

6 Communication of Sustainability

Lesson 02: Organizations & their Stakeholder

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Where are we?

Episode 6.1: Communication of Sustainability

Episode 6.2: Organizations & their Stakeholder

Episode 6.3: Strategic Communication of Sustainability

Episode 6.4: Sustainability Reporting



Learning outcomes

Learning outcome 1:

Describe the diverse nature of contemporary practices of sustainability communication on an individual, organizational and societal level, the relationship of strategic communication practices to other public communication practices, the role of stakeholders and publics and the communication practitioners in and outside of organizations (corporate, NGO, political and educational institutions etc.)

Learning outcome 2:

Develop comprehensive and well-founded knowledge in sustainability communication as field of study, an understanding of how other disciplines relate to the field and an international perspective on the field.

Learning outcome 3:

Understand the key elements of communication theories, strategies and tactics, and, thus, the character and operationalization of best practice sustainability communication planning frameworks.

Learning outcome 4:

Advance your understanding of social and civic responsibility and develop an appreciation of the philosophical and social context of sustainability communication. Advance your knowledge and respect of ethics and ethical standards in relation to communication of, about and for sustainability.

Learning outcome 5:

Anticipate and Interpret current issues and challenges of a world in transformation and social change. Develop a deep understanding of and skills to create change, develop advocacy, leadership and authorship in and for sustainability communication.



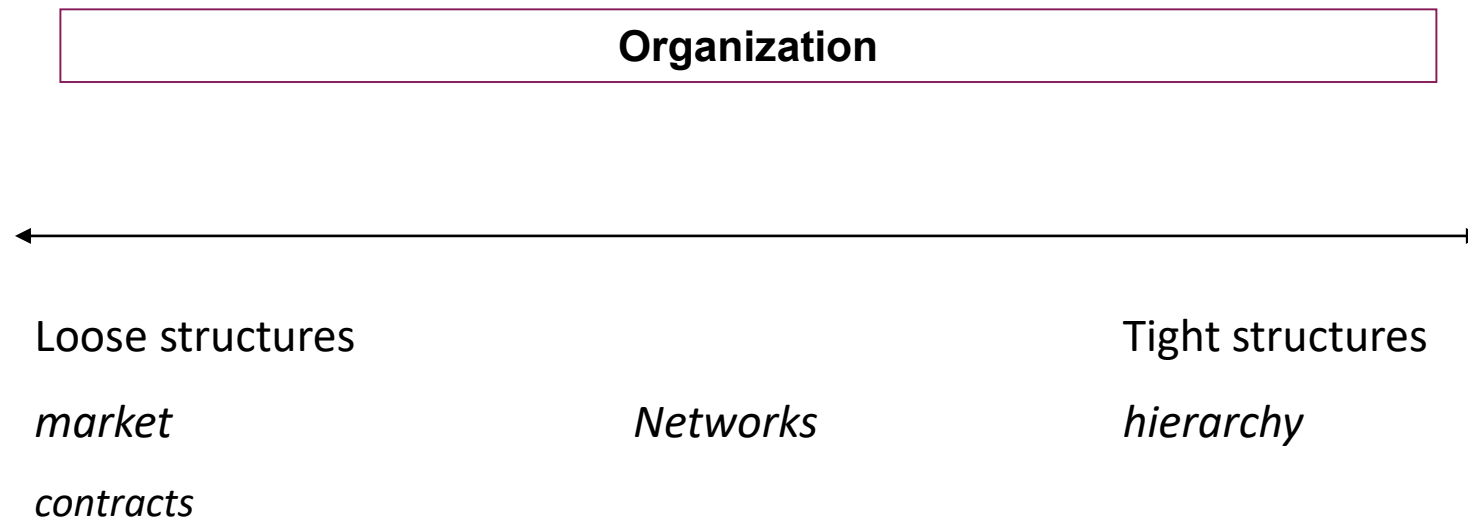
Overview

- A. Organizations
- B. Organizations & Communication
- C. Issues & Crises
- D. Stakeholder



