

British Academy of Management conference 2025

Track: 30. Sustainable and Responsible Business

Regenerative organizing in a local community and the implications of multi-stakeholder networks

Abstract

Organization and management studies have increasingly addressed environmental issues, with much of this work focusing on business or social science perspectives. Recent research has begun to engage more directly with ecological systems. One emerging concept is regenerative organizing, which emphasizes long-term ecological renewal. Despite growing interest, little is known about the relational dynamics among stakeholder groups engaged in regenerative organizing, particularly when integrating ecosystems into organizational practices. This study addresses that gap by applying stakeholder theory with a network perspective to examine how multi-stakeholder cooperation unfolds in the context of regenerative organizing. Drawing on an illustrative case from a county council in northern Norway, we analyze a visitor management initiative aimed at preserving the local natural environment amid tourism and climate pressures. Our findings contribute to the literature on regenerative organizing by shedding light on the intergroup relationships essential for ecological renewal. Additionally, we extend stakeholder theory by elaborating how stakeholder networks can be conceptualized in relation to ecological systems. The study offers insights for both researchers and practitioners seeking more relational and ecologically integrated approaches to organizing.

Key words: regenerative, stakeholder, place, network.

Introduction

Over the last three decades, research in organization and management studies has considered environmental issues locally, nationally, and globally. A variety of concepts have been created, explored, and reviewed, including for instance, corporate social responsibility, sustainable orientation, and the triple bottom line (Tardin et al., 2024). While many of these studies focus on understanding sustainability from a business or social science perspective, there are increasingly studies that aim to consider the ecological systems interacting with organizational phenomena. For example, scholars have explored the role of ecological knowledge (Rahman et al., 2024), adopted a systems approach to connect with ecological systems (Hahn and Tampe, 2020), and considered ecology when adapting to climate change (Howard-Grenville and Lahneman, 2021). One of the recent concepts that relates to ecological systems is *regenerative organizing*, which highlights the need to have the natural environment also in the future (Muñoz and Branzei, 2021, Hahn and Tampe, 2020, Konietzko et al., 2023).

While regenerative organizing has been advanced by examining place (Rahman et al., 2024) and community-based energy (Walther et al., 2021), the literature still lacks knowledge about the relationships between groups when connecting the ecosystems in organizing, thus performing regenerative organizing. Knowledge about relationships is important because having a regenerative approach to nature requires multiple groups to be involved for an impactful change. To analyse these relations in this study, we apply stakeholder theory (Schaltegger et al., 2019). Stakeholder theory is a central theory in business ethics (Mahajan et al., 2023), emphasizing cooperation and balancing the interests (Freeman, 2010). The traditional stakeholder literature focuses on one firm versus its stakeholders, however, researchers such as Barney and Harrison (2020) have formed the idea of treating stakeholders as joint partners in co-production instead, which highlights how the stakeholders are connected to each other. Other scholars have discussed the multistakeholder perspective, highlighting the diversity in stakeholder groups, or analyzed stakeholders with a network approach (Roloff, 2008). These studies may consider a group of stakeholders in relation to an issue such as a problem (instead of a business) (Roloff, 2008).

Based on the previous discussion, we set out to explore *what kinds of relational dynamics emerge in a multi-stakeholder cooperation process for regenerative organizing*. We answer this question by exploring the aspect of including ecosystems in organizing, especially in regenerative organizing, and applying stakeholder theory with a network perspective. To support the theoretical analysis, we use an illustrative case from a county council located in northern Norway. The case consists of work on visitor management within a local community. This work considers the local natural environment, which has been challenged in recent years, especially by increased tourism and climate change. The case follows the council's work towards regenerative organizing.

Based on our analysis, the study contributes to the literature on relating ecosystems in organizing phenomena (e.g., Rahman et al., 2024). We do this by exploring the concept of regenerative organizing and using stakeholder theory to analyze the relationships between the groups. In addition, the study aims to contribute to the stakeholder theory by extending the understanding of stakeholder networks and their implications for the natural environment and local community. Finally, we will outline future avenues for research and practitioners for a more sustainable future.

