, 2013). Additionally, third party validation is widely shown in previous research to be a governance mechanism used to safeguard the organisation's mission (Cornforth, 2014). Furthermore, these accounting tools (e.g., the B Corp certification) have been identified as also functioning as a strategy to enhance the possibility of achieving the company's multiple missions.

Also, since Skagerak emphasises the importance of hiring people who share the same set of values agency as a micro-level strategy to avoid mission drift has been identified within Skagerak (Lodahl & Mitchell, 1980). Hence, the organisational hybrid design is continuously maintained, which decreases a business's likelihood of experiencing mission drift (Battilana & Dorado, 2010, Grimes, 2010; Smith *et al.*, 2013). Thus, strategies to avoid mission drift have been identified, however, occurrences of mission drift have not been found. Contrarily, mission drift is not perceived as a risk due to the emphasised positive relationship between the values of profit and sustainability, where positive financial performance is perceived to further the chances of fulfilling the non-financial missions.

In line with Muñoz and Kimmitt's (2019) argument that a company can improve their non-financial performance dynamically as an economic mission improves, Skagerak emphasises that being a certified B Corp provides a competitive edge. How the organisation's competitive advantages have been improved is presented in table 5.2. However, Skagerak's focus on multiple missions (referred to as philosophies), is additionally perceived to have established a competitive advantage not related to the B Corp certification, but inherent in the hybrid organisational structure, where the creation of blended and shared value is central to the core of the company.

4.7 Skandinavisk - Empirical Findings

4.7.1 Hybridity and Value Creation

Skandinavisk outlines several values that are perceived to be associated with the organisation: 1) passion, 2) authenticity (e.g., by trying to reflect the promise of sustainable propositions), 3) transparency (e.g., by helping people to navigate the confusion of making sustainable decisions as consumers), 4) being universal (e.g., by not competing in a niche market), 5) curiosity (i.e., by continuously wanting to discover new scents), 6) creating a culture of scent, and 7) being humble. The essence of these values can also be identified in the organisation's mission statement available on Skandinavisk's website (Skandinavisk, 2020).

The company's mission is based on Skandinavisk's inspiration by the Scandinavian lifestyle, described as; "a regressive, responsible and sustainable model of society". By creating products that incorporate Scandinavian fragrances, Skandinavisk aims to enable people outside of Scandinavia to take part in different aspects of the region, in order to inspire the world to take on a more Scandinavian approach to life. In order to achieve this, the aspects of industry awareness and continuous improvements are emphasised. An example was highlighted when discussing how the company's focus on launching sustainable products leads to the need for constant improvements (i.e., changing the raw material used for product manufacturing, such as switching to Swedish rapeseed candles from wax candles), which increases the importance of needing to benefit from volume and hence ensure a focus on both supplier capacity and customer demand.

Even though being a certified B Corp involves a third-party validation of the organisation's efforts every third-year Skandinavisk experiences that their impact and the priorities within the company are difficult to measure. Nevertheless, Skandinavisk has started applying the net promoter score that assesses whether a customer would recommend the company to family and friends on a scale from 1 to 10, which is perceived as a type of performance measurement. The customer perspective is emphasised since, in the words of the CEO; "the ultimate objective would be for people to be able to walk into our stores all over the world and learn about the Scandinavian approach to life".

Furthermore, Skandinavisk monitors revenues broken out by country, month, key account, product category and fragrance regularly. This lets them isolate and thoroughly understand problems, for example, why some scents do not sell in certain regions. Monitoring these aspects are emphasised as crucial since Skandinavisk aims to inspire people worldwide who are part of different populations and small-town inhabitants as well as metropolitan populations. Furthermore, Skandinavisk's business goals are established based on country and retailer (e.g., Åhléns, John Lewis), since they aim to grow their business through retailers.

The last two years Skandinavisk has developed a five-year plan involving the primary aspects of the foundation of the business. A five-year objective has been established which the company benchmark against monthly, where progress is monitored regarding how the business is balanced concerning for example beauty versus interior design products, sales through pop-up shops versus the Copenhagen store, online versus offline sales, and direct business versus wholesale sales, to highlight improvements in the company's margins. Additionally, on a municipal level, Copenhagen approaches businesses to help them increase their possibilities to achieve their missions, leading Skandinavisk to participate in a program that measures the carbon footprint of their current operations.

4.7.2 Multiple Value Creation: A Strategic Perspective

Skandinavisk expresses an awareness of the fact that the values of profit and sustainability seem to conflict theoretically but concludes that they have never made a decision where one of the values has been prioritised over the other. This is based on the general aims for Skandinavisk being incorporated into the foundation of the company, where they; "want to do more than make money and give back". In order to do this, however, some sort of prioritisation is necessary by; "allocating investments and time to do good things, on top of the normal business". Even so, Skandinavisk highlights that the company cannot grow if it is losing money and so, in the words of the CEO; "growing is a beneficial way of raising your voice as an organisation". Profitable growth is emphasised as a vehicle to deliver the company's message (i.e., established in the mission), where care is needed as to not let these financial priorities dictate the set of actions undertaken by the company. To prevent a sole focus on profit, the B Corp certification is underlined as a degree of protection.

This perceived responsibility to give back is referenced by being a B Corp. The B Corp certification provides accountability, but also obligations. Being firstly responsible for internal and external communication, as well as for deciding on a direction for the company to take, Skandinavisk mentions that placing their products next to bigger brands in stores is a learning opportunity, to find how these brands have succeeded and what makes them different. Using fragrances, Skandinavisk focuses on an aspect of a region that is precious to locals, and exotic to the outside world, to create a better understanding of the Scandinavian approach to life. In order to inspire people to take on this approach, the company aims to find ways to describe it in such a way that customers can absorb, recognise and adjust the way they think or act. Skandinavisk emphasises the B Corp movement as having a similar mindset to that in Scandinavia, which leads to an endorsement of the Skandinavisk brand through the B Corp certification.

