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Stakeholder Engagement Through the Lens of Justification: Tools for Exploring Environmental Misconduct

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Introdução

When "unforeseen" and harmful events - such as environmental disasters - occur, organizations give sense and attempt to repair its image by employing justifications since society's taken-for-granted perceptions of an organization are challenged. Thus, organizations engage stakeholders by using justifications to give sense, direct perceptions, and mitigate the adverse effects of an "unimaginable" event. We combine stakeholder and justification theories to build an analytical model and demonstrate that organizations employ justifications as strategic tools to engage stakeholders in such cases

Problema de Pesquisa e Objetivo

Our analytical model proposes an alternative approach to comprehending a harmful event caused by environmental misconduct. Our guiding question is: In what ways can justifications be applied to understanding stakeholder engagement strategies in disruptive events?

Fundamentação Teórica

Stakeholder engagement considers relationship initiatives between companies and its interest groups. It is a process of consultation, communication, and dialogue, which can influence how organizations can develop justifications in various situations, such as crises or harmful events. The decisions taken by an organization during a crisis should provide adequate justifications to control the situation and mitigate adverse effects. We argue that in such cases, organizations employ justifications as strategic tools to engage stakeholders, giving sense and guiding (misleading) perceptions.

Discussão

We illustrate our argument by analyzing the Brumadinho dam disaster, analyzing the justifications and the stakeholder engagement strategies employed by Vale S.A.'s public statements in 2019. In addition, we also elaborate avenues for future studies applying our analytical model, shedding light on understanding how multiple perspectives interact and are dynamically organized in such disruptive events.

Conclusão

Misconduct practices, especially the ones that cause an environmental disaster, may signal to stakeholders the adoption of poor managerial practices, worsened by the reoccurrence of environmental misconduct practices. Therefore, Vale S.A.'s actions to engage interest groups by employing justifications aimed to restore its image as a trustworthy organization. The company focused on rebuilding trust and repairing its image with different stakeholder groups by employing mainly the informing and responding stakeholder engagement strategies evoking industrial and civic justifications, for instance.

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