# Stakeholder Engagement: Actionable or Symbolic Lever? Reflections on Barriers to Involvement

Katia Giusepponi[1] ⓘ

**Abstract:** *Stakeholder involvement represents an evolved strategic approach, widely highlighted as an expression of openness and inclusiveness of organizations. However, stakeholder engagement processes and outcomes often reveal substantial issues and a lack of effectiveness. The work raises questions on how to activate this lever as a multiplier of plural value and aims to formulate possible answers based on the analysis of both the theoretical background and the reflections of specifically involved experts. An interpretative model is then formulated to enhance awareness of the barriers to engagement and to promote debate on how to overcome them.*

## 1. INTRODUCTION

Stakeholder engagement, as a governance philosophy and a working method, necessarily sinks its roots in the proactive approach to inclusion, in the ability to fully and significantly bring out different perspectives, in the aptitude to lead the dialogue between parties with empathy and transparency, to then compose inputs towards improvement solutions. Stakeholders are here approached from a strategic perspective as those who can influence or can be influenced by an organization's actions and decisions, that is in the "wide sense" as specified in the seminal work of Freeman and Reed (1983, p. 91). Engagement of stakeholders necessarily means the participation of stakeholders concerning company contexts, situations, issues, concerns and debates. At the same time, as a fundamental condition of effectiveness, it also requires the engagement of the company in its interlocutors, in a relationship of reciprocity and trust (Andriof & Waddock, 2002; Fassin, 2012). The scenario is that of the enterprise interpreted as a widespread good, which extends its value to many, based on stakeholder relationships seen as sources of value (Post et al., 2002, p. 6). It is this extended view that, within the processes of involvement, allows the parties to balance the physiological competitive drives with a commitment to collaboration.

The reference to the interlocutors' involvement is certainly recurrent within companies' profiles, strategic statements and sustainability reports. However, many scholars and professionals have observed how the process and results of involvement seem to be often affected by formalities, not developed to fully understand critical issues, nor to acquire relevant elements for the improvement of performances, relationships and opportunities. Involvement activities seem mainly developed without real trust between the parties, thus with a prevalence of antagonist drives – even if tacit – over collaborative ones. Dedicated stakeholder meetings, interviews and questionnaires often appear to be intended more as messages in themselves than as tools to develop understanding and drive improvements. For example, sustainability reports rarely deal with the critical issues that

---
[1] University of Macerata – Department of Education, Cultural Heritage and Tourism, P.le Bertelli 1, c.da Vallebona, 62100 Macerata, Italy

emerged in the context of the stakeholder consultation and the responses that the company has identified to overcome such issues. This is evidence that has also emerged forcefully from our previous studies (Giusepponi, 2021). Nonetheless, the great potential of stakeholder involvement – as a strategically and operationally relevant working method, in planning as well as in control – is extensively underlined in the literature. Furthermore, organizations that have included stakeholder engagement in their strategy, operations and culture widely highlight its importance to both better understand and enable people to better understand contexts – creating a community environment that accelerates the identification of problems and possible solutions.

## 1.1. Research Questions, Aims and Structure

Considering the above, questions emerge on why stakeholder engagement is used so frequently in a predominantly symbolic way; on why organizations so often give up on activating this lever. In other words, these are questions on *what are the main barriers that hinder the highest functioning of this lever* (RQ1) and on *how scholars and professionals can contribute to the identification and removal of such barriers to stakeholder engagement* (RQ2). This work aims to participate in the formulation of possible answers, based on the analysis of the literature and of reflections developed on the topic by a panel of experts.

The literature on stakeholder engagement is reviewed here particularly focusing on how it addresses the substantial actionability of stakeholder engagement, to understand areas of thought and point out the lack of response in this regard. While important gaps in the theory of stakeholder engagement can still be observed, several enlightening contributions offer logical and inspirational bases for the evolution of the theory. The theoretical background here outlined (section 2) represents the lens through which the contents expressed by the experts have been interpreted in the context of this work, to offer a contribution both to the theoretical evolution and to the diffusion of awareness on stakeholder engagement in practice.

The panel of experts – specifically involved in this study within a process of qualitative content analysis – includes managers, entrepreneurs, consultants and academics. These are experts who have had, within their work, the opportunity to experience and analyze methods, processes and difficulties of involving stakeholders. Their views are here analysed (sections 3 and 4) in order to reach a higher understanding of stakeholder engagement issues and to address some responses.

Stakeholder engagement is a powerful lever that leads to multiplying positive impacts only if the removal of important barriers is guaranteed. Understanding these barriers is a necessary step – certainly still in progress – both to identify possible ways to remove them, and to better contextualize the full potential of involving interlocutors in organizations. Based on the analysis developed here, an interpretative framework is proposed to raise awareness of these obstacles and prompt further reflections on engagement processes that multiply value (sections 3, 4, and 5).

## 2. THEORETICAL BACKGROUND

### 2.1. Stakeholder Engagement between Vagueness, Idealism and Risk of Exploitation

Kujala et al. (2022, p. 1138) point out that there is a lack of unified recognition of essential components of stakeholder engagement and that the uneven use of stakeholder engagement represents a barrier to the development of the same. They also point out that, to develop theorizing,

it is necessary to review the system of measuring within stakeholder engagement (Kujala et al., 2022, p. 1173). References for defining minimum conditions of effectiveness and for appreciating the quality of the results are indispensable to making stakeholder engagement theory evolve. Otherwise, this theory remains confined to a sphere of idealism in which nothing really impacts and everything can lend itself to exploitation, where the risk that stakeholder involvement may be linked to practices of social irresponsibility is not excluded (Greenwood, 2007).

