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Shared Value in Education- A Critical Review

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ABSTRACT

Social and Economic Values are at the heart of Porter and Kramer shared value concept. Since its inception, there has been a prolong debate among management scholars regarding the operationalization of the concept in the same business unit without creating tension while achieving the goal of the concept. The notion behind the concept contends that social challenges present an opportunity for companies to leverage their economic fortunes. The concept has been used widely by a number of companies that run social impact sustainability business in different areas, however, it application in education industry is very scant. Through unsystematic review of literature, we found a strong relationship between social and economic value in shared value creation, we also offer idea on how the concept can be applied in education industries to companies that run social impact sustainability businesses. The review also revealed that the concept focuses mainly on win-win principle but fails to consider win–lose.

Keywords: Creation of Shared value, Social value, Economic Value, Social Impact, Sustainability, Education Industry, and Society.

INTRODUCTION

Recent business pitfalls and environmental catastrophes made many to question the role of capitalism as multinational corporations in recent times have come under attacked of their social and environmental insoluble practices, that has brought untold suffering to people and the environment in some part of the globe (Scagnelli and Cisi, 2014, Prakash Sethi, 1994, Wheeler et al., 2002, Zdek, 2004; Schmitt, 2014). It is reported that business and society were good pals since the pre-historic era but recent activities of corporations have derailed the relationship thus, causing the wrath of society resulting to legitimacy distrust of corporation (Schmitt and Renken, 2012). Thankfully, a new business strategy has descended in both academic and business environment: Shared value which is premised to fix the broken societal and business relationship. The shared value concept becomes a shining business tool that allows corporations of taking societal challenges in to economic opportunities through incorporating social elements into core business activities as a platform of creating value, where value in this context is a bigger pie as pointed by (Porter and Kramer, 2011). Porter and Kramer will forever be remembered in business and academic community as the trailblazers of the term ‘‘Creation of Shared Value’’(CSV) in 2006 and subsequently outdoor it with an official definition as ‘‘policies and operating practices that enhances the competitiveness of a company while simultaneously advancing the economic and social conditions in the communities in which it operates’’ in other words, it aims at resolving deteriorated trust that society holds against corporations and enhancing the relationships between corporation and society through integrating social gains with corporate benefits (Porter and Kramer, 2011). The shared value model embodies societal health which positively encourages business by resorting into improved infrastructure, skilled employees, and a sound purchasing strength of clients. Valuing the prospects of the CSV concepts, a number of multilateral companies including; Nestle
and National Australia Bank have adopted and applied it in part of their businesses with great success (Dembek, Singh, & Bhakoo, 2016). Through unsystematic review of literature the study seeks to enrich the understanding and application of the concept by examining the relationship between economic and social value in shared value creation and its application in the education industry. Through the review, we found a strong relationship between social and economic values in shared value creation, also, the review indicates that the concept focuses mainly on win-win principle but fails to consider win-lose. The concept has widely been used by a number of companies that run social impact sustainability business in different areas, however, its application in education industry is very scant.

**PERSPECTIVE OF SHARED VALUE CONCEPT**

Literature in CSR has indicated the role of corporations to societal wellbeing and the need for companies to contribute meaningfully to society through a company value chain (Alford and Naughton, 2002, Garriga and Melé, 2004, Lamberti and Lettieri, 2009, Preston and O’bannon, 1997, Schwartz and Carroll, 2003, Scherer and Palazzo, 2008). In line with this, management scholars for decades have realised the need for a research in social value creation, in order to assess the relevance of social elements in relation to business success (Barney, Ketchen, Wright, & Barney, 2011 and Walsh, Weber, & Margolis, 2003). Scholars like (Ulrich, 2001) conceded that business and society should be integrated and called for the need in economic improvement in relation to the concept of social improvement.

Shared value (SV) and its antecedents can be traced back to the early works of (Blodgett, 1983, Posner et al., 1985, Schein, 1990, Amsa, 1986, Deshpande and Parasuraman, 1986, Stubbart, 1988), which offered a definition to corporate culture. The CSR concept failed to recognize the interdependence between society and business, thus, failed to look at societal problems strategically. Porter and Kramer (2006) opined that companies need to factor CSR into their core business strategies to improve their innovativeness and competitiveness. In their zeal to convey the prospects of the shared value concept to academic and business world, Porter and Kramer released an article with the title “The Competitive Advantage of Corporate Philanthropy” explaining how corporate philanthropic programs can act as a conduit to generate economic and social outcomes by way of interconnecting social activities to enhance corporate gains.

As years rolled by, Porter and Kramer unleashed another article entitled “Strategy & Society- the Link between Competitive Advantage and Corporate Social Responsibility” (Porter and Kramer, 2006). The first article surfaced with a title “Philanthropy’s New Agenda-Creating Value” in 1999 and sought to throw more lights on how institutions that practice or run charitable programs can contribute positively to society by generating value for business and society. The shared value concept had its root from corporate social responsibility (CSR) perspective (Kramer and Porter, 2006).

