



Stakeholder Dialogue

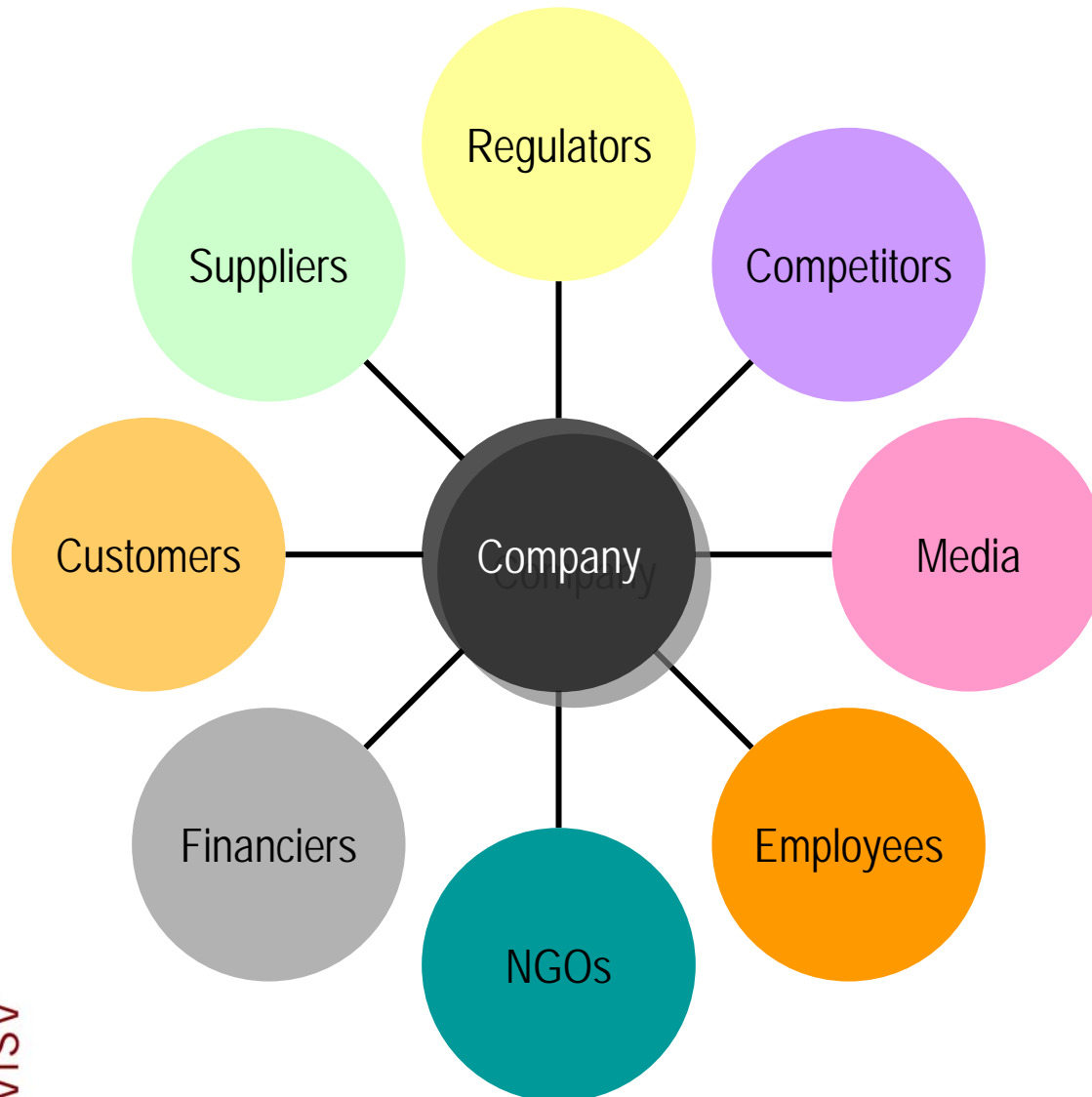
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Why undertake dialogue?

