

Stakeholder engagement

Understanding stakeholders' expectations and securing your reputation

“Stakeholder engagement is the starting point for effective CSR management.”

Stakeholder engagement is the foundation of effective corporate social responsibility (CSR).

Of course, nearly all organisations interact with customers, employees, suppliers and investors every day, but few carry out systematic stakeholder engagement. Through carefully planned engagement, a company learns about the perceptions and expectations of its stakeholders, and can use this insight to manage and report

its key social and environmental issues. Stakeholder engagement is therefore vital to risk management and the protection of corporate reputation.

But that's only part of the story. A systematic stakeholder engagement programme gives companies new access to the expertise and ideas of their stakeholders so these can be integrated into core business strategy and decision-making.

The csrnetwork approach

At **csrnetwork**, our approach to stakeholder engagement is based on our experience working with many of the leaders in the field of CSR and on our unique insight into corporate accountability gained through our research for the Accountability Rating™.

We help clients build a clear picture of their stakeholders' key issues – which can cover anything from labour practices to climate change – so they can be prioritised according to their potential financial and reputational impact and their urgency.

We then advise clients on the most appropriate ways of building on their existing dialogue with stakeholder groups. Key questions we work with our clients to answer are:

- Who are the key stakeholder groups?
- Who is responsible for engaging with each of these groups?
- How are the outputs of stakeholder dialogue recorded?
- Who is responsible for determining and maintaining the company's position on specific issues?
- How are the results of stakeholder engagement used to inform strategy?

Stakeholder issues can then be managed through our range of engagement tools, which we tailor to suit companies' different approaches and requirements. These tools include:

- a framework for assessing the development of stakeholder engagement arrangements within a Group and operating company structure and a toolkit for improvement
- tools that can be used to prioritise issues and track stakeholder dialogue
- a methodology for incorporating the views and expectations of stakeholders into the AccountAbility five-point materiality test to determine the company's material issues



“We provide practical tools tailored to support our clients’ stakeholder engagement programmes.”

Case study: Vodafone

Using internationally recognised standards and guidance, **csrnetwork** developed and applied a benchmark model to assess Vodafone’s stakeholder engagement. Based on this work, we made recommendations designed to help the company establish leading-edge engagement processes.

We were subsequently asked by Vodafone to develop a toolkit to assist the Group’s operating companies in developing a systematic approach to stakeholder engagement. The toolkit provides frameworks to use in mapping stakeholder groups, prioritising issues and tracking engagement activities. One of the many benefits of this work is that information about stakeholders’ concerns and successful engagement practices can be gathered and spread across the Group.

Vodafone now has a clear picture of issues relevant at Group level, and has begun developing systems at operating company level to track engagement with stakeholder groups on these issues.

Insights into stakeholder engagement

The Accountability Rating™ is a methodology developed by **csrnetwork** and AccountAbility that evaluates how well companies account for their impacts on society and the environment. The analysis involves evaluating companies in four key areas, one of which is stakeholder engagement.

We have used the Accountability Rating to carry out detailed benchmarking of

dozens of the world’s biggest companies, including many of the leaders in CSR. Specifically, we are able to evaluate and compare the effectiveness of their stakeholder engagement systems, including the extent to which stakeholder engagement is aligned with business strategy. When we work with you on stakeholder engagement, you benefit from this unique insight into engagement practices worldwide.

csrnetwork

csrnetwork is a leading consultancy that helps companies do business in a responsible and sustainable way. Our mission is to make corporate social responsibility (CSR) a reality.

We help organisations by providing services in seven main areas:

- benchmarking of CSR management and performance
- strategy development
- stakeholder engagement
- assurance of CSR and sustainability reports
- performance management
- communication (external and internal)
- responsible sourcing

Our high-calibre team of consultants offers a rich blend of skills in everything from CSR strategy to environmental auditing, and stakeholder dialogue to report development.

We have in-depth knowledge of the crucial CSR issues across all industry sectors.

Client list

- Airbus
- ArcelorMittal
- Bacardi
- Bechtel
- The Co-operative Group
- EDF Energy
- Exxon Mobil
- First Group
- Holcim
- Guardian Media Group
- HP
- ProLogis
- Royal Bank of Scotland
- RWE
- Stora Enso
- TNT
- Tokyo Electric Power
- Vodafone