This article capitalizes on some deficiencies of CSR activities and tries to educate practitioners and management scholars that, CSR programs can strategically be incorporated into a company value chain and its core business to create value for business and society in a ‘win-win’ fashion by means of addressing social challenges. The 2006 article of strategy and society gave birth to 2011 article –”Creation of Shared Value” (CSV) which has received a lot of praise and criticism from academic audience. Porter and his colleagues posit that CSV is build on three mechanisms as; reconceiving products and markets, redefining productivity in the value chain, and enabling local cluster development (Porter et. al,2012).

However, The work of (Dahl Benum, 2015) identified six elements that lead to the creation of shared value: reconceiving products and market, recognition and inclusion of shareholders, internal knowledge and capabilities, supporting structure and management process, measuring value, and organizational culture and values whiles, (Bockstette and Stamp, 2011) in their research on strategies of creating shared value discovered ten mechanisms as major building blocks to creating shared value by an organization or a company as: vision, prioritization of key shared value issues, specific goals, range of assets meant to address issues, efforts management put across an organization, collaboration with partners, measure of progress on key indicators, measurement to improve efforts, address issues at scale, and communicate progress to internal and external audience.

Porter and Kramer (2011) indicate that, the tasks involve in the reconceiving product and market requires companies to placed premium on the needs of society in relation to the products and services they produce and taking into cognisance the benefits and harms which are associated to them. They cited some examples like; better nutrition for employees, improve health, better banking services, improve revenue, improve profit, improve education and market growth as some elements that a company
must be guided to achieve through capitalizing the opportunities in serving a new market or segment of clients who are underserved or not serve all due to some impediments within a company strategic customer channels.

The next mechanism to creating shared value is redefining productivity in the value chain. A company can achieve several opportunities in the value chain when they minimise costs associated in its externalities and can equally do so in their internal operations by ensuring that costs associated in the social elements in the communities in which they operate are considered. Again, a company has to take serious look at its value chain by ensuring that distribution channels identified are of minimal environmental effects that will not impede the growth of the company. Stakeholders like the employees of the company should be given due attention thus, attractive wages, work safety, and job improvement will incentivized them to boost productivity of the company and costs pertaining to carbon footprint, logistics, water and energy require efficient application to ensure the robustness of the value chain as pointed by Porter and Kramer.

The third mechanism advanced by (Porter and Kramer, 2011) to creating shared value is enabling local cluster development. Creating cluster within geographical confines that has to do with distributors, suppliers, and service providers have long been affirmed by previous works of scholars (Tracey and Clark, 2003) thus, the success of this behaves on companies in allowing transparency to determine issues such as pricing, elimination of exploitations that range from workers, market players and all those who matter in the success of ensuring increase in productivity. In other words industry clusters were noted as major vehicle that can spur innovation, competitiveness and knowledge led (Arikan, 2009, Liela et al., 2010) Emphasis has been placed on the recognition and inclusion of stakeholders in shared value creation. This made Freeman to invigorate the concept of managerial capitalism and note strongly that managers bear a fiduciary relationship to stakeholders instead of the usual notion that managers have duty to stockholders (Freeman and McVea, 2001). This excites scholars like Lee et al. (2014) to posit that long term external stakeholders engagement has the potential of increasing shared value that temporal engagement with the stakeholders.

According to Schmitt and Renken (2012) shared value creation is an intensive activity which requires requisite knowledge hence, companies that are faced with limited resources will find it difficult in acquiring all the needed knowledge and capabilities require to create shared value thus, collaborative efforts are required to enable such companies gain required knowledge (Schmitt and Renken, 2012, Maltz and Schein, 2012). Supporting structures and management practices are essential component of creating shared value which result with innovation (Pfitzer et al., 2013).

Since CSV rests on economic and social values creation, researchers are of the view that measuring values generated through organization will be of significant step in valuing the impact of shared value creation as companies are persuaded to appreciate the point that value entails the environmental and social indices that play immerse role to a company brand and the power to lure workers to raise production (Eccles and Serafeim, 2013). Contributing to this debate, Eccles and Serafeim (2013) suggest the need for measuring economic and social value creation, but other scholars point the difficulties that are involve in the measurement of the concept, especially, the operationalization of the social value (Pfitzer et al., 2013, Driver, 2012). The idea of value chain analysis (VCA) is also professed by (Fearne et al., 2012) as a important tool for shared value oriented companies and however, expresses worry of those companies ignoring social and environmental challenges in their operations which could have offered the companies the advantages to achieve shared value benefits. Other scholars in their various studies with respect to the measurement put across some suggestions that could assist in the measurement approach include; socio-eco-efficiency analysis indicator in determining triple-bottom line (TBL) as found in the case of Brazilian company BASF (Spitzeck and Chapman, 2012).

Drawing insights from Porter and Kramer (2011) article on shared value, their colleagues in the academic fraternity support the idea and point out that, values play indispensable role in organizational success to the road of shared value creation(Schmitt and Renken, 2012, Eccles and Serafeim, 2013). Values according to scholars are the key ingredients that spice up businesses to infuse social variables in their quest to value creation as this could represent a blue print for corporations to fix social problems that deserve urgent attention (Schmitt and Renken, 2012, Brown and Knudsen, 2012). Companies that are interested in creating shared value seems to rely on individual workers with the hope of ensuring harmonious working environment backed by sustainability with the mind of creating allowance for risk associated with innovation (Eccles and Serafeim, 2013), this made Schmitt and Renken (2012) in to
suggesting that, values are the heart of corporate decision in an organization and executives of companies take their decisions in long-term perspective.