As highlighted by Berman et al. (1999), within the normative, instrumental and descriptive fields of stakeholder theory defined by Donaldson and Preston (1995), the role assigned to the normative dimension has been very deeply studied in connection with ethics and integrity principles, well highlighted by Freeman (1994) and Paine (1994) among others. As underlined by Fassin (2012, p. 84), stakeholder theory is mainly concerned with the concept of the organization's responsibility towards its stakeholders (e.g. Freeman, 1984, 2004; Friedman & Miles, 2006). This is certainly a fundamental category; equally important is the category of reciprocity on which however, as Fassin effectively points out, less attention has been paid. The high relative weight of the normative approach has lasted for a long time and continues, and it is not rare to find in practice an idea of stakeholder engagement as an activity generally linked to ethics, to be carried out in order to behave well, but without full awareness of how to develop it in order to generate positive impacts. Many questions regarding the instrumental and descriptive spheres remain open.

Although stakeholder theory includes stakeholder engagement, it does not offer a conceptual framework for addressing and evaluating operational approaches to engagement itself. The result is vagueness and reliance on good outcomes on the good faith of those who take care of stakeholder engagement (Dawkins, 2014, p. 283). As also highlighted by Bellucci et al. (2019) this field of study "is still under-theorized". In this context, it is particularly important to bear in mind that stakeholder engagement does not necessarily mean a positive approach, since it is at the core a "morally neutral activity" that can be useful or not according to intentions, as amply underlined by Greenwood (2007, p. 325). Therefore, the responsible leader, the "weaver of social ties" capable of generating harmony between the organization and its environment – to use Maak's vision (2007, p. 340) – is certainly not to be taken for granted.

While on the one hand, the importance of stakeholder engagement is continuously underlined in studies, conferences and events, on the other hand, experiences effectively oriented towards improvement, with awareness of the role both on the part of the company and its stakeholders, rarely emerge (Giusepponi, 2021; Manetti, 2011, p. 119; Moratis & Brandt, 2017). One therefore asks her/himself the reason for this evidence, for these issues. In the very difficulty of defining the stakeholder, we find one of the answers. The lack of stakeholder theory allows us to understand the difficulties for organizations to orient themselves in the vast audience of their interlocutors (Carroll, 1989; Clarkson, 1995; Donaldson & Preston, 1995; O'Riordan & Fairbrass, 2014).

## 2.2. Call for a Culture of "Sense Co-creation" between Responsibility and Reciprocity

The definitions of stakeholder are innumerable, for example, Fassin (2012, p. 86) mentions as many as 18, but many others can be identified. Some definitions are very broad, such as the one adopted here (section 1) and linked to a strategic perspective, in the "wide sense" specified by Freeman and Reed (1983, p. 91). Always, however, engagement of stakeholders requires connections of mutual responsibility between the organization and its stakeholders. When one speaks

of reciprocity, the emphasis is placed on the relationship between the company and the stakeholders, on how to make it continuous and constructive, a source of value for both parties (Andriof & Waddock, 2002; Johnson-Cramer et al., 2003). As evidenced by many (among others, Andriof & Waddock, 2002; Fassin, 2012; Phillips, 1997) a focus on the concepts of reciprocity and mutuality is essential to understand and direct stakeholder engagement. Without a sense of responsibility on the part of interlocutors, there can be no trust from the company in the results of the consultation, nor a valuable contribution (Giusepponi, 2021). On the other hand, the sense of responsibility of the stakeholders cannot develop if the company does not demonstrate that it invests in engagement by seeking the value of stakeholders' points of view, reflecting on such points of view until following up with decision-making.

Morsing and Schultz (2006) extend to external interlocutors the concepts of "sensemaking" and "sensegiving" developed by Gioia and Chittipeddi (1991), with an internal focus above all on managers and employees. The authors highlight how an effective engagement process presupposes communication in which sensemaking and sensegiving are linked in an interactive and evolutionary process for both parties (Morsing & Schultz, 2006, p. 326). The dynamics of sensemaking and sensegiving define a learning rhythm that is based on a continuous flow of creation and sharing of a coherent strategic vision, to be refined and enriched iteratively in exchange with others. Project sharing is important to achieve high levels of engagement (Gable & Shireman, 2005). Comparing and challenging each other on common goals is essential for networking. Certainly, stakeholder engagement cannot be effective if there is not adequate participation on the part of stakeholders.

As also noted by Aakhus and Bzdak (2015, p. 190), participation brings attention to necessarily human-centric and collaborative dimensions of problem-solving, from the point of view of design thinking (Brown, 2008; Brown & Wyatt, 2010; Kolko, 2015). To build meaning and convey meaning, the approaches to accountability from the perspective of integrated sustainability (GRI, 2016-2022; AA, 2015-2020) and integrated thinking (IR, 2021) are certainly important. Rinaldi (2020) in particular focuses on integrated thinking as a way of creating value through the relationship with stakeholders. Sustainability reporting is usually associated with a need for engagement but it has to be considered that stakeholder engagement must be addressed beyond the reporting, as an essential element of the strategy (Noland & Phillips, 2010, p. 49; Stocker et al., 2020, p. 2078).

This presupposes a systemic approach to stakeholders and the inclusion of stakeholder engagement within company values and philosophy, as a source of opportunities for plural value creation. Certainly, this presupposes a terrain of transparency, trust, attention to reputation and clear definition of the game rules, because there may be large spaces of antagonistic and conflicting interests between the stakeholders and the company and among the stakeholders themselves. These are needs that one also finds in other situations, such for example those related to open innovation, an approach in which risks and opportunities must be carefully observed and where effective stakeholder engagement is decisive for the purposes of this balance (Wayne Gould, 2012). Talking about stakeholder engagement, one certainly enters a collaborative dimension. However, it should be noted that when dealing with stakeholder engagement, discussions often start from the perspective of the company, which is called to guide, interpret, create and give meaning in line with the corporate strategy. Since stakeholder engagement is mainly seen from an organization-centric perspective, the company is assigned the role of aggregator, of catalyst around corporate issues. Nevertheless, as highlighted by Roloff (2008, p. 245), when

stakeholder management focuses on specific issues, that are important for different parts, there is no longer centralization on the organization. By participating in the discussion on a specific topic (with a focus on facts, reasoning, and ideas), the organization stands as an actor among the actors, with the same role. This is a very important passage that fully contextualizes stakeholder engagement in the collaborative perspective of plural problem-solving and co-creation of value. In hindsight, this is also the approach at the basis of design thinking which makes empathy and judgment-free listening (therefore by definition non-organization-centric) essential foundations.