Furthermore, Skandinavisk expresses that the decision of becoming a B Corp was based on the benefits it was believed to bring. A marketing edge has been experienced, where the expectations linked to the B Corp certification from customers' and suppliers' point of view drives business. More importantly, according to Skandinavisk, the real advantage lies in the consciousness and awareness the certification brings internally to a company, highlighting the scale of positive changes and mitigated negative consequences a company can actively affect.

Also, The B Corp certification functions as a beacon for Skandinavisk to find people sharing Skandinavisk's mindset of how business should be conducted. Here, Skandinavisk emphasises that; "in the end, people have to feel it themselves", referring to what the company wants to achieve. Furthermore, Skandinavisk has established relationships with suppliers due to a supplier led initiative, based on their interest in the company being a purpose-driven, certified B Corp. However, since Skandinavisk does not focus on a single profit motive, but on a mindset, a competitive advantage is perceived to be achieved through the hybridity of the organisational structure in itself, not related to the B Corp certification. This is explained to be based on the careful protection of the company's values by only forming relationships (e.g., employees and suppliers) with people who share the company's mindset and values.

4.8 Skandinavisk - Analysis

By expressing that the B Corp certification is utilised as a tool to achieve the company's non-financial mission, Skandinavisk emphasises a logic of positive social change through a rationalised market logic, prioritising the role of business to solve problems (Khavul *et al.*, 2013), and hence, can be defined as a hybrid organisation. By emphasising continuous improvement, shared value is perceived as a crucial output created by the company, where the mention of "giving back" refers to the value created for society (Porter & Kramer, 2011). Hence, Skandinavisk emphasises that they will; "be better, by doing better". By creating shared value through recognising the company's dependency on its external environment and internal structure (Porter & Kramer, 2011), blended value is underlined as crucial for the company's identity (Emerson, 2003).

By becoming a certified B Corp, Skandinavisk's non-financial mission is formalised into an integral part of the governance of the company, making Skandinavisk an entrenched hybrid (Billis, 2010). Also, the establishment of the company as a for-profit aiming to present a sustainable Scandinavian lifestyle to the rest of the world, categorises Skandinavisk as an enacted hybrid, since it was founded as a hybrid organisation (Billis, 2010). Furthermore, expressing that the customer is the main beneficiary of the company's activities (since benefit is explained to be realised through the purchase and usage of the products), Skandinavisk is perceived as an integrated hybrid organisation (Ebrahim *et al*., 2014).

Mission drift is not perceived as a risk due to the emphasised crucial relationship between the values of profit and sustainability, where profitable growth is emphasised as a vehicle to deliver the company's message (i.e., established in the mission). Care, however, is expressed to be needed as to not let these financial priorities dictate the set of actions undertaken by the company. Being an integrated hybrid, Skandinavisk could experience mission drift by, over time, give priority to profit seeking over a non-financial mission (Ebrahim *et al.*, 2014). To prevent a sole focus on profit, the B Corp certification is underlined as a degree of protection. Third-party validation provided through accounting measures (i.e., the B Corp certification) is widely shown in previous research to be a governance mechanism used to safeguard the organisation's mission (Cornforth, 2014).

Furthermore, considering agency as a micro-level strategy to avoid mission drift has been found (Lodahl & Mitchell, 1980), where Skandinavisk emphasises the vital importance of only establishing relationships with people (i.e., employees and suppliers) who share the same values. The organisational design, then, is continuously maintained by preserving the socially oriented culture (Battilana & Dorado, 2010; Binder, 2007), which lessens the company's likelihood of experiencing mission drift (Grimes, 2010; Smith *et al.*, 2013). Also, accounting tools have been found to not only function as a strategy to decrease the likelihood of experiencing mission drift (e.g., the B Corp certification) (Battilana *et al.*, 2013) but also as a strategy to enhance the possibility of achieving the company's multiple missions. The company focuses on an external, customer-based measurement approach (i.e., the net promoter score), as well as an internal measurement initiative (i.e., the five-year objective), to benchmark its success.

Even though strategies to avoid mission drift have been highlighted, occurrences have not been found. Contrarily, mission drift is not perceived as a risk due to the emphasised positive relationship between the values of profit and impact, where positive financial performance is perceived to further your chances of fulfilling your non-financial missions. Skandinavisk emphasises the company cannot grow if it is losing money and so; "growing is a beneficial way of raising your voice as an organisation".

In line with Muñoz and Kimmitt's (2019) argument that a company can improve its non-financial performance dynamically as an economic mission improves, Skandinavisk emphasises that being a certified B Corp provides a marketing edge. The ways in which the organisation's competitive advantages have been improved is presented in table 5.2. However, Skandinavisk's focus on multiple missions (referred to as mindset), is additionally perceived to have established a competitive advantage not related to the B Corp certification, but inherent in the hybrid organisational structure, where the creation of blended and shared value is central to the core of the company.

5 Case Study Comparison

In this section, we present a case study comparison of the four focal companies in terms of their organising as hybrid ventures, their perceived risk of mission drift, their strategies/activities for mitigating mission drift and the perceived strategic value of their multiple missions.

