



# Engaging with CG and CSR: A Stakeholder Approach

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# Why undertake dialogue?

- CSR varies from location to location and industry to industry
- You can only do CSR if you do stakeholder dialogue
- To survive and prosper business needs to know what is happening
- There is a need for good stakeholder relations and market research
- This implies a broad understanding of stakeholder views and patterns of demands on business

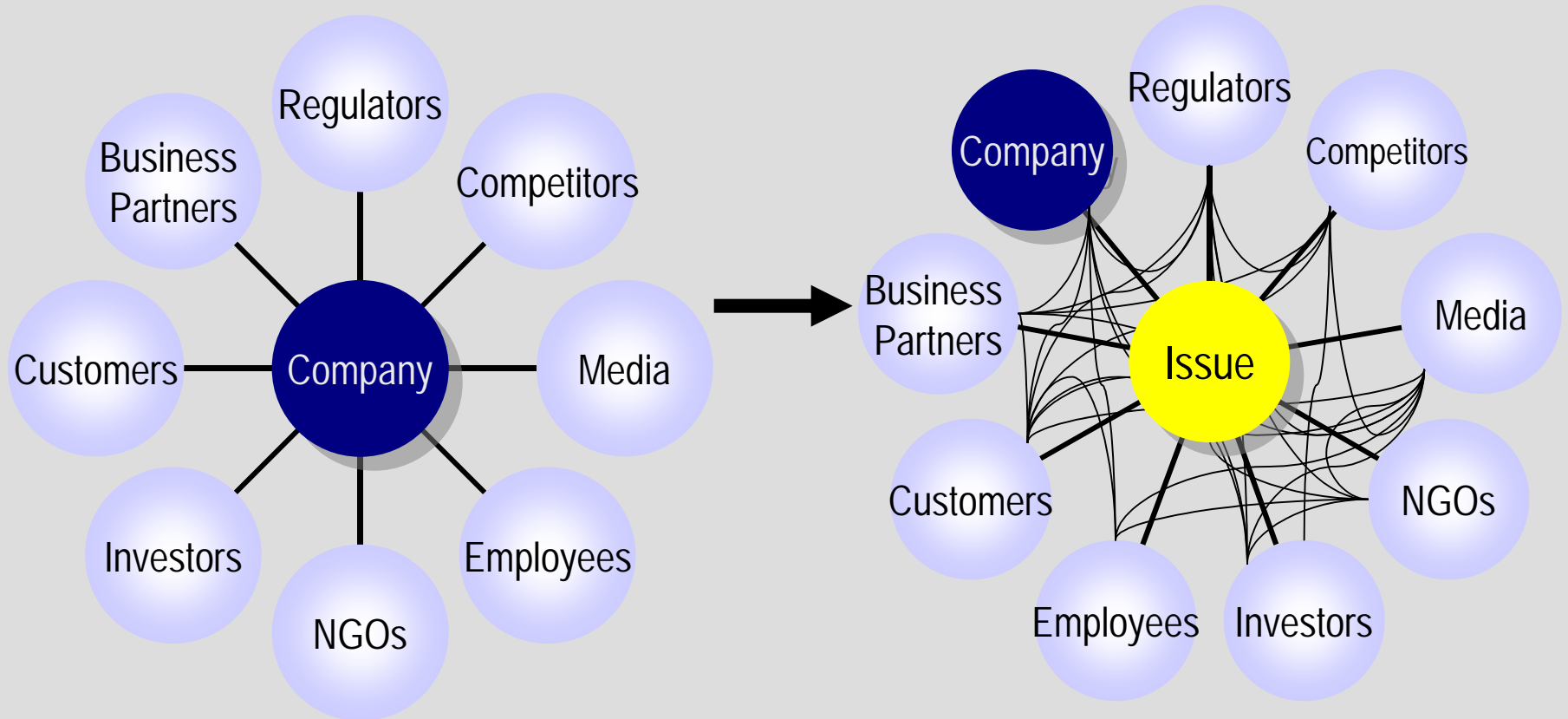
# Making a start

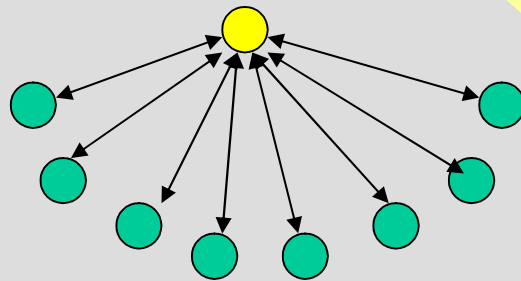
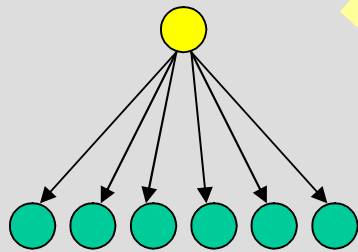
- Define your stakeholders
- Who is a legitimate stakeholder?
- Define priorities amongst stakeholders
- Manage stakeholder demands and dialogue
  - especially if they disagree
- Monitor and respond to priorities
- But what if stakeholders are wrong?