## 3.  RESEARCH DESIGN AND METHODS

### 3.1.  Involvement of Experts and Method of Investigation

In order to define coherent answers and formulate important areas for other questions, a project of expert involvement has been designed and developed. The objective is to outline a framework for improvement, to overcome the usual barriers and to enable new approaches to stakeholder engagement. This qualitative method, based on collecting informed and aware points of view and extracting meaning from them, has been chosen since consistent with the exploratory approach and the aim to bring out tacit knowledge (Nickols, 2013), dominant thoughts and focal views linked to experts' specific experience on the topic. Each expert was only invited to share her/his general thoughts on the main factors hindering the involvement of parties in both strategic business processes and sustainability reporting. No detailed nor closed questions were asked because these would have required a choice of specific areas that wanted to be avoided, given the exploratory aims of the work. In other words, the identification and detail of areas of attention were results expected from the investigation process, thus the latter was designed in a way that did not influence in any way the horizon of the experts' response.

This qualitative approach is consistent with evaluative research in current fields that do not have defined boundaries (Yin, 1994). In fact, with regard to stakeholder theory and referring to the normative, instrumental and descriptive fields distinguished by Donaldson and Preston (1995), it is possible to broadly observe the normative approaches, but the problems directly linked to the descriptive and instrumental profiles remain largely open. Indeed, there is a widespread perception of stakeholder engagement from ethical perspectives – broadly connected to the concept of corporate responsibility – but there are uncertainties and gaps in descriptive areas (on the ways of stakeholder engagement) and above all in instrumental areas (on the impact generated by stakeholder engagement) (Fassin, 2012). The qualitative content analysis was therefore developed to bring out unstructured tacit knowledge and study its convergence/divergence, and to allow a deeper understanding of the phenomenon. The aim is to outline a framework for improvement, overcoming widespread barriers and consolidate evolved approaches to stakeholder engagement. This means approaches based on ethical foundations and at the same time supported by descriptive and instrumental methodological logics, to increase awareness of the stakeholder network and of the conditions for activating this network, to generate value, and ultimately also fully enable the ethical dimension.

Specifically, this study was founded on: the structuring of resources through the identification and use of relevant coding frames, i.e. filters that allow to distinction of different categories in the expert statements (Schreier, 2012, p. 63); the extraction of meanings through a comparative approach of cross-case analysis, to identify elements of continuity/discontinuity (Khan & VanWynsberghe, 2008). Therefore, the analysis of the unstructured contents expressed by the experts and their

breakdown based on specific research topics led to the identification of relevant elements for understanding stakeholder engagement challenges and defining possible improvement trajectories. The concept of expertise here adopted is that of systemic experience and reflection (Fazey et al., 2006; Krueger et al., 2012). According to Ayyub (2001, p. 98), the perception of an expert's experience could be influenced by the expert's communication skills. In order to avoid the risks of an ineffective selection in this sense, the author proceeded with a purposeful sampling, focusing on the direct evaluation of the work evidence shown in the field (in terms of stakeholder involvement within strategic or reporting processes, or of consistent research).

### 3.2. Panel Composition and Data Collection

The panel includes Italian experts who, from various professional perspectives, have had relevant opportunities to reflect on stakeholder engagement issues, in the private (profit and non-profit) or public contexts. Regarding the scope of the findings, it has also to be considered that the majority of responding experts have experience in several organizations.

The goal was to reach at least twenty "voices" of experts. This is an ample reference, given what is indicated in contexts of qualitative analysis (on this profile see among others: Eisenhardt, 1989; Krueger et al., 2012; Palinkas et al., 2015). It was the reflection on the indefiniteness of the boundaries of the theme that oriented the choice toward this reference, guaranteeing a solid basis for the study. Within the investigation, 40 experts were invited, given an estimated response rate of around 50%: entrepreneurs (10), managers (10), consultants (10) and academics (10). The experts were directly involved by the author in March and April 2023, via email, WhatsApp and/or Linkedin. Each of them was asked to share with the author their thoughts on the main factors that according to her/him hinder the effective involvement of the parties (employees, suppliers, customers, financial institutions, and so on) both in strategic business processes and in sustainability reporting.

Following the invitation, 31 experts responded: entrepreneurs (9 out of 10), managers (6 out of 10), consultants (8 out of 10), and academics (8 out of 10). Feedback was provided as follows: 17 experts responded in writing only; 12 experts expressed their ideas during an interview; 2 experts replied both in writing and during an interview requested to provide explanations/details. The experts articulated their feedback extensively and generally underlined the importance of the topic. In the context of the interview, the author essentially placed herself in the role of listener, so as not to influence the choice of specific content in any way, since the purpose of the investigation was, as above indicated, to bring out the fundamental ideas on the topic. The author has therefore taken detailed note of what each interviewed expert said. Anonymity was expressly requested by some experts in the experimental phase of the investigation and was always adopted to guarantee complete privacy to respondents and their organizations.

### 4. MAIN FINDINGS AND DISCUSSION: CONVERGENCE AREAS EMERGED FROM EXPERTS' POINTS OF VIEW

What emerged from the experts' involvement was interpreted according to the methodology above illustrated. The contents shared by the experts were organized by theme based on the frequency of positions about specific topics. This resulted in the identification of the main focus areas, as indicated below, in order to answer the RQ1. The content analysis was also the basis of the formulation of propositions on how to overcome the different analyzed barriers, in order to answer the RQ2.