Theoretical background

From Sustainable organizing to Regenerative organizing

When it comes to business, an increasing number of business models appear embedding sustainability despite the fact that environmental, social, and economic challenges are getting worse (Jakobsen and Capra, 2023). It appears very difficult to realize the UN's sustainable development goals (SDG's) without fundamental changes from within the hegemonic economic paradigm in which the primary goal is short-term profit and unquestioned economic growth. However, the business and for-profit organizations are considered crucial in achieving sustainable development on the societal level. Thus, the business model is key in achieving sustainable development through corporate sustainability (Schaltegger et al., 2016). We can note how a business case of sustainability might have a focus on business, but how a business case for sustainability is part of value (Schaltegger et al., 2019).

Business and organization studies have focused on humans and forgotten the need for the natural environment. Resulting in our way of living as humans contributes indisputably to ecological damage (Heikkurinen et al., 2016). In spite of knowing and to a certain extent being concerned about the fact that the benefits humans gain from biodiversity might diminish (Isbell et al., 2017). The consequences of linear thinking, such as dualism between humans and nature (Heikkurinen et al., 2021) appear as the core of anthropocentrism.

To overcome the sole focus on organizing, the concept of regenerative organizing shifts attention from organizing humans to organizing with and for nature, including places (Muñoz and Branzei, 2021), with concepts such as systems, time, change, scope, and scale in organizing. Thus, the idea is to have nature as a partner and enabler instead of an object of exploitation (Vlasov, 2021). This might be done through *“the process of sensing and embracing surrounding living ecosystems, aligning organizational knowledge, decision-making, and actions to these systems' structures and dynamics and acting in conjunction, in a way that allows for ecosystems to regenerate, build resilience and sustain life.”* (Muñoz & Branzei, 2021: 510).

Regenerative has been used as a concept to look at how business approaches can include ecological systems (Branzei et al., 2017). Studies that consider ecosystems as part of the focus have theorized impacts on ecosystems through socio-ecological mechanisms (Boons, 2013), making meaning in relation to the ecosystems (Vlasov, 2021), and ecological sensemaking (Whiteman and Cooper, 2011), relations between natural and organizational phenomena (Good and Thorpe, 2020).

In the case of tourism, regenerative can mean considering ecological worldview (including indigenous knowledge and practices), systems theory and living systems (a wide range of stakeholders including the natural environment), the potential of places and communities (empathic and deep understandings for the uniqueness and the past), capability of tourism living systems to catalyse transformations (change agents within the local community), creating of regenerative places and communities (restoring systems and organize for continually self-generating) and collaboration (Bellato et al., 2023). Collaboration through active participation is of great importance for regeneration processes to succeed, in which harmony supersedes competition.

Multi-stakeholder networks

Stakeholder theory has been widely applied in the sustainability literature to explain why firms do sustainability (Schaltegger et al., 2016). Originally, stakeholder theory is often considered to begin with Freeman (2010) and his thoughts on how groups having a connection to the company should be considered as stakeholders. These stakeholders can be analyzed and

managed through dialogue, thus practicing stakeholder engagement. Stakeholder theory has pointed out that actors motivated to jointly create value enable capitalism (Freeman and Phillips, 2002). Later, the purpose and focus of the stakeholder theory have been questioned, and, for example, multiple definitions for the concept have been proposed (Miles, 2017).

Stakeholders have been defined as a group or individual that affects or is affected by a company (Freeman, 2010) and are often connected to the perspective of a focal company. Besides the core organization identifying its stakeholders, actors may also identify themselves as being influenced by a company (Asher et al., 2005). These are two-way relations. Stakeholders have some responsibility for these relationships (Goodstein and Wicks, 2007). The business model or industry may influence the formation of these stakeholder relations. The core idea is to create value for all the stakeholders, while some of them, such as shareholders, may be more important. Stakeholder relationships are aiming for fairness and reciprocity (Phillips, 2003). Thus, stakeholder theory acknowledges the ethical side of business to be inherent to business.

While many stakeholder studies have focused on the focal company, other studies have looked at stakeholders as networks. This kind of network often consists of the business, public sector, civil society, and international organizations (Roloff, 2008). These multi-stakeholder networks are a form of structure that assists collective action (e.g., Hajer and Wagenaar, 2003, Kell and Levin, 2003). Network theory on stakeholder action was suggested already a while ago (Rowley, 1997), but has received limited exploration. Network approach can assist in seeing not only one but *several focal points* with overlapping stakeholders at the same time (Roloff, 2008). As networks do not focus on a focal organization, they have identified to focus on an issue such as a problem (Roloff, 2008, Dentoni et al., 2018). If the actors are related to a local area, the focus might not be on a single issue but the success of the whole local area where actors are dependent on each other's.