A. Organizations

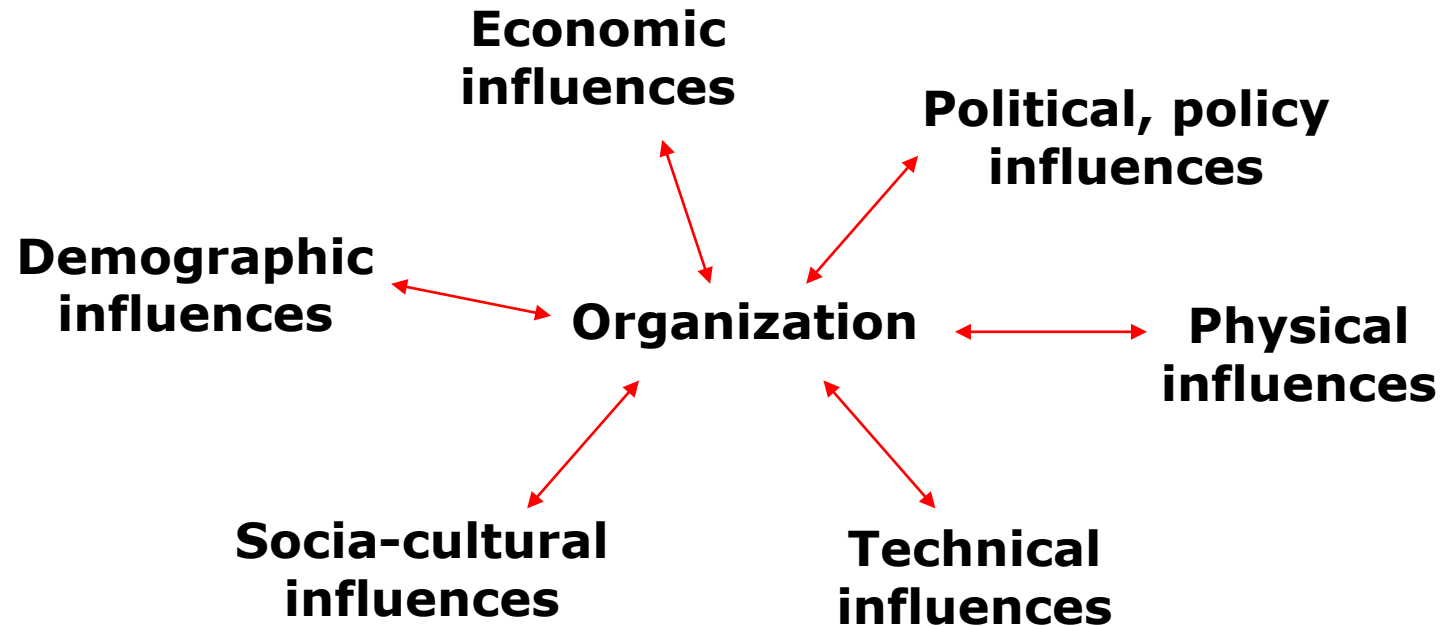
Degree of organization





A. Organizations

Influences on organizations





B. Organizations and Communication

**“it is obvious that without
communication there can be no
organization”**

(Simon 1957)



B. Organizations and Communication

Assumptions:

- an organization consists of a group of people
- ... who work together to achieve a common purpose;
- an organization is bigger than the individuals and groups that comprise it, but smaller than the society that gives it its context and environment