The identified focus areas were studied by the author as a whole, seeking logical connections based on the repeated and iterative study of what was declared by the experts, in order to offer a systemic framework. The author therefore formulated the terrain-vision-knowledge framework represented in Table 1. Terrain elements include culture and trust, sources of any approach and habit. Vision is the gaze on the future, with its system of expectations and fears. Knowledge is the driving force of all progress. They are connected in a virtuous circle. The organization of this scheme was defined by the author working on the focus areas to represent them in a rational and at the same time symbolic frame. This organization reflects logical connections and does not follow any ranking of areas. However, the frequency of experts' statements about different areas is reported in Table 2 to allow comparisons and evaluations. Frequencies of experts' focus reveal different views which are fruitfully integrable. In the research, it emerged that the entrepreneurs are mostly focused on trust (88,89% express contents in this dimension); the consultants on culture (75%) and trust (62,50%); the managers on short-term orientation (50%) and trust (50%); the academics on trust (62,50%), culture (50%) and lack of knowledge of the method (50%).

**Table 1.** Barriers to involvement: the terrain-vision-knowledge perspective
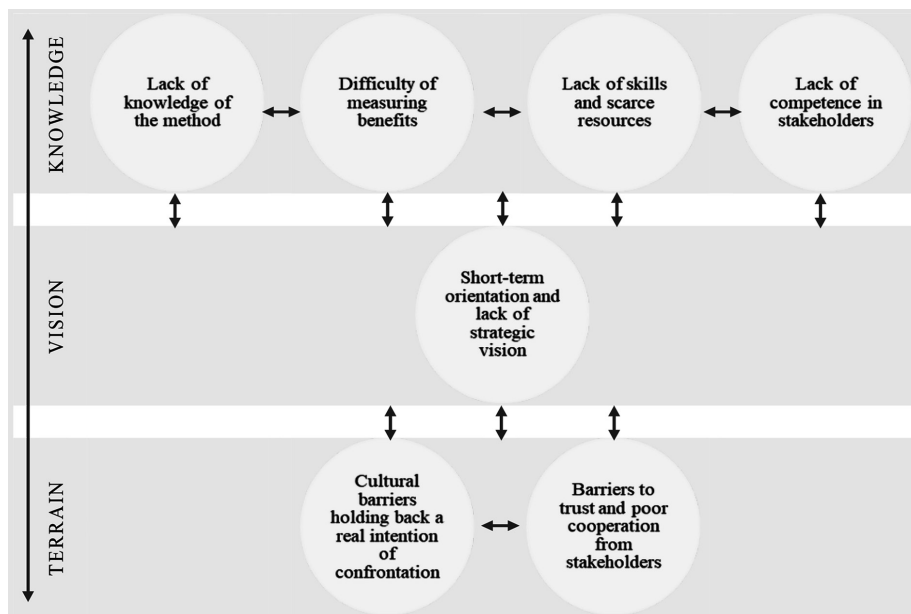


**Source:** Own elaboration

### 4.1. Main Barriers That Hinder the Highest Functioning of Stakeholder Engagement

### Terrain

#### a. Cultural Barriers Holding Back a Real Intention of Confrontation

They are considered central and substantially attributable to an organization-centric approach, with a vertical logic of power management. Opening up to the other without fear of losing control seems hard, especially in front of a variety of potentially divergent specific interests. Organizations often do not want this kind of confrontation and when they face it, it is often due to some obligation to be met and not rarely do they ensure that critical elements do not emerge. Too often, the confrontation is understood purely as a negotiation. In the involvement of stakeholders, organizations see a lot of idealism.

### b.  Barriers to Trust and Poor Cooperation from Stakeholders

Placing trust in others appears difficult and this often leads to the defense of borders and the blocking of effective channels of genuine exchange. It's hard to plan together for the long term. The immediate advantage is sought, and the loss of an immediate advantage is feared. If stakeholders do not feel involved in the decision-making process and do not believe that their contribution is really important for corporate decisions, they easily lose interest and motivation, therefore they do not provide valuable contributions and their involvement loses effectiveness, fueling distrust.

## Vision

### c.  Short-Term Orientation and Lack of Strategic Vision

Organizations are often too short-term oriented to invest in a tool designed to produce radical long-term change. Consequently, the involvement of stakeholders often appears to companies as a conceptualization that does not find adequate concrete evidence. In reality, the process would be particularly useful in times of great challenge that we are experiencing, but organizations often tend towards rapid involvement paths and fear finding themselves faced with developments in the confrontation that are difficult to manage. Experts' attention largely converges on the lack of strategic vision – the difficulty of projecting beyond the short-term – as a central and imposing barrier.

## Knowledge

### d.  Lack of Knowledge of the Method

Another obstacle is the lack of knowledge of the potential of the method (especially in a strategic dimension). Stakeholder engagement is often limited to areas seen as technical/specialist and is not seen as a managerial and strategic approach, as a value multiplier lever. Often for this very reason, stakeholder engagement does not see the direct participation of top management. And even where the internal group directly involved expresses confidence in the process, the absence of a systemic investment frustrates the effort and creates disaffection. These considerations also apply to sustainability reporting: not rarely, it is confined to a moment decontextualized from a strategic path. Often, there is not even an awareness of how the materiality analysis itself must arise from a plural strategic perspective.

### e.  Difficulty of Measuring Benefits

Companies often tend to think that stakeholder involvement does not create real benefits in terms of profits and corporate growth. The current difficulty of defining significant indicators, useful for measuring the impact of stakeholder engagement on the quality of company decisions and performances, therefore represents another significant barrier with respect to the actual development of the tool. These are difficulties widely related to the nature of the benefits that are often expected more in immediate terms of market and profit than in terms of long-term equilibrium, capacity for innovation and anticipation of problems.