5.1 Hybrid Organising and the Perceived Risk of Mission Drift

A primary similarity between the case studies has been the awareness that their multiple values (i.e., profit and sustainability), seem to conflict theoretically, even so, in practice the values are not perceived to be competing, but to be clearly related. In order to fulfil the organisation's mission, Skandinavisk emphasises the importance of profitability, since the company's message cannot be delivered without financial resources. Similarly, Skagerak emphasises that profit is important to the company's business model. MäRK highlights that financial value creation; " is a means for us to do something else". Goodwings also underlines that; "without profit, there can be no impact". In this way, the case study observations are in line with previous research suggesting that all hybrid organisations undertake commercial activities to create revenue, in order to achieve their non-financial missions (Battilana *et al.,* 2012; Battilana & Lee, 2014). Furthermore, as a result of the commercial activities, we can conclude that the aim for non-financial value creation leads to the creation of shared and blended value within all of the companies within this case study (Emerson, 2003; Porter & Kramer, 2011).

Three out of four organisations (i.e., MäRK, Skagerak and Skandinavisk) have been categorised as integrated hybrids, meaning that the commercial and non-commercial activities they undertake are highly integrated (Ebrahim *et al.,* 2014). Hence, these organisations are placed at the far left end of the hybrid organising continuum (based on Ebrahim *et al.*, 2014), see figure 5.1. Note that the placement of the organisations' names along the continuum does not represent an exact relative assessment of the organisations' levels of how integrated versus differentiated they are. However, these organisations could experience mission drift in cases where a financial value is prioritised over a non-financial value (Ebrahim *et al.,* 2014). Mission drift, however, is not perceived to be experienced by any of the organisations. Even so, an awareness of the risk is highlighted through the mitigations undertaken to prevent a prioritisation between values. A summary of the identified mitigating strategies/activities to reduce the risk of mission drift is compiled in table 5.1.

To Skagerak, the risk of mission drift is explained to be mainly mitigated by focusing on a set of few, self-explaining values, which can be easily prioritised by employees/suppliers/decision-makers when allocating the company's financial resources. In this way, clearly defined values within the organisation's mission are utilised to preserve a unanimous, socially oriented organisational culture (Battilana & Dorado, 2010). Skandinavisk, too, is aware of the risk of mission drift but does not acknowledge previous experiences of the phenomenon, since an overwhelming focus on the company's financial priorities is argued to be thwarted by the B Corp certification. In this way, accounting measures provided by a third party are emphasised as key to mitigating the risk of mission drift (Battilana *et al.,* 2013).

In MäRK's case, organisational design mitigates the risk of mission drift (Binder, 2007), where salaries are not based on commission, and so, are not dependent on highly profitable projects, and a portfolio criteria tool is utilised to balance financial and non-financial value creation. However, although experiences of mission drift are not always visible to the parties involved (Grimes *et al.,* 2019), this study has not found examples of instances where mission drift was experienced. Instead, managers' perceptions regarding the risk of experiencing mission drift, as shown in the awareness unveiled through their mitigation strategies, are discussed.

One out of four organisations (i.e., Goodwings), has been categorised as both an integrated hybrid and a differentiated hybrid, due to its business model which separates it from the other organisations in this study. Hence, Goodwings is placed in the middle of the hybrid organising continuum, see figure 5.1. Goodwings' business model is unique in the sense that the company is both organised as an integrated hybrid since beneficiaries are integrated as customers whenever Goodwings' partners purchases services, and as a differentiated hybrid whenever Goodwings reinvests parts of their revenue generated from commercial activities into NGOs, making the recipients the beneficiaries rather than customers. Hence, the hybridity categorisation of Goodwings depends on which business activities are being taken into account, which is in line with Ebrahim *et al.* 's (2014) suggestion that all hybrid organisations cannot be strictly categorised into these two hybrids organisational types.

According to previous research, the risk of mission drift is generally greater within differentiated hybrids (Ebrahim *et al*., 2014). However, this study shows that Goodwings, as well as the other focal companies, have undertaken strategies to mitigate the risk of mission drift. For example, by focusing on individual agency through creating a pervading internal culture based on multiple values, by utilising third-party validation through the B Corp certification and by designing the business model in a way that revenue may be reinvested into NGOs devoted to creating non-financial value.

As mentioned above, according to previous research, the risk for mission drift is generally greater within differentiated hybrids, due to the separation of the financial value-creating activities and the non-financial value-creating activities (Ebrahim *et al.*, 2014). However, this study questions if the occurrence of mission drift within a differentiated hybrid is, in fact, detrimental. If mission drift occurred in this type of organisation, the focus would diverge towards the financial value-creating activities, resulting in increased revenues (Ebrahim *et al.,* 2014). However, as long as these revenues would be reinvested to further the non-financial mission (e.g., into an NGO), instead of into the organisation itself, the non-financial value creation would benefit from the additional financial value creation. Of course, this would require a strong internal and/or external control function controlling how the additional revenue would be invested. An example of this kind of control function could be the B Corp certification, as illustrated by the case studies in this report. This reasoning is supported by Binder (2007) and Cornforth (2014), who argue that the compartmentalisation of an organisation (i.e., separating the different activities within an organisation) could actually act as a mitigating strategy to avoid the occurrence of mission drift.

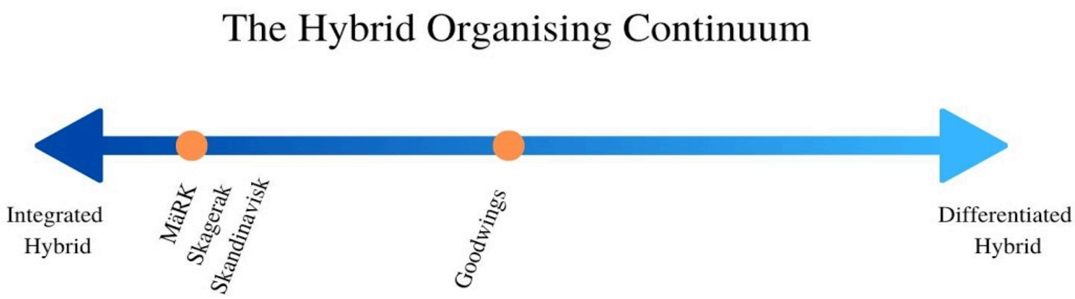

Figure 5.1 The Hybrid Organising Continuum (based on Ebrahim et al., 2014)

