Chapter 3
Emerging Trends in Stakeholder Engagement and Corporate Social Responsibility Communication

ABSTRACT

This chapter focuses on the analysis of several issues linked to communication implemented by organisations oriented toward corporate social responsibility (CSR). Communication plays an important role in pursuing CSR goals and starts a process in which the organisation is pushed to rearrange the way it structures its identity. This process is centred on communication, a driving force for the creation of shared contexts between the company and its publics. In fact, the communication of CSR contents requires the full engagement of stakeholders to attain full participation in the organisation’s commitment to sustainable corporate performances. Reaching this goal is essential for the success of every kind of company. This chapter sees communication as the main pillar for building the relationship between the company and the external environment, enabling the creation of reputational capital. In particular, the chapter presents a literature review that reflects the need to prevent reputational risk by paying attention to managing growing stakeholder empowerment, since stakeholders often express their dissatisfaction and seriously endanger the company’s reputation.

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INTRODUCTION

A company’s orientation toward Corporate Social Responsibility (CSR) could be considered mature when it involves the development of meaningful and long-lasting relationships with stakeholders (Payne & Calton, 2002). To achieve its goals in terms of sustainable development, each organization must obtain the support of relevant stakeholders who not only show an interest in company activity, but also control useful resources requested by the organization (Ayuso, Ángel Rodríguez, García-Castro, & Ángel Ariño, 2011).

These stakeholders have specific expectations and exert pressure to obtain satisfaction of their needs (Blackburn, Hooper, Abratt, & Brown, 2018; Caputo & Evangelista, 2018; Coombs & Holladay, 2018; Ngu & Amran, 2018). Each organization is responsible for deciding the level of engagement it must develop with different stakeholder groups (Phillipson, Lowe, Proctor, & Ruto, 2012).

The Institute of Social and Ethical Accountability (ISEA, 2002) initially defined stakeholder engagement as the process of seeking stakeholder perspectives on a specific company.

Over the years, different definitions of stakeholder engagement have emerged (Krick, Forstater, Monaghan, & Sillanpää, 2005). Stakeholder engagement entails not only involvement of different publics implemented exclusively in response to external constraints. When it is strategically planned, it can enable the company to gain the benefits of putting into practice a broader and constant dialogue with all kind of publics able to improve mutual understanding; find effective solutions to conflicts; and reduce the potential risks generated by criticism from key interlocutors (Gable & Shireman, 2005).

Beginning with an analysis of the concept of stakeholder engagement, this chapter reflects on the main challenge of CSR communication: bridging the gap between an organization’s scope and stakeholders’ needs. Improved reputation is considered the most significant asset of CSR communication, and consequently is targeted by all CSR communication theories, the reason to reflect critically on this matter. Therefore, in order to add several insights into the field of stakeholder engagement and CSR communication, the main aim of this chapter is to understand the context for these theories and related approaches. Therefore, analysing each approach and proposing solutions, recommendations and future research directions follow.
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