### f.    Lack of Skills and Scarce Resources

Paying deep attention to others and their diversity takes time, attitude, and dedication. This aspect is often not fully understood and is thought to be unproductive time. Furthermore, the management of stakeholder engagement requires articulated and solid skills, and therefore significant and sustained investments. Sometimes the company feels it can't afford the time and resources for relationships that don't have an immediate return. In short-term oriented companies and/or struggling with budget constraints, resources tend to be allocated to activities that, based on experience, are immediately perceived as having a direct and positive relationship with company results (eg. technology investments). In other cases, the organization ventures into engagement paths, perhaps in the field of reporting, without adequately evaluating the resources and skills necessary to do so, making the effectiveness of the path impossible from the outset.

### g.    Lack of Competence in Stakeholders

The lack of competence concerning the method and what it requires also concerns the stakeholders, who in order to participate proactively in a discussion should have awareness of their role in the process and knowledge of the topics. Their availability is often insisted upon, but organizations rarely work to ensure that stakeholders are appropriately knowledgeable and constructive within the process.

**Table 2.** Barriers to involvement: experts' focus areas
(% on number of experts)

|  | ENTREPRENEURS | MANAGERS | CONSULTANTS | ACADEMICS | **GENERAL** |
|---|---|---|---|---|---|
| Cultural barriers holding back a real intention of confrontation | 44,44% | 33,33% | 75,00% | 50,00% | **51,61%** |
| Barriers to trust and poor cooperation from stakeholders | 88,89% | 50,00% | 62,50% | 62,50% | **67,74%** |
| Short-term orientation and lack of strategic vision | 11,11% | 50,00% | 37,50% | 12,50% | **25,81%** |
| Lack of knowledge of the method | 11,11% | 33,33% | 37,50% | 50,00% | **32,26%** |
| Difficulty of measuring benefits | 11,11% | 33,33% | 37,50% | 0,00% | **19,35%** |
| Lack of skills and scarce resources | 22,22% | 33,33% | 37,50% | 25,00% | **29,03%** |
| Lack of competence in stakeholders | 11,11% | 16,67% | 12,50% | 37,50% | **19,35%** |
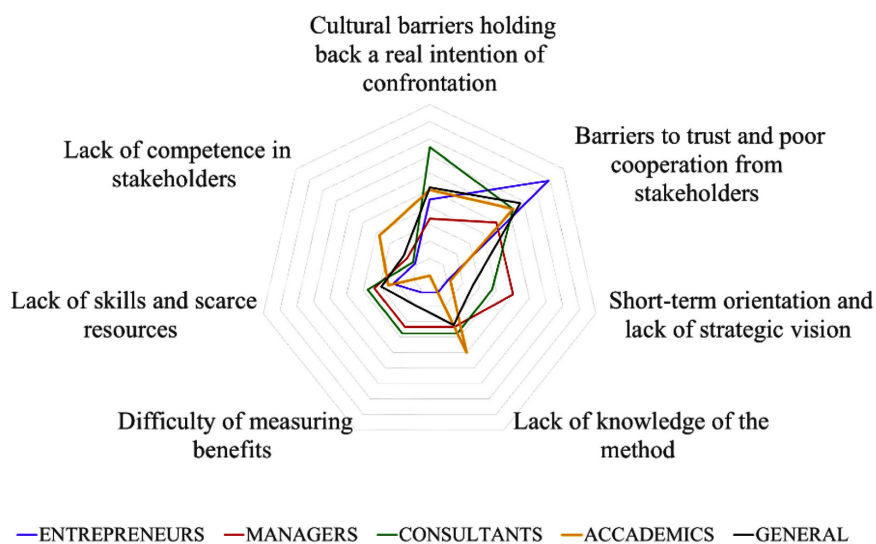


**Source:** Own elaboration

## 4.2. Activate Stakeholder Engagement as a Strategic Lever: Improve Terrain, Clarify Vision, Enhance Knowledge

### Improve Terrain

### a. Cultural Advancement: From an Organization-Centric Perspective to a Network-Centric Perspective

From the voices of the experts emerges the need for a paradigm shift, to transition from the widespread idea of an enterprise that *calls* its interlocutors for consultation to one of an enterprise that moves towards the places of debate about relevant dimensions of integrated sustainability. It is therefore necessary to overcome self-referential approaches and participate in networks of interests projected on plurality and durability, moving from an organization-centric perspective to a network-centric perspective. The company is an actor among actors. Reciprocal and transparent links are needed, in a vision oriented towards the common good which necessarily also includes the orientation towards the company's lasting equilibrium. The transition from unidirectional to multidirectional perspectives must concern not only the company but also the interlocutors who sometimes exclusively express particular and antagonistic interests with respect to the company, lacking openness to a plural strategic design. A broad individualism is observed – also at a social level – which makes it difficult to apply the concept of synergy. The difficulties of involving stakeholders are in fact largely associated with the difficulties of society. Attention is largely directed to the theme of the fragmentation of interests and therefore to the need to recompose them by culturally enhancing more inclusive models and representations through theoretical arguments and practical references.

### b. Development of Trust as a Dimension of Proactivity, with Awareness of the Risks

Promoting more horizontal (versus vertical) and participatory approaches within organizations and societies is important to enhance the trust cycle, which includes both working to earn trust and investing in trusting others (also aware of the risks this entails), because if others see distrust they in their turn don't trust. In this sense, it is helpful to observe how the new generations move, paying more attention to the objective contents and less to the roles, with greater release from vertical logic to the advantage of horizontal visions and collaboration. Systematic connections and the provision of feedback are essential for this trust. Eliciting proactive participation from stakeholders also requires, on the part of the company, a shift of attention towards a language centered on collective opportunities and risks, beyond the sphere of immediate results for the company and towards general impacts. Language plays a fundamental role in shedding light on how we see and convey reality. A fashion company, for example, by participating in a group aimed at reducing clothes waste can contribute through its evidence, reflections and data in reaching group positions, without placing at the center of the debate the company and its results but evolving together with relevant stakeholders within a given issue. Furthermore, with a specific focus on businesses, promoting an evolution towards more advanced business models, less concentrated around the figure of the entrepreneur (especially if solopreneur), is an important foundation for promoting a horizontal approach.