According to (Posner et al., 1985), creating value makes great difference in the lives of an organization and its employee performance, so, corporate heads must search for opportunities that bring benefits to the firm. Reyes & Smith (2016) in their view see shared value as a win-win concept, and express dismay that the concept has failed to consider situation where business win under the expense of society or where society wins to a greater disadvantage of business.

SOCIAL VALUE CREATION
The welfare of individuals in any organization plays a central role in determining the success and failure of the entity in question. For instance, scholars of welfare economics in their opinion suggest that relying on Pareto efficiency model in assessing the wellbeing of individuals could assist greatly in ensuring a just and equitable distribution of resources as is believed to support improvement of one social life without hampering the social improvement of the other (Wójcik, 2016). In view of this, social value assessment in management studies embraces the proposition of welfare economics school of thought and has won the attention of scholars in to delving deeply in research for social value assessment and its quantification some time now. Indeed, it noted that there are several of approaches and the zeal in showing the effects of social activities by corporate institutions, but scholars assert that the approaches put forward fail to show the procedure and measures as to how assessment could best be unearth the difficulties surrounding social elements and its details clearly demonstrate a public relation propaganda associated with a weak transparency and uniformity (Miller et al., 2007).

The need for measurement is immerse from the context of policy makers, public sector, non-governmental organizations and more so the investors who are the financial blood of organizational success since, they want to be sure of the health of their resources in assessing the degree of progress in corporate social areas and the extent of value these resources can generate. Drawing insights from the work of (Jurasek-Kopacz and Tyrowicz, 2008), one could appreciate that training becomes an integral element in social arena but the question that lingers in the mind is the degree of it influence in resolving social challenges. Therefore, it is noted that searching for social value creation indicators can be done in variety of forms with several means (Wójcik, 2016).

Both scholars and institutions of repute have proposed mechanisms meant to operationalize social performances. For instance, the Economic Foundation of Britain, an institution that champions the health of social, economic, and ecological ecosystem argues that about twenty measurement criteria could be used in examining social performance (Wójcik, 2016), while Mulgan (2010) suggests that general review of current social approaches could depend on diverse school of thoughts and are classified into nine forms, such as cost –benefit analysis, revealed and stated preferences approach or social return on investment (SROI) assessment etc.

On a different note, the Global Reporting Initiative (GRI) pointed that separate reporting is of essence when looking at economic, environmental and social signs. Example, social signs(Legendre and Coderre, 2013) are shown to be work place signs that is; entire number of employees and their rate of total revenue be it their age, group, sex and region, and examining supplier impact could for instance be viewed in the lens of propensity of labour contribution in the supply chain focusing on the rate either positive or negative effects it may bring or looking at it also on human right glass such that, whether there exist infringement of one’s freedom of expression or association or whether collective bargaining power is hampered or not. Evidence suggests that several proposals have been used as measurement tools, but prove futile and this results to scholars suggesting four criteria as measurement dimensions for CSR including; charity expenditures, sustainability indices, databases like Thomson Reuter’s ESG research data, survey method and CSR disclosure by NGOs, or could resort to content analysis of chief executive officers (CEOs) correspondences to investors to be authenticated via Respect Index database for Polish stock market as optional criteria (Wąsowska and Pawłowski, 2011).

Scholars suggest that social value creation could be based on the elements that come together for it to be created with the notion that it can be quantified openly without difficulties (Polonsky and Grau, 2008, Felício et al., 2013, Weerawardena and Mort, 2006, Townsend and Hart, 2008, Le Ber and Branzei, 2010, Dean and McMullen, 2007), hence, it can be understood as creation of benefits or reductions of costs for society – through efforts to address societal needs and problems – in ways that go beyond the private gains in the course of entrepreneurial activity that “accrues benefits to society as a whole rather...
than to private individuals. Differently put, when the results of social values generated indicate a positive sign, devoid of problems to the development of employees, a person social standing, and the growth of an organization, then a sustained social value is generated (Bacq and Janssen, 2011). Social value creation in business sense can be quantified if it is viewed in the context of social advantage and social disadvantage reduction for investors without tying it to business value generation procedure. In line with this, studies affirmed that, four methods can be relied upon as a metric device for social value but are prone to high degree of bias.

This indeed made the discipline to witness numerous suggestions in respect to its definition as some considers it as inputs that are germane in promoting the wellbeing of people (Austin, 206, Felício et al., 2013, Sud et al., 2009), but other scholars look at it from the angle of events or activities that are used in the confines of an institution whiles different researchers view it as outputs realization perspective (Mair and Marti, 2006, Peredo and McLean, 2006, Dees and Anderson, 2003, Austin et al., 2007). Considering the divergent opinions articulated by the scholars, it is concluded by some researchers that the numerous measures of social value is as a result of unilateral failure of the acceptance of the concept hence, they suggest that social organizations like Sheltered Workshop (SW) creates social value when its stated mission is achieved as an entity and its quantifications is possible by assessing it outcomes based on the social programs like; training employees, creating and shielding jobs and incorporating physically challenged into labour industry or creating an atmosphere that can meet stakeholders desires of social good.