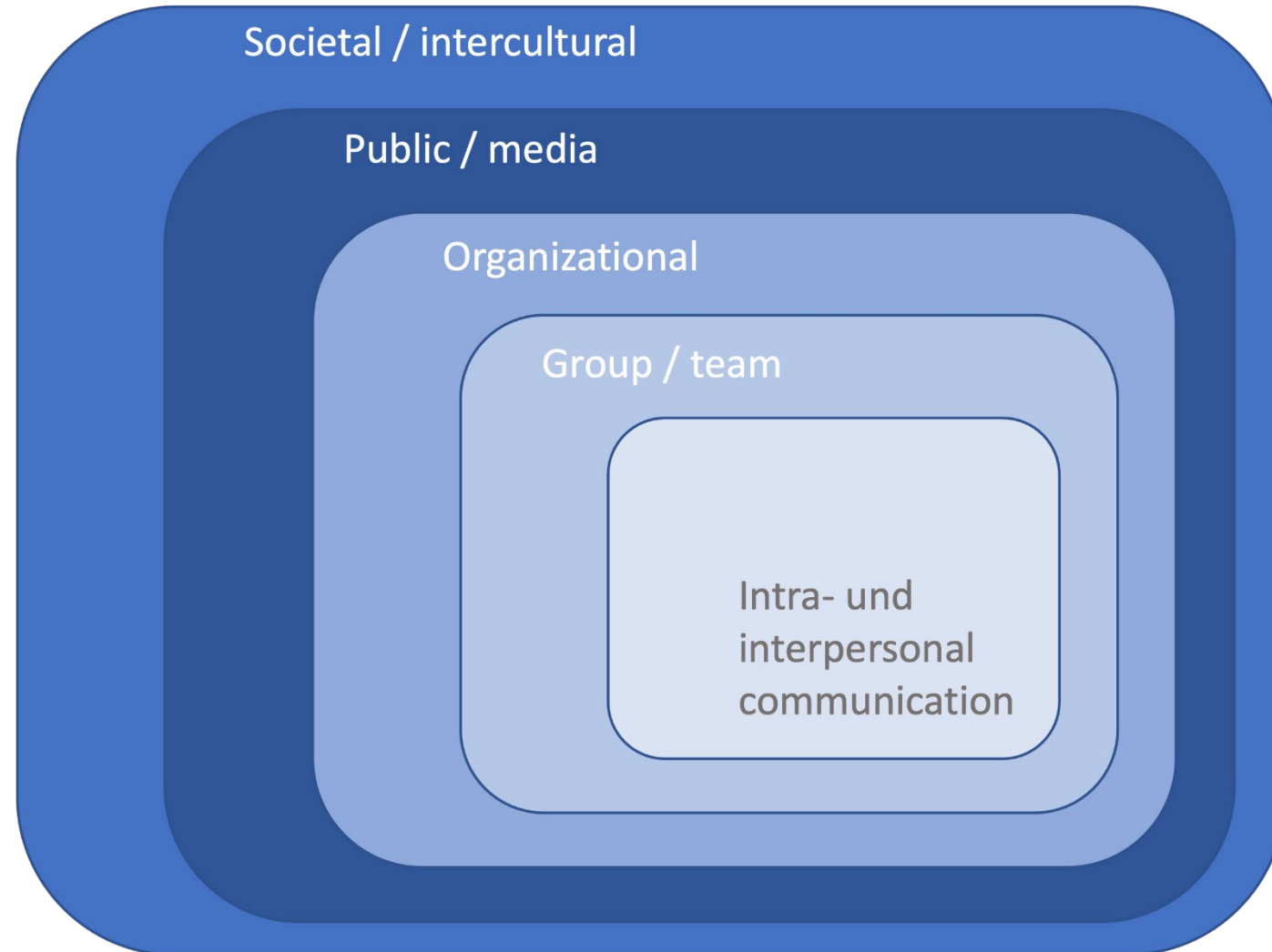
B. Organizations and Communication

Assumptions:

1. Organizations are constituted through communication
2. Organizational communication is “network communication”, including all communication within, out of and about an organization