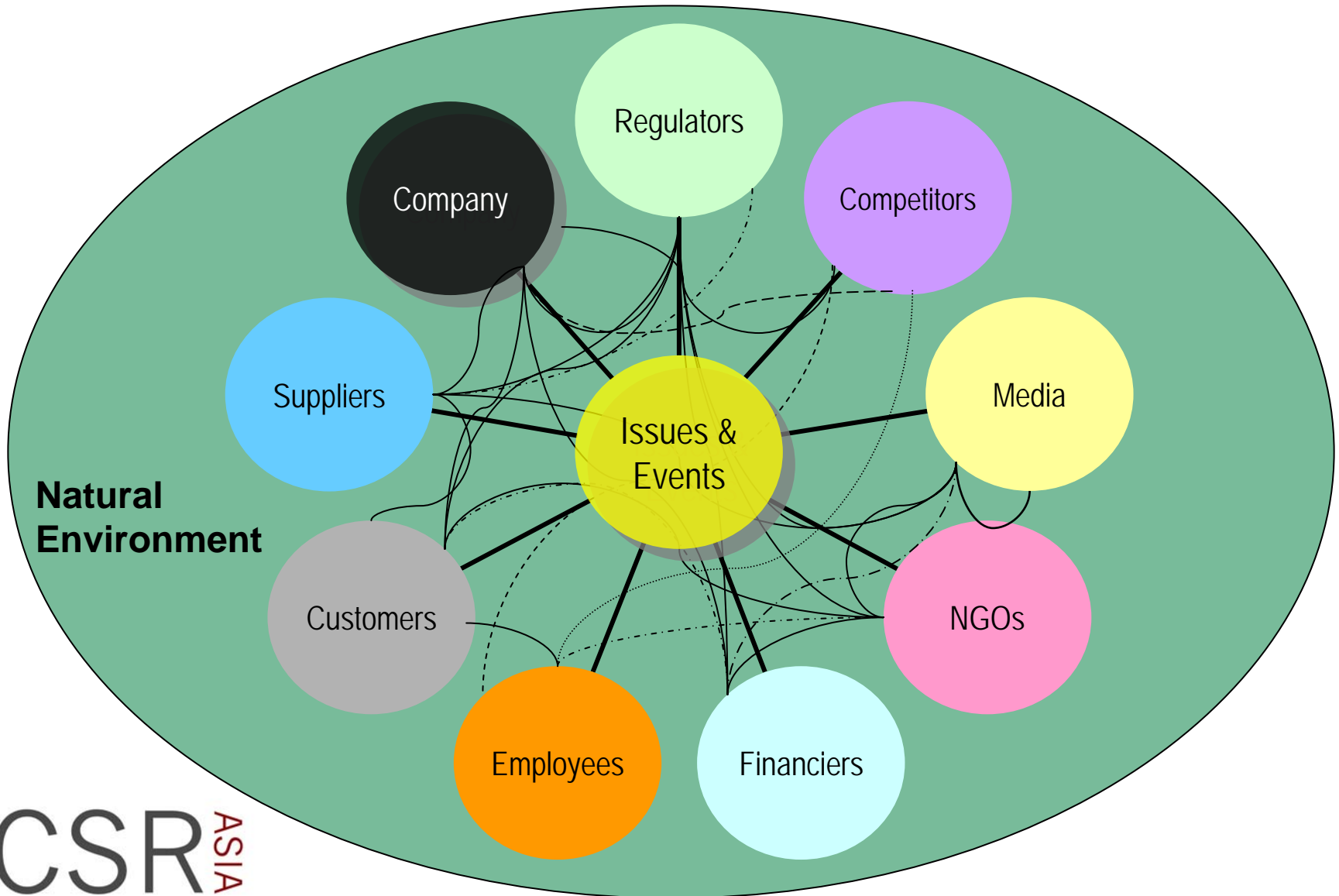
- CSR varies from location to location, industry to industry and over time
- You can only do CSR if you do stakeholder dialogue
- To survive and prosper business needs to know what is happening!
- Companies need a broad understanding of stakeholder views and patterns of (changing) demands on business