Furthering their research on social value, they added that the idea of social value rests on the ability to comprehend and appreciate issues and this renders it quantification a bias hence, it is of essence to apply sympathy arising from an organization and its stakeholders as a measurement tool and argued that social value emerges in socioeconomic studies for the last two decades and for that matter suffers authentic and universally agreed definition (Bellostas et al., 2016).

**ECONOMIC VALUE CREATION**

Scholars who studied social enterprise foundations found that some studies have doubt economic value creation from the perspectives of neoclassical school of thought because its meaning or simply put description appears to have focused on customer and the manufacturer or being part of company’s ownership as recognized shareholders (Retolaza and San-Jose, 2011, Payne et al., 2000, Susanne Johansen and Ellerup Nielsen, 2011, Argandoña, 2011, Nishimura, 2007, Freeman, 1994, Fontaine et. al., 2006).

In spite the disapproval found in the quantifying economic value in social enterprise businesses, the activities and programs put in public domain of social enterprises give a clue to their economic performance thus, this presents a challenge in examining economic value in social enterprises so, it is suggested by researchers that this challenge can be resolved when the focus is put on the profit or returns driven from financial procedure devoid of limiting its signs on income’s beneficiaries (Bellostas et al., 2016). Contributing to Peteraf and Barney’s proposition,(Priem, 2007) asserts that it is possible for one to construct a suggestion that, dual issues arise from their clam of economic value creation include: the angle of the customer and that of the manufacturer or producer. Analysing economic value by the lens of strategic management, one could establish that it is a variation between customer’s assumed satisfaction that is the desire of paying for a good and a firm’s business costs that might occur Peteraf and Barney (2003). By implication, price plays a significant role in this dimension because, it may determine the degree of the consumer purchase and the rate of interest or encouragement that may inspire the manufacturer to produce the product or the good.

Juxtaposing this, Wójcik (2016) suggests that, the total value representing total surplus can split into two parts- the consumer’s and producer’s surplus. A firm economic benefit must be equated to its surplus which is gotten from value generated from the customer as a result of business transaction. Through this, he came out with a mathematical model of economic value as:

\[
\text{Total economic value (EV)} = \text{Perceived consumer benefits (V)} - \text{Economic cost of the firm (C)} + \text{Price (P)}
\]

\[
\text{Total EV} = V - C = (V-P) + (P-C) = \text{Consumer’s Surplus (CS)} + \text{Firm’s surplus (FS)}
\]

The above proposition seems to open an academic Pandora box for scholars into arguing that economic value generation is of essence but falls short in meeting the requirement of profit except that the firm or the industry views the value in the perspective of profit (Porter, 1991, Bowman and Ambrosini, 2000). Maximising value in the opinion of (Porter, 1985) arises when the following conditions are met; to satisfy the needs of customers than the competitor at the same industry or with similar costs, to ensure that customer needs are satisfied at lower costs than the
competitor and to meet the needs of customers that are not yet tackle by competitors.

**Relationship between Social and Economic Values in Shared Value Creation**

Controversy generates whether there exist relationship between social and economic value in social enterprise organizations. For instance, a study conducted by team of scholars including (McWilliams, 2000, McWilliams et al., 1999, Aupperle et al., 1985) suggest a lack of relationship between the two set of values that is, social and economic. On the contrary, the work of (Waddock and Graves, 1997) refuted the findings of the scholars who held the view that there exist no relationship for both social and economic value and therefore conclude by virtue of alternative variables for both social and economic values that there is a positive relationship between them, suggesting that the creation of say social value will trigger the creation of economic value but Babalola (2012) doubts Waddock and Graves(1997) findings and posits that there exist negative relationships between the two outcomes.

Directing the research lens in the industry of non-profit institutions, evidence has it that there exit a positive link between social and economic value and this happens because of their performance in the industry and generally, not for profit institutions have been observed to have shown positive relationship between social and economic value with diverse degree of interplay (Voss and Voss, 2000, Wood et al., 2000, Kohli and Jaworski, 1990, Balabanis et al., 1997, Caruana et al., 1999, Ranjbarian et al., 2012, Vázquez et al., 2002, González et al., 2002, Shoham et al., 2006, Evans and MacDougall, 1997, Sargeant, 1999, Drucker, 1990). It is argued strongly by some scholars that it is not common to find discussion on social and economic value creation in social enterprise organizations because it is believed the discipline composed of several elements and by its form, could lead to the creation of economic benefit and social goals (Freeman and McVea, 2001, Wood, 1991, Carroll, 1991, Donaldson and Preston, 1995), however, this proposition was refuted by some authors that no empirical studies support the claim but admit that the solution to this issue is difficult (Bellostas et al., 2016). Scholars like (Porter et al., 2011, Elkington, 1998) have argued that sustainable value creation becomes successful when organizations focus much on twin values creation objectives such as; economic and social value and concluded by citing social enterprises as paragon of shared value creation

**CONTRIBUTIONS OF CSV**

Indeed, this was as a result of strategic prowess of Michael Porter and within a short period of time in business world, it has gained currency in the practitioner province thus, it has attracted the attention of scholars and becomes a tropical issue worth for discussion among them and extended its tentacles to the hub of business schools winning the admirations of MBA students taken it as an executive course program of study (Crane et al., 2014). Scholars opine that the contribution of CSV can be explored in different sectors as seen by some multinational corporations incorporating it respective areas of their companies notably Nestle (2014) NAB (2014), Goggle, General Electrical (GE), Walmart, IBM, etc (Maltz and Schein, 2012, Pitson, 2012, Dembek et al., 2016).