Our categorisation of the four companies according to Billis's (2010) hybrid organisational type four-cell scheme is illustrated in figures 5.2. Note that the placement of the organisations' names within the four-cell scheme does not represent an exact assessment of the organisations' levels of how organic vs. enacted the organisations are, nor of how shallow versus entrenched they are. We argue that Billis's (2010) hybrid organisational types have implications for experiences of mission drift within an organisation. Most likely, the risk of experiencing mission drift is higher in a shallow hybrid than in an entrenched hybrid, since multiple values are not penetrating all layers of a shallow hybrid organisation. This reasoning is in line with strategies identified within the case studies, found to be undertaken to ensure an equal focus on multiple values. For example, Goodwings, Skagerak and Skandinavisk expressed the importance of hiring people who emphasise values which align with the organisation's core values, i.e., to strategically safeguard against the risk of mission drift throughout the organisational layers (Ebrahim *et al.,* 2014). Hence, the organisations are classified as entrenched rather than shallow hybrids, and so, the risk of experiencing mission drift is lower in a theoretical sense, which might explain why these organisations have not experienced mission drift.

Being integrated/entrenched hybrids, Skandinavisk, Skagerak and MäRK expressed that an organisation's values need to be integrated into the foundation of the company so that they are manifested in the daily decision making on all levels within the organisation. This was underlined as a fundamental approach utilised to ensure an equal focus on the organisations' multiple values. Here, Skandinavisk expressed that; "in the end, people have to feel it themselves", and Skagerak emphasised that employees need to share their perception of putting; "the collective before the individual". Additionally, MäRK underlines the consultants' dedication to societal impact as a tool for balancing the focus on profit versus impact when choosing which projects to engage in. In this way, agency is emphasised by the interviewees, and so, utilised as a micro-level strategy to mitigate the risk of mission drift (Lodahl & Mitchell, 1980). Hence, similarities in mitigation strategies have been found in entrenched/integrated hybrids.

However, Goodwings did not refer to agency in the same way as the other case studies. Instead, the business model is emphasised as a strategy to ensure multiple value creation and, hence, mitigate the risk of mission drift. This is because impact is argued to be part of the organisational structure, in the words of the CEO; "it is who we are". Since Goodwings is the only organisation within this study that can be categorised as a differentiated hybrid, the risk of experiencing mission drift is greater, and so, the organisational design has been emphasised as profound (Binder, 2007). In this way, organisational design, as opposed to agency, has been found to be of greater importance in a differentiated hybrid than in an integrated hybrid, since the commercial and non-commercial activities in a differentiated hybrid are separated (Ebrahim *et al.,* 2014), making the business model integral to the organisation's ability to create multiple values.

Hence, this study questions whether the concept of agency as a strategy to avoid mission drift is of relevance within differentiated hybrids. Within a strictly differentiated hybrid the commercial and non-commercial activities are fully separated (Ebrahim *et al.,* 2014), meaning that some of the employees spend all of their time on tasks related to revenue-generating activities, such as accounting, marketing and sales, while others spend all of their time on tasks related to non-financial value-creating activities, such as establishing relationships with NGOs and evaluating their non-financial value-creating performance. The concept of agency highlights the importance of the hybrid values of multiple value creation penetrating all the layers of an organisation. However, the question is whether the focus of multiple value creation needs to penetrate all the layers of a differentiated hybrid for the hybrid to generate non-financial value creation. Since the employees in a differentiated hybrid only need to focus on financial value creation activities, we argue that they do not need to display agency regarding the organisation's social mission. In doing so, they indirectly increase the organisation's revenue-generating performance and so, further the organisation's non-financial value creation by allowing for reinvestment of the additional revenues in NGOs.

Hence, the importance of agency as a mitigating strategy could be lesser within a differentiated hybrid.

Furthermore, the risk of mission drift could be perceived to be higher within an organic hybrid than in an enacted hybrid, due to an organic hybrid's likelihood of not having been founded upon multiple values. An organic hybrid transforms over time from a single sector organisation, into a hybrid organisational structure (Billis, 2010). Hence, an organic hybrid structure faces the risk of a shallow hybridisation process, where the non-financial value creation is added "on top of" the financial value creation, leading to a lack of a multiple value focus on all levels of the organisation. Consequently, since Skagerak is categorised as an organic hybrid, the risk of experiencing mission drift could be greater in Skagerak than in the other case studies. However, we argue that organic and enacted hybrids face the same risk of experiencing mission drift as long as the level of hybridity is entrenched, and so, account for a multiple value creation focus at all levels of the organisation. Hence, since Skagerak is categorised both as an organic and an entrenched hybrid, we conclude that all of the case studies are at the same theoretical risk of experiencing mission drift.