# Stakeholders' vantage point

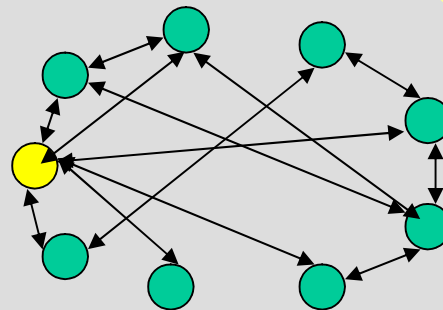


# Stakeholders' vantage point





**Multi-level partnerships**



**Hierarchy**

**One-way  
Information  
flow**

**Engagement**

**Two-way  
Information  
flow**

**Networks of trust**

# CSR Asia's Stakeholder Engagement Process

**Identify**

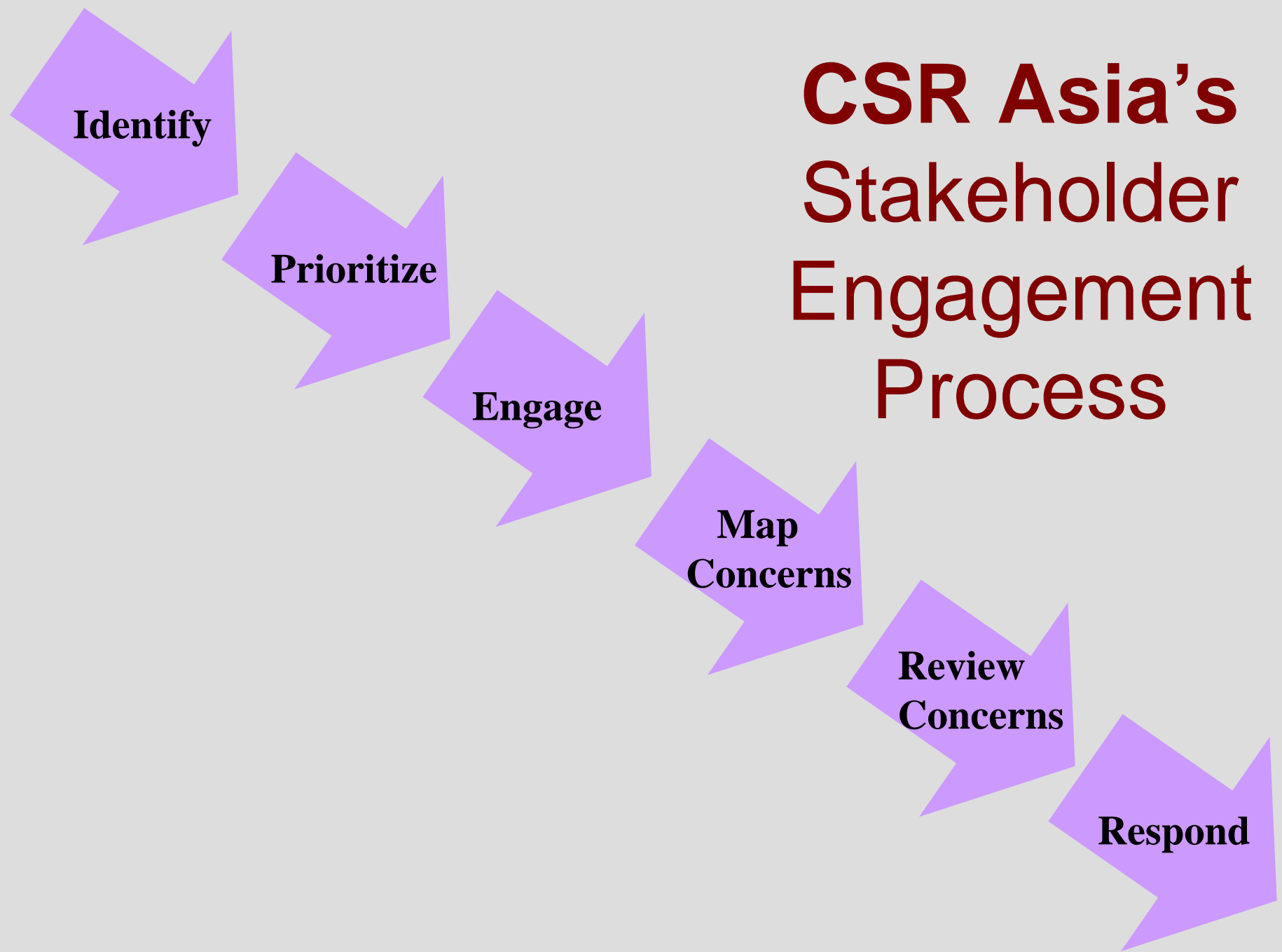
**Prioritize**

**Engage**

**Map  
Concerns**

**Review  
Concerns**

**Respond**



# Identifying stakeholders: The 6-Is

Broad type	Category	Criteria
<b>Reflective Stakeholders</b>	<b>Interest</b>	People or organisations that have already identified themselves as year stakeholder by expressing an interest in your company or concern about your activities.
	<b>Impact</b>	Stakeholders who are likely to have a big impact on your decision-making and potential performance (e.g. government regulators, shareholders).
	<b>Influence</b>	Stakeholders who are able to influence other stakeholders and the company's own management and are therefore important in helping you to attain your objectives.
<b>Strategic Stakeholders</b>	<b>Inclusive</b>	Stakeholders who are identified to make sure that your coverage of organisations, issues and views are complete and ensure that all society expectations are covered.
	<b>Informative</b>	Stakeholders who have particular knowledge about your company, industry or issues that are central to your performance now and in the future (e.g. academics)
	<b>Incisive</b>	Stakeholders who are themselves leaders highly informed such that they are able to identify and comment on future trends, priorities and critical events (e.g. other business leaders).

# The prioritisation process

- 1. Responsibility** Those stakeholders to whom the company has, or in the future may have, legal, financial and operational responsibilities.