## Clarify Vision

### c.    Promote the Habit of Strategic Vision, Orientation Towards Lasting Integrated Equilibrium, Reference to Impacts

It is necessary to strengthen the company's strategic vision from the perspective of an integrated, plural and lasting equilibrium. This requires a view of the company from above, to better understand its system of positive and negative impacts on different areas and audiences. Furthermore, with a strong commitment on the part of top management, it is important to clearly contextualize the involvement of stakeholders within broad-based and long-term strategic paths, avoiding short-term contexts characterized by prevalent negotiating activity. Those who promote, design, and coordinate processes of stakeholder engagement should trace them within paths of change anchored to representation and inclusivity, to be referred to in a systematic and non-chaotic way in order to obtain significant positive impacts. Only organizations and entrepreneurs who really challenge themselves and open up to discussions can obtain benefits from the dialogue with the various interlocutors and, in the medium/long term, reach competitive advantages.

## Enhance Knowledge

### d.    Dissemination of Knowledge and Awareness of Stakeholder Engagement as a Governance Philosophy and a Working Method

It is crucial to support a cultural evolution by helping to make the potential of stakeholder engagement more evident at a strategic level, as a pervasive governance philosophy and collaborative working approach, avoiding contextualization limited to the reporting phase. Against the risks of an opportunistic approach, there is a need to undermine the widespread identification of stakeholder engagement as a methodological category considered exclusively to support sustainability reporting processes. In this role, it reflects the limitations of reporting, and this is particularly serious when the reporting is experienced mainly as compliance. Spreading the habit of stakeholder engagement in the context of full strategic paths requires convergent actions on the part of scholars and professionals both in the direction of seeking valid methodologies and tools for the effectiveness of the approach and in the direction of conveying the meaning of the different impact dimensions.

### e.    Advancement in Measuring the Effects of Specific Stakeholder Engagement Methods with Respect to Relevant Variables Such as Quality of Decisions and Intangible Dimensions

It is highlighted by the experts – with strength and convergence – that usually, those who propose and introduce stakeholder engagement pay much attention to the process but not as much to content issues and expectations in terms of outcomes. Instead, it would be more logical and constructive to start from the needs/problems and reflect on how to best address them in a participatory way, thus shifting the attention to the benefits that could be achieved in terms of solving those needs/problems. The orientation toward needs and problems also spontaneously generates a push toward the identification of significant indicators and coherent measurements. We often talk about the difficulty of expressing the impact of stakeholder engagement, but in hindsight, it is a question of the difficulties linked mainly to the nature of the benefits that are often expected, more in immediate market and profit terms than in terms of lasting equilibrium, capacity for innovation and

145

anticipation of problems. On these issues related to indicators such as dimensions of benefit and their measurement, further contributions are needed. The company should listen, observe, direct, and understand from a broader perspective; to do this it also should measure not the effectiveness of a formal exercise but the impact created in the perspective of plural well-being, therefore without venturing into excessive and not very credible indicator architectures.

### f. Debate and Training on the Skills Required to Drive Effective Stakeholder Engagement Processes

Transversal skills are undoubtedly required to listen without judging the other, to guide participation and to enhance the acquired elements in the context of decision-making. Taking care of the other, paying attention to the other and to what is outside of us takes time and attitude. Often organizations perceive it as wasted, unproductive time. It is often thought that the company cannot afford time for relationships that do not have an immediate return. Stakeholder engagement requires profound skills and therefore investments that are sometimes significant and in any case extended over time. These are essential resources to start a process of strategic reflection with the various categories of stakeholders, but on which companies often try to "economise". In short-term oriented companies, which perhaps do not have large budgets available, resources tend to be allocated to activities which, based on experience, are perceived to have a direct and positive relationship with company results (technological, commercial, etc.). The evidence that we are not dealing with marginal and symbolic activities that everyone can govern and follow must be strengthened. Dealing with stakeholder involvement requires broad transversal skills – in coordinating the process by extracting value (in terms of points of view, perceptions, and analyses), measuring and allowing for the interpretation of the results, and using learning within the decision-making to support better decisions. The theme of interest emerges as central, in particular in the sense of capturing interest by questioning the value that the organization is creating in order to make it understood. There must be a concern to pour the value created by the different categories of stakeholders, on the organization's community of interests. In corporate contexts, one should also think about incentive systems in this direction (incentives linked, for example, to the ability to develop and maintain relationships of mutual involvement with specific groups of interlocutors). By giving value to the community, you get it back multiplied, to then continue with more resources. This should not be thought of as an immediate improvement in profits but in the dimension of those long-term impacts mentioned above. It is important to be rooted in the territory, to live in one's community, and to proceed with concreteness with respect to reality. The outlined framework envisages a systematic process of involvement, which can never be based only on external skills but always above all on the training and development of internal skills, starting from full awareness of the process up to the full adoption of the system.

### g. Debate and Promote Training on the Skills Required to Effectively Contribute to Stakeholder Engagement Processes

The topic of skills has to be treated also with respect to stakeholders who should, above all, be able to develop awareness of their role, know the areas of involvement, and be followed in their effort to understand the cross-section of the organization's reality brought to their attention (often in very brief time). Furthermore, it is essential that the results of the consultation are shared with them. This also contributes to the development of skills, through training by doing. Stakeholder engagement is an actionable lever that multiplies plural value only if used rigorously and inspired by intentions of common value. The widespread misuse of the tool is the first source of

misinformation and miseducation on a general level and increases distrust in the tool's potential. A fundamental path to train stakeholders is to create references and positive, rigorous examples. In this sense, all professionals and operators should refuse any form of non-rigorous stakeholder engagement, not aimed at developing knowledge to be considered in the processes of decision improvement. Continuity of attention and relationship is also important because it allows for opportunities to develop trust and the necessary skills that should not be taken for granted.