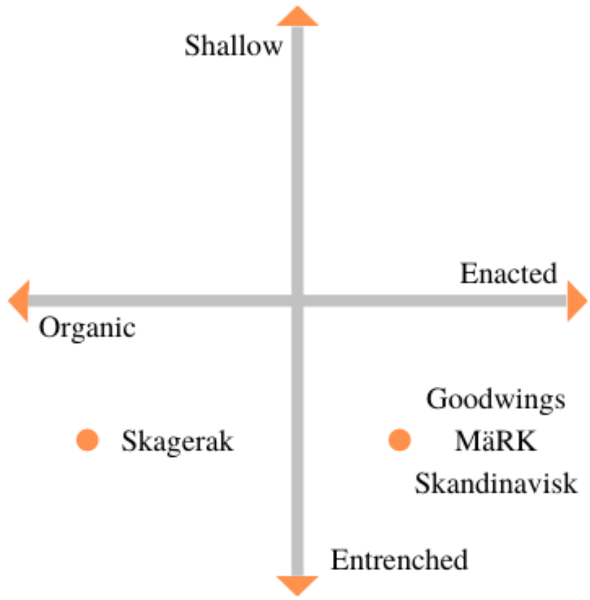

Figure 5.2 Hybrid Organisational Types (based on Billis, 2010)

Skagerak and Skandinavisk have emphasised that some things are not measurable, resulting in neither of the companies producing specific internal KPIs related to non-financial value creation. Contrarily, since financial reporting is required by Danish law (Erhvervsstyrelsen, 2020), all companies are producing economic follow-ups. The lack of non-financial KPIs might be explained by the organisations' lack of internal methods/activities for measuring value creation that is feasible to perform for a company of their size, which aligns with previous findings regarding the inherent difficulties of measuring non-financial value creation, and the lack of commonly accepted measurement standards (DiMaggio, 2002; Ebrahim & Rangan, 2010; Paton, 2003). However, previous studies suggest that prioritising the measuring of financial performance over social/environmental performance puts the social mission at risk, which can lead to mission drift (Ebrahim et al., 2014; Brakman Reiser, 2013).

When comparing the activities performed regarding measuring non-financial value creation, however, it becomes clear that the measuring activities are mainly initiated by an external party for all companies within this study, due to different kinds of certifications and memberships that require regular evaluation and reporting, such as the B Corp certification. Hence, the lack of internal KPIs regarding social/environmental value creation has been found to be perceived by all interviewees as counterbalanced by the external evaluation that B-Lab offers of non-financial value creation. Also, it can be concluded that third party validation acts like a "speed bump" for the organisations to ensure equal focus on their multiple values.

Hence, another strategy utilised to mitigate the risk of mission drift has been found to be third party validation. MäRK explained that; "being a B Corp is a sign of organisational commitment to our values". Skandinavisk, also, emphasised the B Corp certification as a degree of protection against mission drift. To Skagerak, the B Corp certification enables an organisation to; "prove that you can really do it", referring to creating multiple values. However, in Goodwings case, the organisational design is, once again, emphasised where third party validation is not necessarily needed since; "impact is in our DNA". Even so, all case studies have chosen to become B Corp certified, which entails a commitment to multiple value creation (B Lab, 2020). Hence, the B Corp assessment has been found to be utilised as a governance mechanism to safeguard the organisational mission (Cornforth, 2014), where entrenched hybridity enables the organisations to form clear strategies for balancing multiple value creation. Furthermore, the B Corp certification, then, enables organisations to compare their non-financial value creation based on a standardised assessment.

Table 5.1 Types of Mitigating Strategies

Horizontal: Company Name *Vertical: Type of Mitigating Strategy*	**Goodwings**	**MäRK**	**Skagerak**	**Skandinavisk**
Agency (i.e., possible actions by key actors that can reduce the risk of mission drift)	N/A	MäRK emphasises the importance of the consultants'	Skagerak emphasises the importance of hiring people who share the same set of values	Skandinavisk emphasises the importance of only establishing

(Cornforth, 2014)		dedication to societal impact		relationships with people (i.e., employees and suppliers) who share the same values
Accounting Tools (e.g., KPIs, B Corp certification) (Battilana *et al.*, 2013)	By utilising the B Corp certification as a governance mechanism to oblige the company to consider its impact on stakeholders	The B Corp assessment process regarding both MäRK's performance and MäRK's clients' performance (i.e., third party validation)	Skagerak's social/environmental value creation is continuously measured and followed up externally through the B Corp certification, the UN Global Compact and the FSC (i.e., third party validation)	The B Corp certification is underlined as a degree of protection to prevent a sole focus on financial values
Organisational Design (i.e., shaping how the organisation operates) (Binder, 2007) **Compartmentalising** (i.e., separating the different activities of the organisation) (Binder, 2007; Cornforth, 2014)	By designing the organisation as a differentiated hybrid (i.e., by separating the commercial and non-commercial activities, or compartmentalising) By designing the business model in such a way that revenues are reinvested into NGOs devoted to creating non-financial value	By designing the organisation as an integrated hybrid (i.e., a control function embedded into the organisational design because one set of activities aim to achieve both financial and non-financial value creation)	By designing the organisation as an integrated hybrid (i.e., a control function embedded into the organisational design because one set of activities aim to achieve both financial and non-financial value creation)	By designing the organisation as an integrated hybrid (i.e., a control function embedded into the organisational design because one set of activities aim to achieve both financial and non-financial value creation)
Organisation Specific Strategies	N/A	The portfolio criteria tool that aids MäRK to balance the underlying value creation possibilities when	By focusing on a set of few, self-explaining values, which can be easily prioritised by employees/suppliers/decision-makers when allocating the company's financial resources	N/A

		deciding which projects to engage in The consultants' salaries not being based on commission, and so, not being dependent on highly profitable projects		

5.2 The Perceived Strategic Value of Multiple Value Creation

In line with Muñoz and Kimmitt's (2019) argument, the case studies emphasise that non-financial value creation furthers financial value creation and vice versa. All interviewees argued that the values of profit and sustainability are inevitably interconnected, due to the shared perception that social/environmental value creation cannot be achieved without financial value creation. Skandinavisk argues that; "growing is a beneficial way of raising your voice as an organisation". MäRK states that; "[financial value creation] is a means for us to do something else", and further expresses that; "you have to make more value for society than you potentially cost". This objective is further explained by Skagerak; "if you have poor financial performance it will be difficult to really live your values". Lastly, Goodwings emphasises that; "without profit, there can be no impact". Hence, in order to create non-financial value, financial value has been found to be essential. However, more importantly, a non-financial value has been found to be crucial in the financial value creation within a hybrid organisation due to the competitive advantage it offers. In this way, the argument made by Ebrahim *et al.* (2014), that commercial activities of hybrids merely function as means towards non-financial ends, then, has been contested.