Further, partnership and joint action became crucial features in multi-stakeholder networks. Barney and Harrison (2020) have lifted the idea of treating stakeholders as joint partners in co-production. A few scholars have noted a local network that participates in solving local problems (Healey et al., 2003). Besides looking at synergies, stakeholders can be approached by including the paradoxes arising from multiple interests (Chen et al., 2023). The partnership between stakeholder and organization may include cooperation, compromise, and conflict (Bundy et al., 2018). Other elements that scholars have explored within stakeholder theory include mechanisms such as identifying salience, categorizing stakeholders (e.g., dominant, dangerous, dependent), integrating stakeholders, collective identity, and managing stakeholders for joint value creation. While analyzing further stakeholder connectedness, proximity has been viewed as influencing trust between them (Crane, 2020).

Mainstream stakeholder theory has neglected to discuss nature as a stakeholder. However, some scholars have developed notions on that as well (Laine, 2010, Starik, 1995, Driscoll and Starik, 2004). Scholars (Kortetmäki et al., 2023) have discussed recognition as a mechanism to consider, for instance, nature that cannot itself take part in the human dialogue. Nature is also often connected to a location or area, and the knowledge of this specific area (Rahman et al., 2024).

Illustrative case

The case context

To illustrate the theoretical insights, we examine a county council in Norway as an example of a location where the stakeholder network is connected to a specific geographical area. This is an illustrative case that features individuals working on regenerative organizing. The case is formed based on a county council's work on visitor management over the years. This case was chosen because the county worked to expand its focus from an economic to a broader consideration of nature and wellbeing, which provides opportunities to analyze regenerative organizing. The county's work led to new forms of collaboration among stakeholders. The increase in collaboration makes the case relevant to being explored with the stakeholder theory.

The geographical area is located in northern Norway and has become a popular destination among both domestic and international tourists in recent years. The increase in the number of tourists has also caused new challenges in the area. In Norway, nature is available to be visited by everyone. This is a Nordic tradition, called the "everyman's right, " which usually allows visiting nature free of charge. However, the increase in visitors has put rising pressure on nature, which is especially vulnerable in some areas. This follows the global trends in tourism, which lately have included discussion of negative consequences. In the area, nature is a great part of the attraction for visitors, also called nature-based travel destination and includes World Heritage places.

The case narrative

A county council in Norway has worked with regenerative organizing. They began a project related to visitor management in 2018, which lasted five years. The increasing problems and changes in tourism led to a reflection on how to manage tourism, and what they want from tourism.

External actors were involved in developing knowledge. The core individuals interacted with experts and examples from Ireland and New Zealand. The central individuals have learned about regenerative organizing, which eventually helped to reimagine visitors and locals and their relationship.

This led to rewriting the strategy, which explains the principles of regenerative organizing and how it can be approached. "The value of tourism must be understood in a holistic context. Regenerative tourism represents a paradigm shift where tourism adds more value to the local community than it takes. This is achieved through holistic, place-based and community-led development. (Bellato, Frantzeskaki and Nygaard 2022, p. 2)" (Page 23 in the strategy document.)

The work also included creating a network to involve all interest groups in the county. These discussions helped clarify the interests of different groups in visitor management. Also, discussions with the transport sector, especially the road administration, as well as some visitor groups. The discussions were around, for example, what was wanted from visitors and what was not wanted. The county people have also been educated related to regenerative organizing.

All the information gathered was processed to inform planning, which was done this way for the first time. Before, the discussions in planning were mainly around economic and business factors. The new topics were wellbeing, life quality, and value in living in a place.

Stakeholder	Description in relation to the visitor management
County	Supporting a lively area with longevity. Keeping the area populated.
Politicians	Providing local regulations that influence visitors
Government	Provide laws and permissions for managing visitors. Legislation on everyman's right to access the natural environment.
Visitors	Multiple groups behaving with their own interest of enjoying the area. Temporary stakeholder.
Locals	Enjoying their living area where they encounter visitors
Companies in the area	Building tourism businesses, but also other businesses
Nature	Recreating itself, being harmed by tourism

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