## 5.  CONCLUSION

*Terrain* elements (culture and trust) have been placed at the base, rooted in the way of thinking and positioning oneself in society. *Vision*, the approach towards the future, is necessarily influenced by culture and trust and influences choices related to the development of knowledge. The investment in *knowledge* – as the capital that enables understanding and action – depends on the vision for the future. *Terrain* elements influence knowledge through vision and vice versa. This work provides some insights and proposals based on the involvement of experts. This is a first step in a broader research project on stakeholder engagement. It is a starting point, with the limitations and the opportunities that this represents. The material provided by the experts is very broad, beyond the author's initial expectations, and is an expression of the wide interest in the topic. This source will be further used in the future to deepen the analysis of the different areas of interest and the articulation of the related propositions. In addition to this vertical development of the study, horizontal extensions of the analysis to other experts and interlocutors, at the international level, will be important to reach wider evidence and thus further support the development of awareness on the topic worldwide.

*"Improve terrain, clarify vision, enhance knowledge"* could be a symbolic synthesis of this contribution, not only in the sense of valorization but also against the risks of exploiting stakeholder involvement.

## References

AA. (2015-2020). *AccountAbility's AA1000 Series of Standards*, Retrieved April 17, 2023, from https://www.accountability.org

Aakhus, M., & Bzdak, M. (2015). Stakeholder engagement as communication design practice: Stakeholder engagement. *Journal of Public Affairs, 15*(2), 188-200. https://doi.org/10.1002/pa.1569

Andriof, J., & Waddock, S. (2002). Unfolding stakeholder engagement. *Unfolding Stakeholder Thinking: Theory, Responsibility and Engagement*, 17-42. https://doi.org/10.9774/gleaf.978-1-909493-28-5_3

Ayyub, B. M. (2001). *Elicitation of Expert Opinions for Uncertainty and Risks*. https://doi.org/10.1201/9781420040906

Bellucci, M., Simoni, L., Acuti, D., & Manetti, G. (2019). Stakeholder engagement and dialogic accounting: Empirical evidence in sustainability reporting. *Accounting, Auditing & Accountability Journal, 32*(5), 1467-1499. https://doi.org/10.1108/aaaj-09-2017-3158

Berman, S. L., Wicks, A. C., Kotha, S., & Jones, T. M. (1999). Does Stakeholder Orientation Matter? The Relationship Between Stakeholder Management Models and Firm Financial Performance. *Academy of Management Journal, 42*(5), 488-506. https://doi.org/10.5465/256972

Brown, T. (2008). Design thinking, *Harvard Business Review, 86*(6), 84-92.

Brown, T., & Wyatt, J. (2010). Design Thinking for Social Innovation. *Development Outreach, 12*(1), 29-43. https://doi.org/10.1596/1020-797x_12_1_29

Carroll, A. B. (1989). *Business and society: Ethics and stakeholder management.* Cincinnati: South-Western.

Clarkson, M. E. (1995). A Stakeholder Framework for Analyzing and Evaluating Corporate Social Performance. *Academy of Management Review, 20*(1), 92-117. https://doi.org/10.5465/amr.1995.9503271994

Dawkins, C. E. (2014). The Principle of Good Faith: Toward Substantive Stakeholder Engagement. *Journal of Business Ethics, 121*(2), 283-295. https://doi.org/10.1007/s10551-013-1697-z

Donaldson, T., & Preston, L. E. (1995). The Stakeholder Theory of the Corporation: Concepts, Evidence, and Implications. *Academy of Management Review, 20*(1), 65-91. https://doi.org/10.5465/amr.1995.9503271992

Eisenhardt, K. M. (1989). Building Theories from Case Study Research. *Academy of Management Review, 14*(4), 532-550. https://doi.org/10.5465/amr.1989.4308385

Fassin, Y. (2012). Stakeholder Management, Reciprocity and Stakeholder Responsibility. *Journal of Business Ethics, 109*(1), 83-96. https://doi.org/10.1007/s10551-012-1381-8

Fazey, I., Fazey, J. A., Salisbury, J. G., Lindenmayer, D. B., & Dovers, S. (2006). The nature and role of experiential knowledge for environmental conservation. *Environmental Conservation, 33*(1), 1-10. https://doi.org/10.1017/s037689290600275x

Freeman, E. (1984). *Strategic management: A stakeholder approach.* Boston: Pitman.

Freeman, R. E. (1994). The Politics of Stakeholder Theory: Some Future Directions. *Business Ethics Quarterly, 4*(4), 409-421. https://doi.org/10.2307/3857340

Freeman, R. E. (2004). The Stakeholder Approach Revisited. *Zeitschrift für Wirtschafts- und Unternehmensethik, 5*(3), 228-241. https://doi.org/10.5771/1439-880x-2004-3-228

Freeman, R. E., & Reed, D. L. (1983). Stockholders and Stakeholders: A New Perspective on Corporate Governance. *California Management Review, 25*(3), 88-106. https://doi.org/10.2307/41165018

Friedman, A., & Miles, S. (2006). *Stakeholders: Theory and practice.* Oxford: Oxford University Press.