In terms of establishing competitive advantage through multiple value creation, hybridity has been emphasised as central by the case studies, as seen in table 5.2. Competitive advantage has been expressed to be based on the hybrid organising in itself, and so, not in direct relation to the B Corp certification. For example, Goodwings expresses that; "impact is in our DNA", where the social mission is perceived to give customers a reason to choose them, and MäRK states that a; “radically different type of consultancy is truly a part of MäRK’s unique selling point”. In focusing on multiple value creation, then, competitive advantage has been found to entail attracting new clients and influencing consumer decision-making (Muñoz & Kimmitt, 2019).

Furthermore, Skandinavisk emphasises the importance of forming relationships with people (e.g., employees/suppliers) who share the same values as the organisation. Similarly, Skagerak mentions the organisation’s philosophies, which have become a part of the everyday decision-making process, as being key for establishing long-term relationships with e.g., employees and/or suppliers. Hence, finding like-minded people has been found to be crucial to establish a competitive advantage in hiring/retaining employees and in forming strategic relationships with suppliers (Muñoz & Kimmitt, 2019). This competitive advantage, however, is argued to be in need of protection, where all case studies have utilised third party validation through the B Corp certification.

On the other hand, the B Corp certification is also perceived to entail strategic value. For example, to Skandinavisk, a marketing edge was found, where the certification highlights the blended and shared value created by a single company through its assessment (Emerson, 2003; Porter & Kramer, 2011). To Skagerak, the B Corp certification is perceived as having grown into providing a competitive advantage based on the growing B Corp community in Denmark, offering a widened network. To MäRK, the B Corp certification provides a privileged position since; “our edge is sought after from a specific, ambitious group of companies, those who are courageous, curious, world-changing”. Contrarily, Goodwings does not experience that the B Corp certification has improved the company’s competitive advantage to any major extent since the certification is perceived to be quite an unknown concept in the Nordic region. However, Goodwings acknowledges that the B Corp network has provided an unprecedented sense of fellowship, which can be interpreted as the certification allowing Goodwings to develop strategic alliances with other organisations, which can be identified as a competitive advantage (Muñoz & Kimmitt, 2019).

Using an organisation’s ability to establish long-term relationships as an example, differences have been found in perceptions regarding the influence of the B Corp certification on an organisation’s competitive advantage. Skagerak emphasises the philosophies (containing the social/environmental mission) to distinguish the organisation from other companies in the employment process. Contrarily, Skandinavisk safeguards the company’s mindset by, also, carefully managing its relationships by only employing/retaining employees who share the company's values, but relates the ability to do so to the B Corp certification. Here, the B Corp certification is defined as a beacon for finding like-minded people. In this way, Skandinavisk emphasises that the competitive advantage is furthered by the B Corp certification due to the endorsement and communication of its non-financial value. In Skagerak’s case, the non-financial value is explained to be communicated through the organisation’s philosophies, i.e., leading to a wider internal than external endorsement of the brand. The outcome of the different approaches, however, has not been found to differ. Even though Skandinavisk emphasises the B Corp certification as a strategic aspect influencing its management of commercial relationships to a wider extent than Skagerak, it is the hybrid structure that is the profound aspect for these companies to establish a competitive advantage, being furthered by the B Corp certification. Further examples of the ways in which the organisations' competitive advantages are driven by their social missions and/or furthered by the B Corp certification are displayed in table 5.2.

Furthermore, strategies to mitigate the risk of mission drift (see table 5.1.) have not been found to differ from strategies utilised to improve competitive advantage (see table 5.2.). For example, the strategic action to become a certified B Corp is both perceived to further a competitive advantage, as well as mitigate the risk of mission drift. In Skandinavisk's case, the B Corp certification is used as an endorsement of the brand to improve its competitive position (i.e., through a marketing edge) (Muñoz & Kimmitt, 2019). Simultaneously, the certification provides a governance mechanism thwarting a primary focus on the organisation's financial objectives (Battilana *et al.,* 2013). A second example is that Skagerak emphasised its utilisation of philosophies when hiring employees, to establish relationships with people who share the organisation's values, and so, utilises agency as a micro-level strategy to mitigate the risk of mission drift (Cornforth, 2014). The philosophies also further the organisation's competitive advantage by distinguishing Skagerak from other companies in the employment process (Muñoz & Kimmitt, 2019).

A third example is provided by the fact that Goodwings utilises an organisational design that furthers its non-financial mission by mitigating the risk of focusing solely on its financial values (Binder, 2007), whilst, in the same way, the social/environmental value incorporated into the organisational structure is used as an endorsement of the brand to improve its competitive position (Muñoz & Kimmitt, 2019). In MäRK's case, providing a fourth example, accounting tools (i.e., the B Corp certification) are emphasised as mitigation strategies (Battilana *et al.,* 2013), to assess MäRK's own, and its clients' non-financial performance. Furthermore, the performance is also measured through the B Corp certification as to provide an endorsement of the MäRK brand, to improve its competitive position (Muñoz & Kimmitt, 2019). In this way, the risk of experiencing mission drift is perceived to be mitigated through the strategies utilised to establish and improve competitive advantage.