- 2. Proximity** Those stakeholders that the company interacts with most, including internal and external parties.
- 3. Representation** Those stakeholders who can claim to represent a constituency.
- 4. Influence** Those stakeholders with influence or decision-making power.
- 5. Dependency** Those stakeholders who are directly or indirectly dependent on the company's activities and operations.
- 6. Empowerment** Since stakeholder engagement is designed to be a two-way learning process, stakeholders who can be positively impacted by the company should be included.

# Levels of engagement

1. Customer or employee satisfaction surveys, conversations with regulators and information exchanges with suppliers
2. Requests for specific feedback on issues, documents or policy papers with the purpose of incorporating them into reports
3. Involvement with so-called 'professional stakeholders' such as NGOs, academics, opinion leaders and SRI analysts
4. Structured dialogue such as multi-stakeholder focus groups, advisory panels and interviews
5. Ongoing two-way stakeholder engagement using a mechanism for regularly updating views and positions

# Engaging with Stakeholders and Effective Communication

Partnerships and ongoing engagement

10) Partner on social & environmental programmes

Involvement in business decisions & operations

Dialogue on issues

9) Third-party verification

Recognition

Third-party support

6) Endorsements

7) Awards

8) SRI listings

One-way communications

Monitoring

Degrees of engagement & dialogue

- 1) Direct marketing communications
- 2) Company expert speaking on CSR
- 3) Annual report on CSR
- 4) Advertising
- 5) Publishing op-eds



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