Gable, C., & Shireman, B. (2005). Stakeholder engagement: A three-phase methodology. *Environmental Quality Management, 14*(3), 9-24. https://doi.org/10.1002/tqem.20044

Gioia, D. A., & Chittipeddi, K. (1991). Sensemaking and sensegiving in strategic change initiation. *Strategic Management Journal, 12*(6), 433-448. https://doi.org/10.1002/smj.4250120604

Giusepponi, K. (2021). Enterprise's Trust in Stakeholders: For a New Culture of Sustainability. Investigation on Companies Listed on the Italian Stock Exchange, *International Scientific Conference ERAZ – Knowledge Based Sustainable Development*, Belgrade, Association of Economists and Managers of the Balkans, 153-161.

Greenwood, M. (2007). Stakeholder Engagement: Beyond the Myth of Corporate Responsibility. *Journal of Business Ethics, 74*(4), 315-327. https://doi.org/10.1007/s10551-007-9509-y

GRI. (2016-2022). *Sustainability Reporting Standards, Retrieved April 10, 2023,* https://www.globalreporting.org

IR. (2021). *International <IR> Framework, Retrieved April 10, 2023,* https://www.integratedreporting.org

Johnson-Cramer, M. E., Berman, S. L., & Post, J. E. (2003). Re-examining the concept of 'stakeholder management'. Unfolding Stakeholder Thinking 2: Relationships, Communication, *Reporting and Performance*, 145-161. https://doi.org/10.9774/gleaf.978-1-909493-32-2_10

Khan, S., & VanWynsberghe, R. (2008). Cultivating the under-mined: Cross-case analysis as knowledge mobilization. In *Forum: qualitative social research, 9*(1), 34. Institut für Qualitative Forschung.

Kolko, J. (2015). Design Thinking Comes of Age, *Harvard Business Review, 93*(9), 66-71.

Krueger, T., Page, T., Hubacek, K., Smith, L., & Hiscock, K. (2012). The role of expert opinion in environmental modelling. *Environmental Modelling & Software, 36*, 4-18. https://doi.org/10.1016/j.envsoft.2012.01.011

Kujala, J., Sachs, S., Leinonen, H., Heikkinen, A., & Laude, D. (2022). Stakeholder Engagement: Past, Present, and Future. *Business & Society, 61*(5), 1136-1196. https://doi.org/10.1177/00076503211066595

Maak, T. (2007). Responsible Leadership, Stakeholder Engagement, and the Emergence of Social Capital. *Journal of Business Ethics, 74*(4), 329-343. https://doi.org/10.1007/s10551-007-9510-5

Manetti, G. (2011). The quality of stakeholder engagement in sustainability reporting: empirical evidence and critical points. *Corporate Social Responsibility and Environmental Management, 18*(2), 110-122. https://doi.org/10.1002/csr.255

Moratis, L., & Brandt, S. (2017). Corporate stakeholder responsiveness? Exploring the state and quality of GRI-based stakeholder engagement disclosures of European firms: Corporate stakeholder responsiveness. *Corporate Social Responsibility and Environmental Management, 24*(4), 312-325. https://doi.org/10.1002/csr.1408

Morsing, M., & Schultz, M. (2006). Corporate social responsibility communication: stakeholder information, response and involvement strategies. *Business Ethics: A European Review, 15*(4), 323-338. https://doi.org/10.1111/j.1467-8608.2006.00460.x

Nickols, F. (2013). The tacit and explicit nature of knowledge: The knowledge in knowledge management. In *The knowledge management yearbook 2000-2001,* 12-21. Routledge. https://doi.org/10.4324/9780080941042-7

Noland, J., & Phillips, R. (2010). Stakeholder Engagement, Discourse Ethics and Strategic Management. *International Journal of Management Reviews, 12*(1), 39-49. https://doi.org/10.1111/j.1468-2370.2009.00279.x

O'Riordan, L., & Fairbrass, J. (2014). Managing CSR Stakeholder Engagement: A New Conceptual Framework. *Journal of Business Ethics, 125*(1), 121-145. https://doi.org/10.1007/s10551-013-1913-x

Paine, L. (1994). Managing for organizational integrity. *Harvard Business Review, 72*(2), 106-117.

Palinkas, L. A., Horwitz, S. M., Green, C. A., Wisdom, J. P., Duan, N., & Hoagwood, K. (2015). Purposeful Sampling for Qualitative Data Collection and Analysis in Mixed Method Implementation Research. *Administration and Policy in Mental Health and Mental Health Services Research, 42*(5), 533-544. https://doi.org/10.1007/s10488-013-0528-y

Phillips, R. A. (1997). Stakeholder Theory and A Principle of Fairness. *Business Ethics Quarterly, 7*(1), 51-66. https://doi.org/10.2307/3857232

Post, J. E., Preston, L. E., & Sachs, S. (2002). Managing the Extended Enterprise: The New Stakeholder View. *California Management Review, 45*(1), 6-28. https://doi.org/10.2307/41166151

Rinaldi, L. (2020). Integrated thinking for stakeholder engagement. *The Routledge Handbook of Integrated Reporting*, 280-292. https://doi.org/10.4324/9780429279621-19

Roloff, J. (2008). Learning from Multi-Stakeholder Networks: Issue-Focussed Stakeholder Management. *Journal of Business Ethics, 82*(1), 233-250. https://doi.org/10.1007/s10551-007-9573-3

Schreier, M. (2012). *Qualitative content analysis in practice*. Sage publications.

Stocker, F., Arruda, M. P., Mascena, K. M. C., & Boaventura, J. M. G. (2020). Stakeholder engagement in sustainability reporting: A classification model. *Corporate Social Responsibility and Environmental Management, 27*(5), 2071-2080. https://doi.org/10.1002/csr.1947

Wayne Gould, R. (2012). Open Innovation and Stakeholder Engagement. *Journal of technology management & innovation, 7*(3), 1-11. https://doi.org/10.4067/s0718-27242012000300001

Yin, R. K. (1994). *Case study research: Design and methods* (2nd ed.). Thousand Oaks, CA: Sage.