The CSV concept was bought into by senior executives in major corporations as an outstanding business model with the power of influencing social issues into core business programs of companies. Judging its attractiveness and potentials, the CSV has won the admiration of many in particular multilateral corporations like Nestle and Coca-Cola and others in some part of the globe thus, it has become a catchphrase in European Union officialdom as an iconic strategic bolster of CSR (EU, 2011; Nestle, 2013; Coco-Cola, 2013). Multinational companies such as Nestlé and Coca-Cola are relying on shared value concept in the implementation of their programs. The concept has received attention from a broad spectrum of audience in the business arena.

At the countries level, some have already taken leading role in the implementation of shared value concept. For example, the Indian government has offered support to ICICI Lombard’s weather-based insurance and microfinance providers by means of priority lending mechanisms and DFID’s assistance to Vodafone in developing M-PESA all with the objectives of enhancing the lives of the citizens in those countries depicts the road to shared value creation. A typical example of countries that have sense the prospects of shared value concept and utilize it by implementation is Brazil and India (Spitzeck and Chapman, 2012, Narayan et al., 2012, Leth and Hems, 2014).

European Union is quoted as saying “maximising the creation of shared value for their owners/shareholders and for their other stakeholders and society at large and identifying, preventing and mitigating their possible adverse impacts”, (EU,2011), should be the prime motive of every corporate organization. The European Union has also expressed its desire to promote the shared value
concept among its member states considering the enormous impact it has brought to bear for companies that embraced it. The zeal and unrelenting efforts of Porter and Kramer position on interconnectedness of business and societal improvement in spite of the less attention their articles received, demonstrate the effectiveness of the SV concept (Schmitt and Renken, 2012).

CRITICISMS OF CSV
Porter and Kramer (2011) ground breaking CSV had received some amount of rousing endorsement and criticisms in the academic community. Notable among those who express approval and endorsement include (Bosch-Badia et al., 2013, Epstein-Reeves, 2012, Moon et al., 2011), and those who doubt it potent as a business idea and theoretical tool include (Baraka, 2010, Denning, 2011, Aakhus and Bzdak, 2012).

The CSV is not a novel concept as portrayed by (Porter and Kramer, 2011) because, it transcends CSR ideology and again, the authors of the CSV must not trumpet their horns on simultaneous creation of value with special emphasis on social and economic value for a number of stakeholder because the idea has since been echoed by previous scholars such as (Emerson, 2003, Hart, 2007, Prahalad and Hart, 2002) blended value concept, mutual benefit, and bottom of the pyramid concepts respectively in previous works (Crane et al., 2014). The CSV authors claimed that corporate CSR programs are unacceptable and ineffective in this current business dispensation suggesting that it should be supplanted with CSV thus, this reasoning was wholly refuted by Hartman and his colleague based on the that the remedy does not fall on the principle of shared value as asserted by Porter and Kramer, rather it can be found in the "moral imagination" implying that it behoves on individual to reshape their sense of thinking by weighing out several avenues in a creative form as that presents an opportunity for seniors managers to make the right decision for the health of their firms.

According to Hartman and Werhane (2013), (Porter and Kramer, 2011) theory of shared value is faulted on three areas: “idea of profit”, Porter and Kramer are not first scholars to preach the notion of profit option and lastly, the position held by the authors of shared value that the CSR as a model is now obsolete. The idea held by Porter and Kramer on profit in the SV concept infuriates the thought of some scholars and was considered vague because it fails to demonstrate how value should appear differently from profit bearing in mind of their long held sermon for people to consider corporations to generate shared value by not focusing only on profit. Dembek et al., (2016), also noted that the CSV concept suffers theoretical strength since it fails to provide the right theoretical formula in assessing social and economic value creation, thus it is regarded as a "management buzzword " (Pfitzer et al., 2013, Spitzeck and Chapman, 2012) conclude with strong emphasis that the concept lacks universal measurement approach suggesting that it fails to provide definite approach or mathematical formula to unravel the mystery in calculating social and economic values since these two are the heart of the concept. Moreover, Porter and Kramer in their thesis failed to give glue as to how companies can perform profit operationalization in the perspective of social and economic value generation thus, their proposition was ambiguous and theoretically unmeritorious (Hartman and Werhame, 2013).

On his part, Beschorner (2014) express his disappointment on (Porter and Kramer, 2011) notion of lame CSRs of corporations in the context of current business dispensation and pointed that authors understanding of lame CRS of corporations as far as modern business is concern should be considered as a complete deviation of senior business executives line of reasoning hence, he ascribe the preposition as too shallow on CSR agenda. He pointed out that the degree of Porter and Kramer understanding of corporations CSR is trivial and feeble economic reasoning. However, he cleverly suggested that to enhance the CSV theory, companies should utilize the advantage of "re-localization and re-embedding” and this results when they start by expanding their tentacles in to embracing societal governance which consists of reshaping and repackaging their line of reasoning to win social favour and sympathy. Porter and his colleague were reminded also that plethora of avenues abound in meeting the goals of shareholders demands "profit” than the single minded option they suggested since a pool of them can be evidenced in some creative case examples of companies example, Proctor & Gamble PUR case in India.