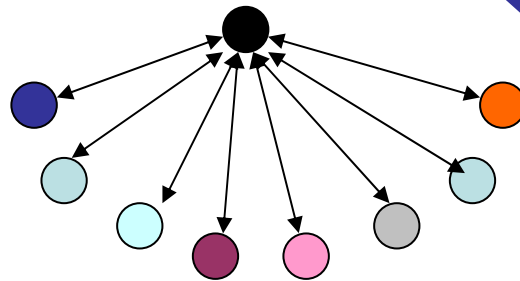
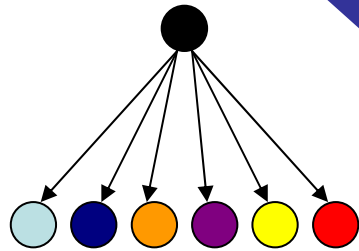


The traditional stakeholder model

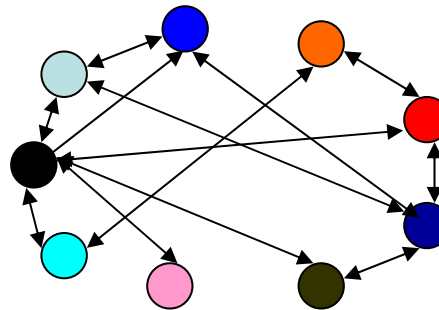


The real situation facing companies





**Multi-level
partnerships**



Hierarchy

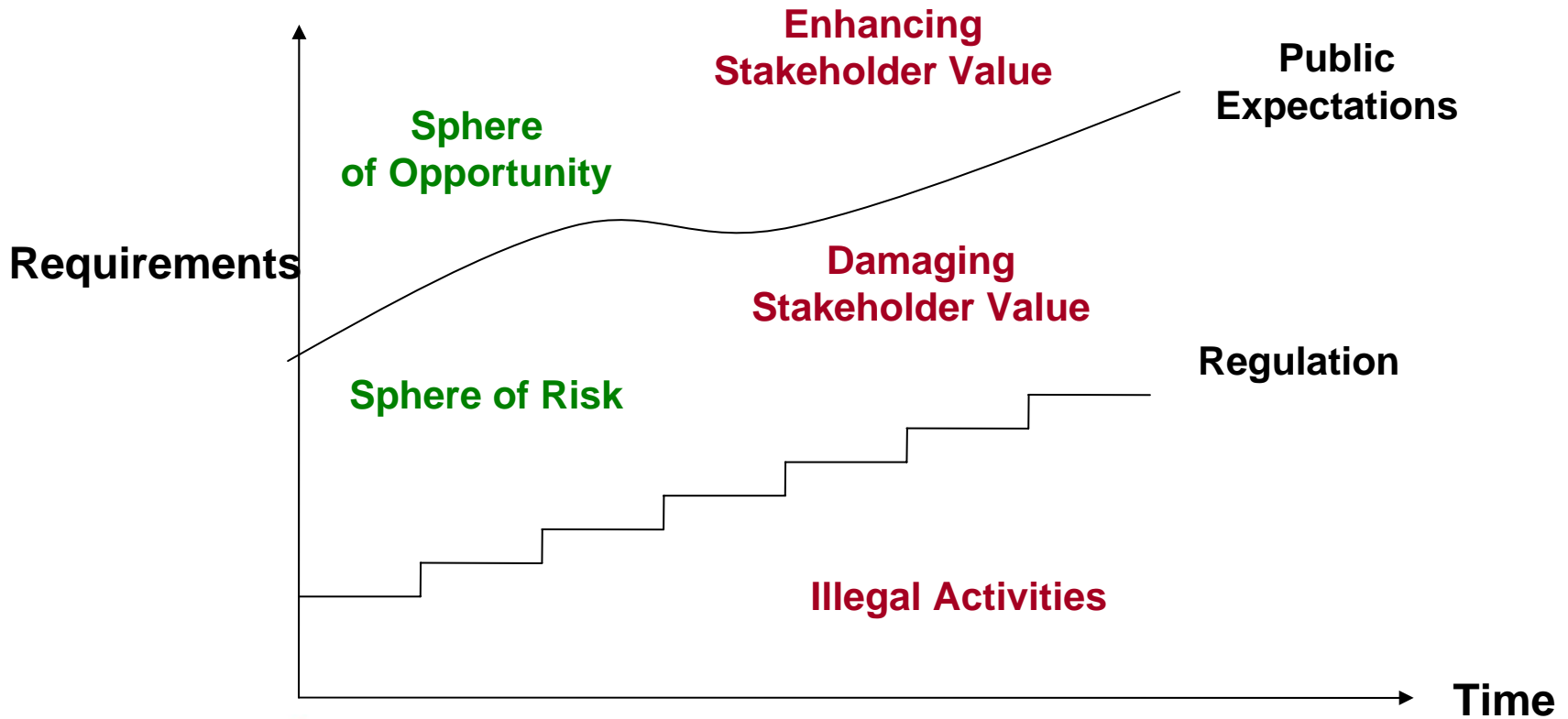
Engagement

Networks of trust

**One-way
Information
flow**

**Two-way
Information
flow**

Stakeholder value



CSR Asia's Stakeholder Engagement Process

Identify

Prioritize

Engage

Map
Concerns

Review
Concerns

Respond

Modes of engagement

- Surveys (e.g. employees, customers)
- Specific feedback on documents
- Ongoing advisory panels
- Interviews
- Focus groups
- Web-based interaction (blogs, bulletin boards)



15 factors assessed by stakeholders

Factors	Abbreviation
Published social and environmental policies	Policies
Good health and safety practices	Health and safety
Good environmental performance	Environment
Good corporate governance	Governance
Good human resource management and employment practices	HRM
Community investment and employee volunteering	Community
Codes of conduct on supply chains and factory inspections	Supply chains
Product and service responsibility and responsible marketing	Product responsibility
Philanthropy and charitable donations	Philanthropy
Support for human rights initiatives	Human rights
Partnerships with other business and NGOs	Partnerships
Adherence to international standards and guidelines	Standards
Social and environmental reporting	Reporting
Codes of conduct on bribery and corruption	Corruption
Ongoing stakeholder dialogue	Stakeholder dialogue

Overall results

Factors	Overall	
	Rank	Score
Environment	1	2.147
Health and safety	2	2.094
Governance	3	1.939
HRM	4	1.853
Corruption	5	1.843
Supply chains	6	1.684
Stakeholder dialogue	7	1.635
Policies	8	1.415
Reporting	9	1.358