B. Organizations and Communication



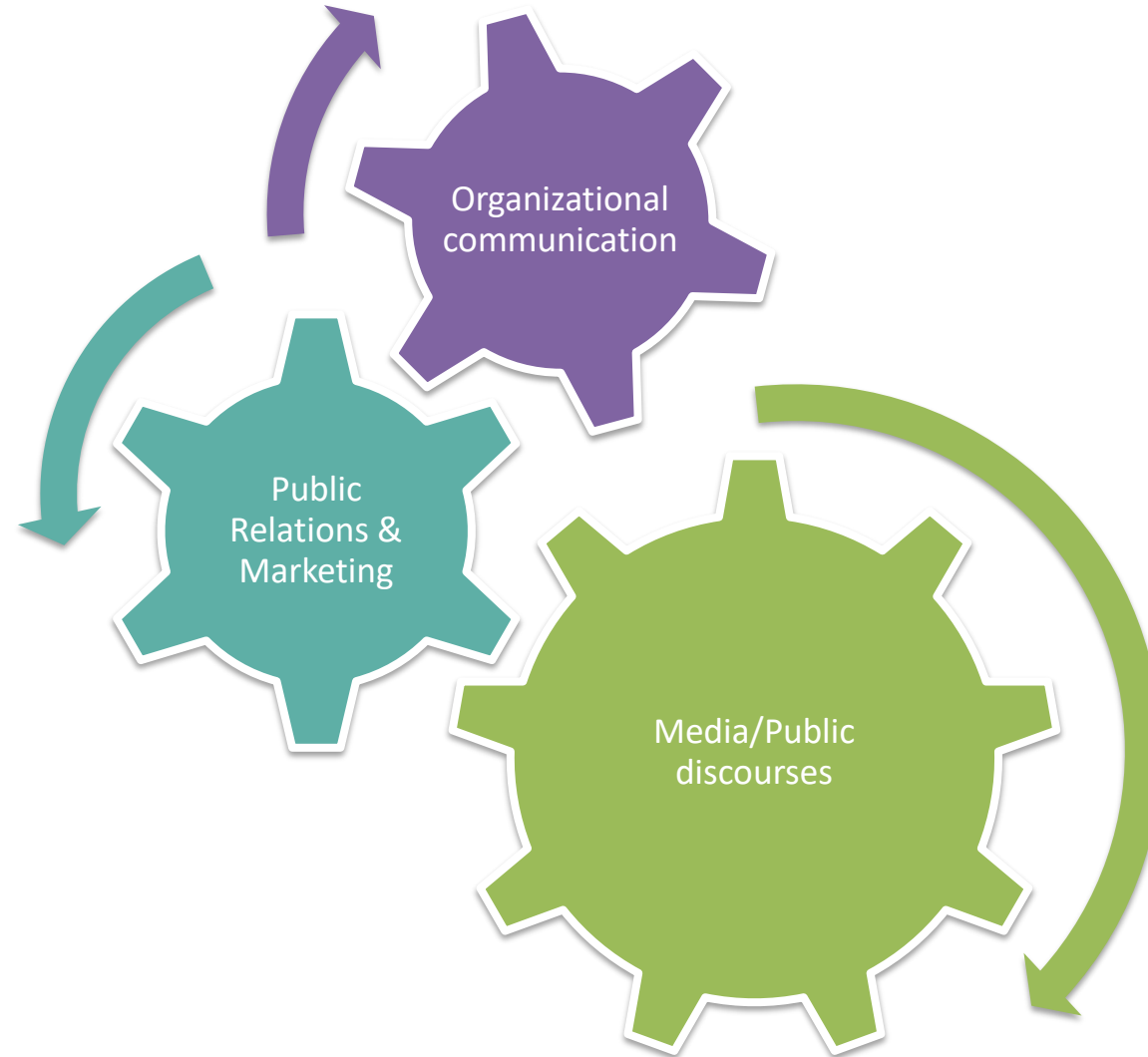


B. Organizations and Communication

- Organization as “socially constructed verbal systems constituted by multiple, simultaneous and sequential narratives that not only interweave and harmonize but contest and clash” (*Brown et al., 2008, p. 1040*)
- “hidden patterns” in conversations – a pattern is the “organization” of a conversation (*Taylor & Van Every, 2011, p. 21*)