Another concern raised by scholars in relation to the setbacks of CSV concept suggests that Porter and Kramer appear to have overblown the trumpet of it being a novel in a way of anchoring and fixing back business and society relationship added to it practical acumen yet, with feeble methodology (Orr and Sarni, 2015, Kania and Kramer, 2011, Ghasemi et al., 2014, Borgonovi et al., 2012). Porter and Kramer were academically accused of misinterpreting responsibility in the context of fixing societal
challenges in order to attract descent profit by a company under the expense of creating room for community concerns or placing the plights of community members and the ecology at heart of the company thus, these acts cannot be regarded as responsible (Wilburn and Wilburn, 2014).

**APPROACHES TO CSV**

Since the launch of Porter and Kramer (2011) CSV, some substantial number of companies have embraced it as a golden business model taking in to account social and economic values that a firm performs in order to create value. Below are some of the companies that create shared value through their line of operations.

**Coca-Cola and Youth Employment in Brazil and Its Road to CSV**

The company launched a business model in 2009 in Brazil with a code name; coca-cola coletivo with the goal of creating shared value by way of rolling young adults in the employment market while ensuring the health of the company’s value chain distribution system so as to bolster the firm revenue streams in the local communities in Brazil. Coca-Cola next step in attaining success of creating shared value through coletivo project was that they tract progress where the supervisors mandated to oversee how the young adults performance in each point of the retailing task is to file a progress report for management to effect decision. Coca-Cola chalks and celebrated its success of the coletivo initiates on four fundamental steps: It identifies skills development of low-income youth as a social issue that blocks their chances of gaining employment to honour their economic obligations. It liaised with local NGOs believed to have the expertise that could facilitate training to enhance and upgrade the skills of the young adults in retailing business development, and entrepreneurial skills. The last step took in arriving the shared value dividends by the company was that, they measure results in four key areas: young adults job replacement, young adults self –esteem, company sales and brand connection. Report indicates that, about 30% of the Brazilian adults were greeted with their first jobs through the coletivo initiate and 10% could boost of managing their own businesses through micro-finance intervention from the company and retailing division also had its share through improved sales performance of products across the length and breadth of the country (Porter et al., 2011).

**Novo Nordisk shared value creation:**

Novo Nordisk, one of the leading world health companies with an incredible competent in health issues, in particular diabetic disease with an outstanding historical record in diabetes in the health industry for about 88years had wage war on the disease by the means of creation of shared value principle (Porter et al., 2011). Diabetes was noted as one of the world notorious killer and has won the attention and minds of researchers, government, companies and civil society organizations in to searching for remedy of this monstrous disease. Research results of the company initiative of the diabetes case in China indicate that 80 percent of the entire affected people could see signs of better conditions of health because of the innovative approach took in respect of the products and services offered leading to the a surge of the company’s market share from 40% to 63% (CECP,2011) The company rolled up a strategy as part of its attempt of creating shared value, investments were seen in enhancing the health status of the diabetes patients through physical training, educating the patients, and local production of insulin that to the company will serve as a weapon in the fight and prevention of the disease. It is reported that a number hovering around 40million were victims of type-2 diabetes in 2010 (ibid, 2012, p.6). Nov Nordisk took this as a serious issue that demands urgent attention and considers it as important social issue to deal with through enhancing the health of the people, especially those affected with the disease as its core business task. Aside of bettering the health status of the people, particularly, the type-2 diabetes patients, the company on the other hand has benefited through the sale of the insulin products.

**CEMEX –SHARED VALUE CREATION:**

The strength of Cemex appears to surpass the domestic market of Mexico so, it extend it successs wave to international scene in 1982 and again acquired some cement companies in Mexico in 1987 and 1989 and could be counted as one of the ten leading cement companies in the world, this gave the company the opportunity to win the most prestigious award from Wharton inforsys Business Transformation in 2004 ((Millard, 2017). The establishment of Cemex necessitated with the commencement of Cementos Hidalgo in 1906 following Cementos Portland Monterey formal commencement of business in 1920, while in 1931, the two companies were amalgamated into Cementos Mexicanos, now possessing a business name as CEMEX.As years rolled by couple with business fortunes, the company witnesses tremendous growth.
in assets in 1960s. The business benefits as they Cemex witnessed increased in sale of cement leading to increase revenue of the company while the social dimension in this context is that, landlords whose were hungry with befitting accommodation could now boast of having a place to comfort themselves and the immediate family, thus, housing facility in this regards increases exponentially and this strategy became a model in other parts of poverty endemic communities in the world. In view of its readiness to wipe the tears and worries of economic disadvantage groups in society, particularly the vulnerable groups in Mexico, Cemex had initiated a program to assist people with economic or financial difficulties whose income could not afford them a place to lay their heads not to talk of dreaming to enlarge their abodes.

APPLICATION OF CSV IN EDUCATION

Education is a right and not a privilege and this accounts the reason why it is enshrined in almost every country constitution as the most crucial objective of every government, both developed and developing countries. This accounts why education is one of the social institutions that helps in shaping and developing the minds of individuals and offers the individual the opportunity to be able to function well in a society.