Product responsibility	10	1.316
Partnerships	11	1.193
Community	12	0.980
Human rights	13	0.953
Standards	14	0.890
Philanthropy	15	0.501

The most important four factors for each stakeholder group

Businesses		Environmental NGOs		Social NGOs		Investors	
1	Health and safety	1	Environment	1	HRM	1	Governance
2	Environment	2	Policies	2	Supply chains	2	Corruption
3	Governance	3	Stakeholder dialogue	3	Partnerships	3	Reporting
4	HRM	4	Supply chains	4	Health and safety	4	Health and safety
5	Corruption	5	Partnerships	5	Environment	5	Environment

University		Media		Government		Others	
1	Corruption	1	Governance	1	Health and safety	1	Health and safety
2	Governance	2	Corruption	2	Environment	2	Environment
3	Health and safety	3	Environment	3	Corruption	3	Governance
3	Environment	3	Reporting	4	Governance	4	HRM
3	HRM	5	Health and safety	5	HRM	5	Corruption

Industry sector priorities in Asia-Pacific

Industry sector	Priority 1	Priority 2	Priority 3
Banking and finance	Corruption	Governance	Environment
Property	Environment	Health and safety	Governance
Hotels	Health and safety	HRM	Environment
Food and beverages	Health and safety	Supply chains	Product responsibility
Aviation	Health and safety	Environment	Corruption
Electronics	Health and safety	Environment	HRM
Transport and logistics	Health and safety	Governance	Environment
Apparel and footwear	Health and safety	Environment	Supply chains
Toys	HRM	Health and safety	Product responsibility

Summary

- If you are not doing stakeholder dialogue, you are not doing CSR
- Need to recognise new and complex relationships between stakeholders and the environment
- Stakeholder dialogue now increasingly expected of business (GRI, AA1000, CDM, ISO26000)
- Need for a proper methodology to ensure 'scientific' outcomes from stakeholder dialogue
- Good information is always valuable