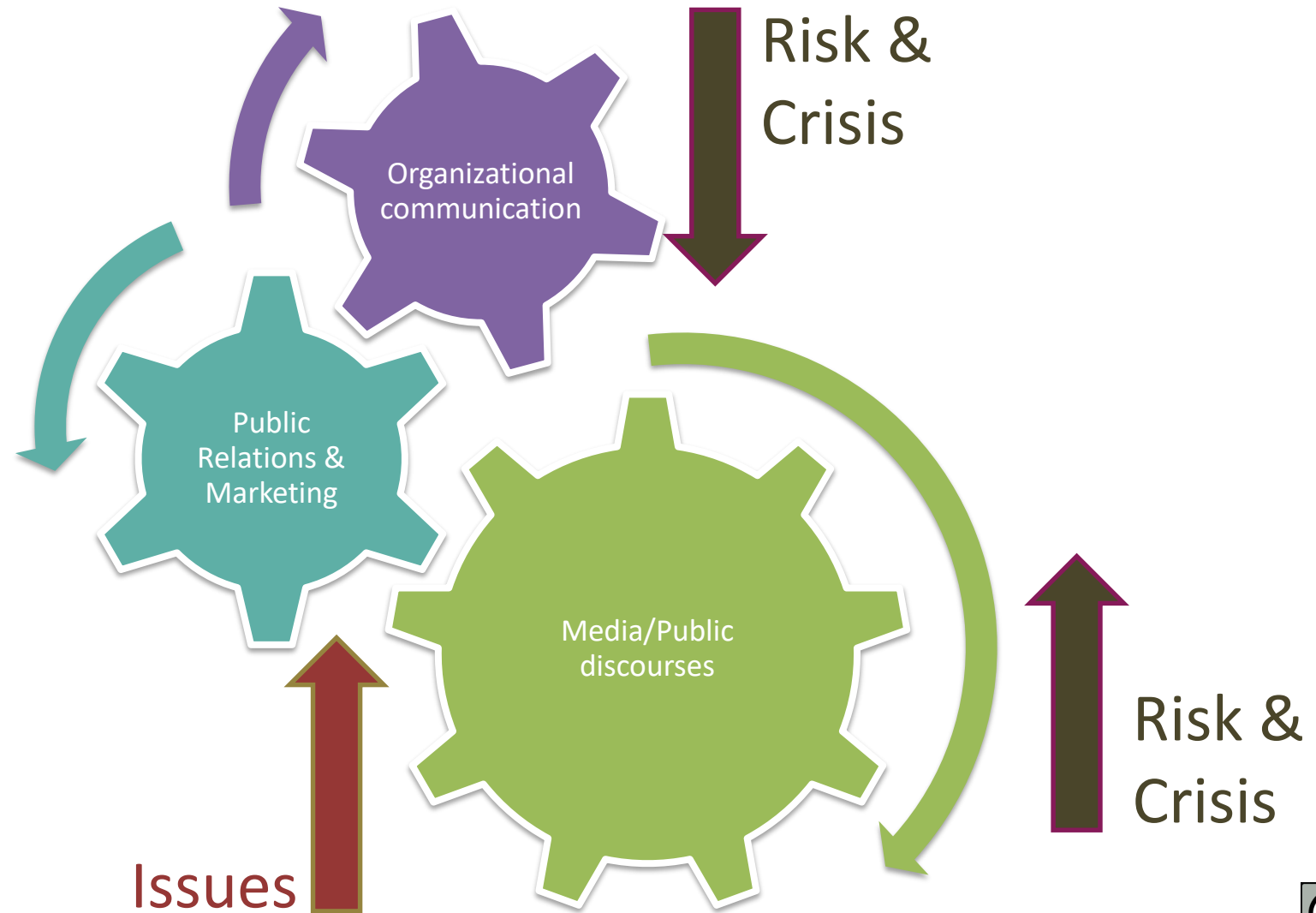


C. Issues & Crises





C. Issues and Crises





D. Stakeholder

- „Stake“: An interest in an organization, for which a justified and normative demand can be made (Reed, 1999)
- „Stakeholder“: „any group or individual who can affect or is affected by the achievement of the organization’s objectives.“(Freeman 1984, S. 46)