In line with this, Jauhar Pant and Nagar (2016) accentuate that education plays a major role in a strategic development and economic growth of a nation and is a building block for the growth and nourishment of future generations. This goes to endorse the famous quote of former US president John F. Kennedy who once said “Our progress as a nation can be no swifter than our progress in education. The human mind is our fundamental resource.” (US Congress speech, 1961), this famous quote according to (Jauhar, Pant and Nagar 2016) is as relevant today as it was in 1961.

As pointed by Singh and Manuh (2007), the education policy frameworks in advanced and developing nations appreciate that the fact that basic education is a right and that, it provides an important role in advancing the social and economic development, particularly in achieving the Millennium Development Goals (MDGs) and Education for All (EFA). One fundamental social process of education is the fact of it being able to offer the functional needs of individuals and contribute to their intellectual development (Edith, 2001).

In spite the significant role education plays to the development of individuals and nation state, some individuals in some countries across the globe are caught under the web of financing gap making it difficult to meet their educational objectives and this trend requires urgent interventions by companies, NGOs and government at large.

In view of this, a new paradigm, shared value has to be embraced by educators and managers of educational institutions to help stem the tide in education. The CSV concept is aimed at addressing social challenges which in a way leads to creating business value to companies and corporations thus; it depicts a win-win principle. Social and Economic Values are the key elements of Porter and Kramer shared value concept. The notion behind the concept contends that social challenges present an opportunity for companies to leverage their economic fortunes. For instance, companies over the years have long allowed state educational institutions to train their future workforce, however, the traditional education systems appears not to meet the calibre of employees companies desire to engage. The educational industry is one of the social communities’ that present an opportunity for companies to strategically leverage their economic benefits by addressing pressing educational challenges. The concept has since been used by a number of companies that run social impact sustainability business in different areas. However, its application in education industry is very scant. Through the concept of shared value, these companies can now grasp opportunities to improve their revenue streams and increase productivity by addressing social challenges in education that is, helping to raise levels of students and workforce achievement. For example, an ICT company that has workforce deficit and again wants to promote the teaching and learning of the subject in schools can take advantage of partnering with schools with a designed model meant to address the problem by equipping the school with ICT gadgets as well as training the staff to acquire the needed knowledge and skills. This intervention will lead to shared value creation where the company benefits by acquiring the right personnel and at the same time will save cost in training their potential employees. The firm will further make economic gains by selling ICT materials to industry players while the educational challenge is addressed through the enhancement of knowledge and skills students might have gained. The firm will further make economic gains by selling ICT materials to industry players while the educational challenge is addressed through the enhancement of knowledge and skills students will gained. According to Porter and Kramer (2011), shared value can be created in three mechanisms namely, reconceiving products and market, redefining productivity in the value chain, and
enabling local cluster development. These mechanisms can be applied in education as below;

**RECONCEIVING PRODUCTS AND MARKETS**

This mechanism focuses on products that are designed to meets the needs of underserved constituents or those that lack access to education. Simply put, it is a mechanism that aims at satisfying the unmet educational needs of society and it offers greater opportunities to companies for attending to the needs of disadvantage individuals who could not afford to pursue education thus, under this mechanism, companies have to place premium on the needs of education in relation to the products and services they offer by taking into consideration the benefits or harms associated with those products and services. Meeting the needs of the disadvantage or underserved constituents in the educational pipeline requires companies to redesign products in different forms which will be ease of distribution and can lead to innovation with the goal of addressing the educational challenge.

For instance, it is reported that crisis in education is a major factor that can stifle both social and economic development of a nation state. The report had it that a colossal number of 250 million global school children are purported as victims of poor education for lacking numeracy and literacy skills through no fault of theirs, but the traditional education system failed to equip them with the needed skills (Kramer, Hills, Tallant, 2013).

The study of Kramer and his colleagues’ offers companies the opportunity to pool their resources and skills to help remedy this menace. The need arises because, these global children are included in the education pipeline who will in future rise to the tertiary sector of education and will constitute the bulk of human resource companies might be yearning to hire. Companies can utilize this opportunity by designing products including; redesigning the school curriculum, teaching learning materials, modular course books and text books which will aid in addressing the aforementioned educational problems and in the same vein will inure economic dividends to them. Addressing educational challenges at the basic level will invariably assist in increasing educational outcomes at the tertiary sector. Take also a situation where poverty and disease are pandemic in a particular community that are affecting the educational development of people in the community and loss of innocent lives, a company can create shared value in this vein by partnering with Universities and other Educational Research Institutes to help designed a model that can be used to address the social challenges. By this intervention, students will benefits in knowledge of social intervention models and community affected will also benefit through poverty reduction, eradication of the diseases and to the large extend companies will also benefit by selling the products to the affected communities.

Focusing the shared value lens at the tertiary level, companies can defy all odds of not waiting for graduate to finish school for them to hire, rather they can take on the responsibilities that are historically the preserved of the state. To achieve this, companies can design scholarship packages for brilliant but needy students in communities in which they operate, with the aim that the beneficiaries pursue programs that fall in line in their operational areas. Doing this strategically and innovatively will go a long way to improve educational outcome of students at scale and to some extent will yield sustainable economic benefit to the companies In this context, a win-win shared value principles is witnessed, where companies will get back the returns on their investments through increase in productivity by beneficiaries while the beneficiaries also benefit through job acquisition.