Table 5.2 Types of Competitive Advantages

Horizontal: Company Name *Vertical: Type of Competitive Advantage*	**Goodwings**	**MäRK**	**Skagerak**	**Skandinavisk**
Improving Competitive Position	By utilising the social/environmental mission as an endorsement of the brand (social mission) By utilising the B Corp certification as an endorsement of the brand (i.e., the B Corp logo being visible on the company website) (B Corp)	By utilising the B Corp certification as an endorsement of the brand (i.e., the B Corp logo being visible on the company website) (B Corp)	By utilising the B Corp certification as an endorsement of the brand (i.e., in communicating the company's philosophies) (B Corp)	By utilising the B Corp certification as an endorsement of the brand (i.e., the B Corp logo being visible on the company website) (B Corp)
Attracting New Clients	By making social/environmental impact an integral part of Goodwings' offering. Customers use Goodwings because it is the only way to both save money and the planet. (social mission)	By clients sharing the same values as MäRK, and so, being more inclined to hire them as consultants (social mission) By an identified high demand for MäRK's services, due to a trend of companies starting to think about their role in society (social mission)	By clients being attracted to Skagerak because of their social mission and B Corp certification (B Corp)	By making the mission accessible and understandable (social mission)
Influencing Consumer Decision-	By changing the way people have an impact through their travel	One of the main purposes of MäRK's	By incorporating the aim of changing people's consumer	By helping customers navigate confusion through transparent

Making	consumption, by offering them Goodwings' services (social mission)	consultancy services is to; "influence consumer decision-making" (social mission)	patterns in Skagerak's philosophies (social mission)	communication, and by inspiring customers to understand the relevance in the Scandinavian approach to life (social mission)
Hiring and Retaining New Employees	Illustrated by people being attracted to Goodwings as a workplace, due to the underlying social/environmental values (social mission)	By developing a strong internal culture that attracts people with the same set of values (social mission) By the B Corp certification being a key element for MäRK's employees, and by MäRK being sought after as a workplace because of their values (B Corp/social mission)	By utilising Skagerak's philosophies (containing their social/environmental mission) to distinguish them from other companies when hiring people (social mission)	By safeguarding the company's mindset by carefully managing its relationships and only employing/retaining employees who share the company's values (social mission)
Improving Sales	By offering a unique service based on social/environmental values (social mission)	By emphasising that being a pioneer in driving a radically different type of consultancy is a part of MäRK's unique selling point (social mission)	By emphasising the competitive edge brought by the B Corp certification (B Corp)	By emphasising the marketing edge brought by the B Corp certification to raise the company's voice regarding its non-financial mission (B Corp)
Creating Strategic Relationships	N/A	N/A	By suppliers being attracted to Skagerak because of their social	Through the endorsement of the brand brought by the B

with Suppliers			mission and B Corp certification (B Corp)	Corp certification (B Corp)
Developing Strategic Alliances with Other Organisations	Goodwings' social/environmental value creation allows for them to establish partnerships with both non-profits and partners (social mission) By interacting with like-minded companies within the B Corp community (B Corp)	By interacting with like-minded companies within the B Corp community (B Corp)	By collaborating with various NGOs regarding the net-zero carbon 2030 initiative (social mission) By interacting with like-minded companies within the B Corp community (B Corp)	By interacting with like-minded companies within the B Corp community (B Corp)

6 Conclusion

This study sought to describe how the risk of mission drift is perceived within hybrid organisations. Awareness was found regarding the notion that multiple values (i.e., profit and impact) seem to conflict theoretically, even so, in practice the values are not perceived to be competing, but to be clearly related. In this way, financial value creation is perceived to drive non-financial value creation, and, in the same way, non-financial value creation is perceived to drive financial value creation, which is in line with the findings of Muñoz & Kimmitt (2019).

Even so, an awareness of the risk of mission drift was found, however, the risk was not explicitly mentioned by the interviewees, but highlighted through strategies put into place to safeguard the organisations' missions. Accounting tools have been found to not only function as a strategy to decrease the likelihood of experiencing mission drift (i.e., the B Corp certification) (Battilana *et al.*, 2013) but also as a strategy to enhance the possibility of achieving the companies multiple values. Furthermore, most organisations within the case study (i.e., MäRK, Skagerak, Skandinavisk) considered agency as a micro-level strategy to mitigate the risk of mission drift (Lodahl & Mitchell, 1980), since the organisational design is continuously maintained by preserving a socially-oriented culture (Battilana & Dorado, 2010; Binder, 2007), which lessens the company's likelihood of experiencing mission drift (Grimes, 2010; Smith *et al.*, 2013).

However, differences have been found in the mitigation strategies utilised depending on hybrid organisational types. Here, Goodwings, being the only organisation with differentiated hybrid features emphasised compartmentalising and organisational design, instead of agency. Since focusing on financial value creation would, also, improve non-financial value creation through larger donations, mission drift (i.e., focusing on financial value creation) is argued to drive the organisation's non-financial value creation through compartmentalising. However, the organisational design has been emphasised as crucial in order to complement financial value creation, and fulfil the non-financial mission. In this way, the awareness of the risk of mission drift is expressed through strategies undertaken to safeguard the organisations' missions. However, since financial and non-financial values are not perceived to be competing, but dependent on each other, the risk of experiencing mission drift is not perceived to be serious.

This study, also, sought to find how managers perceive the strategic value of multiple value creation. Even though organisations that emphasise multiple values have regularly been highlighted as being prone to the risk of experiencing mission drift (Ebrahim *et al.,* 2014; Grimes *et al.,* 2019), the notion of a persistent tension within hybrid organisations regarding the competitive nature of multiple values has been challenged in this study. Based on this, the strategic value of hybridisation in relation to the achievement/improvement of hybrid organisations' competitive advantage has been found to drive a non-financial value as a financial value improves (Muñoz & Kimmitt, 2019). In order to create non-financial value, financial value has been found to be essential. Furthermore, non-financial value creation has been found to be crucial in the financial value creation within a hybrid organisation due to the competitive advantage it offers. In this way, the argument made by Ebrahim *et al.* (2014), that commercial activities of hybrids merely function as means towards non-financial ends, then, has been contested.