D. Stakeholder

- Stakeseekers? Those who assert their interests and concerns, seeking acknowledgement and action from an organization



D. Stakeholder

- Provide **resources**, which are important to organizational success e.g. capital, workforce, „licence to operate“, social acceptance
- Their well-being is intertwined with the fate of the organization e.g. employment, environmental conditions, products
- They have sufficient influence to impact organizational performance e.g. mobilising of social forces, restraining resources



D. Stakeholder

Ways to identify / differentiate stakeholder

1. General
2. Internal / external
3. Primary / secondary
4. Impact & functionality
5. Arenas



D. Stakeholder

General:





D. Stakeholder

Internal & External:

„internal“ e.g. boardmembers, key management, employees, legal representatives, shareholders.

„external“ e.g. customers, investors, financial partners (including banks), community leaders, customers, clients, suppliers, vendors, creditors, physical neighbours, special interest groups, environmental groups, competitors, union officials, government agencies, media.



D. Stakeholder

Enabling

Enabling

- Power and authority to make decisions
- Board of directors, shareholders, key executives

Functional

- Make the organisation work
- Employees, unions, suppliers, vendors, consumers, volunteers

Normative

- Share values or common interest with the organisation (esp in crisis)
- Competitors, professional associations

Diffused

- Linked indirectly to organisation, involvement occurs occasionally e.g. in crisis
- Media, community groups, neighbours



D. Stakeholder

Enabling

Who has the priority? For day to day operations ...

- **Enabling and functional** – are critical to the daily operation of an organization
- **Normative** – should be kept in mind but are not critical to the operations of an organization (can offer a third-party endorsement)
- **Diffused** – media and community exert influence over public opinion (Rawlins 2006)



D. Stakeholder

Strategic stakeholder concept (Freeman, 1984)

- Selection of relevant groups based on their power and influence with regard to organizational goal achievement and future
- Secure acceptance and cooperation

Ethical stakeholder concept(Ulrich, 2001)

- All individuals and groups are stakeholders independent of influence, power, position
- Criterium for selection is moral justification of legitimacy of interests
- Conflicts of interest are solved on the basis of acceptance and insight



D. Stakeholder

- The earliest definition is credited to a memo produced in 1963 by the Stanford Research Institute: “***Those groups without whose support the organization would cease to exist***”.
- Stakeholder theory developed to be inclusive of **all** groups who affect an organisation (not necessarily supporters, e.g. competitors and opponents).
- Suggests if an organisation neglects a stakeholder group, the group has the ability to have a negative impact on the organisation.



D. Stakeholder

- Freeman (1984) said it is necessary for an organization to manage its relationships with specific stakeholder groups in an action-oriented way
- Demetrious (in J&Z 2009) said it orientates business to include the third sector, and flags an environment ... in which activism, the state and business may interact in less adversarial way.
- Because it is impossible that all stakeholders will have the same interests in and demands on the organization, stakeholder management is about managing potentially conflicting interests.
- **This means we need to be strategic and planned when dealing with stakeholders.**



D. Stakeholder

- Based on the idea that organizations deal with a range of publics whose activity (or lack of it) is dependant on a given situation.
- Allows us to identify which publics (or stakeholders) communicate actively or passively, or not at all, about the organizational decisions that affect them (Grunig 2005)



D. Stakeholder

- **Non-publics** - People who do not face the problem
- **Latent publics** - People who face the problem, but do not recognise it as a problematic
- **Aware publics** - Those who recognise the problem
- **Active publics** (these take priority) - Those who do something about the problem



D. Stakeholder

Three reasons why people become active publics:

- 1. Problem recognition** – the extent to which people detect a problem/issue (see connection between them and a problem)
- 2. Constraint recognition** – the extent to which people identify obstacles to act on the problem/issue
- 3. Level of Involvement** – the extent to which people feel connected to the problem/issue (Grunig 2005)