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## The impact of growth: Stakeholder value creation by high-growth firms

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### Abstract:

High-growth firms are known to contribute extraordinarily to economic growth and job creation, but concerns have been raised about their exclusionary focus on creating shareholder value. This paper adopts a stakeholder capability perspective to investigate social value creation by high-growth firms. Interviews with founders and CEOs of high-growth firms in the Netherlands provide insight into the mechanisms through which these firms create and destroy value for their stakeholders. We find that the rapid growth these firms experience can be a driver of some unique growth-related value creation mechanisms and serves as an amplifier of more general value creation mechanisms. The value creation of high-growth firms is shaped by certain firm attributes. This results in a typology of high-growth firms from a stakeholder value perspective, indicating three types: profit-driven high-growth firms, conscious high-growth firms, and mission-driven high-growth firms. While rapid growth presents firms with unique challenges and trade-offs between stakeholders, we argue that, if directed well, it also creates opportunities to substantially increase their social value creation. The heterogeneity of high-growth firms with respect to stakeholder value creation raises the question whether targeting high-growth firms in general is good entrepreneurship policy.