In line with previous research undertaken by Muñoz and Kimmitt (2019), the organisations within this case study were found to experience an improvement of their competitive advantage perceived to be originating from their social missions. In this way, hybridity has been found to entail strategic value. Furthermore, the B Corp certification has been found to further competitive advantage, mainly, through the endorsement it brings of a company's brand. However, the hybridity in itself has been emphasised by all participants to be the core aspect that entails strategic value, due to the non-financial component that differentiates the organisations from other companies providing similar products/services.

Lastly, strategies undertaken to avoid mission drift have been found to not be separated from strategies undertaken to improve an organisation's competitive advantage (see table 5.1 and table 5.2). The strategies do not differ due to the underlying perception that financial and non-financial values further each other. In this way, the risk of experiencing mission drift is perceived to be mitigated through the same strategies utilised to establish/improve competitive advantage.

6.1 Contributions

This study has contributed to the literature by building on previous research, which presented the fact that managers might not be aware of experiences of mission drift (Grimes *et al.,* 2019), by highlighting that strategies seemingly put into place to mitigate the risk of mission drift, also entails strategic value. Since the managers within this case study did not express an awareness regarding the risk of experiencing mission drift, or a recollection of previous instances of mission drift, the strategies utilised to safeguard the organisations' missions could be interpreted as merely mitigating the risk of mission drift. However, this study has highlighted the similarity between mitigation strategies and strategies undertaken to improve competitive advantage, presenting the fact that mission drift is not the only possible outcome for organisations pursuing multiple values (Muñoz & Kimmitt, 2019).

Furthermore, this study built on previous research undertaken by Muñoz and Kimmitt (2019) and provided a deeper understanding of how competitive advantage is perceived to be established/improved within hybrid organisations. More specifically, this study has contributed to a deepened understanding of the strategic value in terms of established/improved competitive advantage within Danish B Corporations. Here, further contributions have been made in terms of providing distinctions between competitive advantages established/improved in relation to the organisations' hybridity, and/or B Corp certification (see table 5.2).

6.2 Future Research

We acknowledge that other conditions than the one examined in this paper (i.e., social mission) are relevant for explaining the strategic value of pursuing multiple values within hybrid organisations (e.g., the role of employees, leadership style and innovation orientation). Hence, these strategic conditions could be further researched in order to examine other conditions that could contribute to explaining the competitive advantage of hybrid organisations.

This study briefly discussed the role of compartmentalisation as a mitigation strategy in differentiated hybrids (Cornforth, 2014), due to the positive implications differentiated hybrids experience when separating the activities undertaken to further a financial mission, from a non-financial mission. In this way, further research is needed to explore whether mission drift, in fact, furthers a non-financial mission within a differentiated hybrid organisation through compartmentalisation.

Lastly, since this study has focused on managers' perceptions of the strategic value inherent in multiple value creation, further research is needed to examine in what ways strategies to mitigate the risk of mission drift and/or establish/improve competitive advantage are practically implemented and utilised.

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Appendix A - Interview Guide

General primary questions for all participants

Value creation

- What values do you associate with your organisation?
- Do you find these values to be competing? If so, why?
- How do you prioritise among your multiple values?
- How do you work to ensure equal focus on your multiple values?

Measuring Value Creation

- What are your goals for the organisation?
- How do you set goals for your organisation? For example, how often do you set goals for the organisation? How do you document the goals for the organisation?
- How do you follow up and report that you meet your multiple goals?
- What does the reporting system look like?
- How do you report the financial and social result to the stakeholders?
- Is triple bottom line accounting something you have approached? If yes, what effects have you found?

General follow-up questions for all participants

- Does your organisation undertake the same set of activities to fulfil its financial and non-financial missions?
- Who are the beneficiaries of the value your organisation creates?
- Is it important to you that everyone shares the same values within the organisation? If so, why?
- Does the B Corp certification provide a competitive advantage for your organisation? If so, how?

- Do you perceive your organisation (being a hybrid organisation emphasising several values) to have achieved competitive advantage in its own right (regardless of the B Corp certification)? If so, how?

- Do you think customers are more inclined to engage with you instead of competitors because of your social mission/B Corp certification? If so, in what way?

- Would you say that developing strategic alliances with other organisations has been facilitated by your social mission/B Corp certification? If so, in what way?

- Have you experienced that people are attracted to your organisation as a workplace due to your social mission/B Corp certification? If so, in what way?

- Has your social mission/B Corp certification allowed you to influence consumer decision-making? If so, in what way?

Company/case study specific follow-up questions

Goodwings

- You mentioned that you have designed Goodwing's business model in a way so that impact is a part of the DNA. What are the most important strategic components in your business model that allow you to achieve that impact?

MäRK

- What are the most important strategic components you use to achieve your mission of "changing the DNA of business one company at a time"?

- You mentioned that your financial value creation is a means for MäRK to do something else. Could you exemplify how profit furthers your other values, e.g., of "help society flourish"?

Skagerak

- Do you use your philosophies to distinguish yourselves from other companies? If so, how?

- What are the most important strategic components included in your philosophies?

- You mentioned that you always mention your values before the price when talking to a customer, however, how does profit further your other values?

Skandinavisk

- You mentioned that you have priorities within the company that are hard to measure, can you describe what those priorities are?
- When you are measuring the performance/value creation of your operations internally do you use any financial or non-financial KPIs?
- What are the most important strategic components you use in inspiring others to take on a more Scandinavian approach to life?