**REDEFINING PRODUCTIVITY IN THE VALUE CHAIN**

In this second mechanism, companies can gain plethora advantages in their value chain when they minimise costs associated in their externalities and can equally do so in their internal operations by ensuring that costs associated in the educational activities in the communities in which they operate will be taken note of. Thus, the value chain portrays array of programs that companies are routinely engaged when executing their business agenda (Porter and Kramer, 2006).

For instance, companies that aim at employing skilled human capital must search for opportunities in their value chain, and smaller businesses that are within their operational area should be supported since they are all aimed addressing educational problems while simultaneously generating income for the companies. Companies can achieve this objective by incorporating educational programs into their long-term objectives, thus, disabusing the traditional belief of ceding educational activities to government. This supports the proposition of Porter and Kramer where they indicated that the value chain depicts series of programs that companies can employ while performing business activities and when societal improvement and productivity in the value chain are congruent, the notion of shared value
is profitable than traditionally believed (Porter and Kramer, 2006).

An important factor under this mechanism is the stakeholder motivation in education which includes teachers, students, parents etc. For example, companies can motivate teachers by cushioning them with extra income aside of their monthly incomes. This can be realised when company engages teachers to write text books, manuals, and other related educational materials meant as a guide documents for students who couldn’t make it at the senior school certificate exams. Teachers in this regard, can be rewarded financially by engaging the affected students’ in remedial classes while the printed educational materials will be sold to the students by the company. In this vein, the company benefits through sale of the educational materials while students better their performance through the intervention program.

ENABLING LOCAL CLUSTER DEVELOPMENT

The third mechanism advanced by Porter and Kramer (2011) to creating shared value is enabling local cluster development. Scholars have studied cluster in the time past and it include institutions such as Universities, trade associations in other words industry clusters were noted as major vehicle that can spur innovation, competitiveness and knowledge led (Arikan, 2009, Liela et al., 2010). Creating cluster within geographical confines that has to do with distributors, suppliers, and service providers have long been affirmed by previous works of scholars (Tracey and Clark, 2003) thus, the success of this behoves on companies to allow transparency to determine issues such as pricing, exploitations ranging from workers, market players and all those who matter in the success of productivity increase, since these can lead to the health of the cluster.

Put differently, clusters are the known intermediaries for companies that have deficiencies in a particular competent skill while others are endowed with some complementary skills (Reniers, 2013), this is consistent with the notion of shared value principle in which it is argued that by enforcing mutual agreement with reliable partners, firms will gain the advantage of complementary competent skills to better know and understand the needs of customers that have not been served (Pfitzer et al., 2013). This will therefore trigger productivity and innovation processes that will translate into advantage for firms and other groups in the cluster relation (Porter and Kramer, 2011). In view of this, suppliers and distributors in the education market within the local community must be supported by the focal companies that do business with educators. For instance, there are small businesses and other petty trading going on in the schools. These businesses include; stationeries, transportation services, hospitalities services to mention but few with the objective of promoting and enhancing the welfare of members in the school communities. Companies can create shared value by supporting small businesses found in the schools by way of extending credit faculties, and training to enhance their expansion and growth within the local domain. In doing this strategically will depict innovation and can spur productivity and educational growth since these smaller business are supported by the focal companies that do business with the education industry with collective objectives of serving students and the educators.

CONCLUSION

Findings of our review indicate that creating shared value requires creating economic value, which in a way results to creating societal value. The study further reveals that there is a strong relationship between social and economic value in creating shared value and this is consistent with the findings of scholars such as;(Waddock and Graves, 1997; Bellostas et al., 2016 ). This therefore supports the thesis of Reyes and Smith (2016) which shows that creation of shared value is mainly on win-win principle, thus, this can be applicable in the education industry such that, the social aspect of education which consists of students and other societal members wins and that of the economic players such as companies and corporations also win. Meeting the needs of the disadvantage or underserved constituents in the educational pipeline requires companies to redesign products in different forms which will be ease of distribution and can lead to innovation with the goal of addressing the educational challenge. Companies that aim at getting their future employees in the education industry must search for opportunities in their value chain and should support smaller businesses that are within their operational area in the education market. For companies that lack the skills in a particular area must use the advantage of cluster to tap complementary skills with the other partners that are endowed with those skills in the cluster domain since this will help to know and understand the needs of students.

This review is not without limitations because there could be some important and thought provoking articles that we were unable to lay hands on as new ideas and knowledge are constantly emerging in the
field of academia, thus, this review cannot be regarded as exhaustive.

Our review uncovered that the concept failed to provide theoretical formula in operationalizing social and economic value creation. It reveals also that the scholars focus much on the win-win principle of the concept and failed to consider situations where the opposite occurs that is, a situation where society wins tremendously to the expense of business or where business drives chunk of economic benefits under the expense of society thus, further study in this area will help to deepen the understanding of the concept in both business and academic. This review is not without limitations because there could be some important and thought provoking articles on shared value that we are unable to lay hands on, since new ideas and knowledge are constantly emerging in the field of academia, thus, this review cannot be regarded as exhaustive.

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