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Toward a Conceptualization of Stakeholder Business Communication

Sang Kyun Ha, Yong-Seung Park

Kyung Hee University, Seoul, Korea

Objectives: This study aims to suggest effective business communication strategies tailored for stakeholder management in the management field. Stakeholders, including shareholders, customers, employees, partner companies, and local communities, possess varied interests which can lead to conflicts. To mitigate these conflicts and cultivate trust and collaboration among stakeholders to achieve company objectives and strategies, innovative management communication strategies are essential.

Methods: After theoretically examining the significant differences between stakeholder management theory and shareholder-centric management theories, including perspectives on the purpose of the company, the scope of stakeholders, the relationship between the company and society, and assumptions about human nature, we will propose a model of management communication strategies for practicing stakeholder management.

Results: The characteristics of the communication strategy model proposed in this study can be broadly explained through (1) building trust with stakeholders, (2) fostering participation, dedication, and a learning-oriented approach, and (3) sharing of performance information in shared value creation.

Conclusions: The theoretical significance of this study lies in promoting discussions on new business communication strategies. Its practical significance lies in providing concrete ideas to foster trust and cooperation among various stakeholders.

Key Words: Stakeholder Management Theory, Stakeholder Paradigm, Shareholder Paradigm, Business Communication, Business Ethics

Introduction

On 2019, prominent American companies such as Walmart, Amazon, JPMorgan, and Apple, participated in the Business Roundtable, where they abandoned shareholder primacy and changed their statement to "The purpose of a corporation is to serve all stakeholders." (Harrison, Phillips, & Freeman, 2020). The theme of the World Economic Forum held in Davos, Switzerland in 2020 was 'Stakeholders for a Cohesive and Sustainable World'. Stakeholder management is closely related to recent academic and business interest in environmental, social, and governance (ESG) management, which distinguishes itself as a new management strategy and governance model separate from shareholder-centric management.

ESG management is a concept that presents non-financial performance criteria for evaluating companies within the context of corporate responsibility management, moving away from the traditional perspective of assessing companies based solely on financial performance. And ESG management is a concept

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Corresponding author: Sang Kyun Ha
School of Management, Kyung Hee University, 26 Kyungheedae-ro, Dongdaemun-gu, Seoul 02447, Korea
Tel: +82-2-961-0777, **E-mail:** holly1998@khu.ac.kr

similar to concepts such as corporate social responsibility (CSR), responsible management, sustainable management, creating shared value (CSV), corporate citizenship.

Each concept has emerged with its own historical background, perspectives, and developmental trajectory. However, the background behind the emergence of each concept is the same. It arises from criticism of shareholder-centric management, which seeks to find the sole purpose of a company's existence in financial performance benefiting shareholders, within the context of neoliberalism that advocates for unrestricted free-market competition.

And stakeholder management theory, which distinguishes itself from shareholder-centric management theory, serves as the theoretical foundation for concepts such as ESG management, CSR management, sustainable management, and CSV. Therefore, for authentic implementation of ESG management practices, the values and principles of stakeholder management theory must be internalized within the management system. By practicing authentic ESG principles in this manner, companies can move away from criticism of engaging in insincere ESG greenwashing practices.

However, practicing authentic ESG management, sustainable practices, and stakeholder management is never easy. Because the understanding of internal and external stakeholders comprising a company can be highly diverse and sometimes conflicting. Therefore, to resolve conflicts among conflicting stakeholders and promote mutual cooperation, a new business communication strategy is needed that aligns with the values and principles advocated by stakeholder management theory.

The purpose of this study is to propose the concept of business communication strategy for stakeholder management practice. To achieve the objective of this study, firstly, this study will theoretically examine the significant differences between stakeholder management theory and shareholder-centered management theory. This examination will encompass aspects such as the purpose of the company, the scope of stakeholders, perspectives on the relationship between the company and society, and assumptions about human beings. Secondly, this study will propose a model of business communication strategy for implementing stakeholder management.

Review of Stakeholder Management Theory

The purpose of this study is to propose a business communication strategy for implementing stakeholder management in the business field. To achieve this goal, this study will first examine the concept of stakeholder management and compare it to shareholder-centric management to identify the differences.

The concept of Stakeholder Management Theory

In the field of management, Freeman was the first to introduce Stakeholder Management Theory. According to Freeman (1984), "Stakeholders are individuals or groups who are affected by or can affect the activities of a corporation." Furthermore, stakeholder management is defined as "a series of activities that involve identifying who the stakeholders are, determining their demands, and continuously communicating with them to apply such demands to managerial decisions."

Afterward, various scholars have researched Stakeholder Management Theory in diverse ways over the course of around 60 years (Ahlstedt & Jahnukainen, 1971; Argandoña, 1998; Bowie, 1988; Brenner, 1993; Carroll & Näsi, 1997; Clarkson, 1995; Cornell & Shapiro, 1987; Cragg, 2002; Donaldson & Preston, 1995; Freeman & Reed, 1983; Hendry, 2001; Hill & Jones, 1992; Kochan & Rubinstein, 2000; Langtry, 1994; Näsi, 1995; Phillips, 2003; Reed, 1999; Rhenman, 1964).

Stakeholder Management Theory has evolved as a distinct theory, distinct from the shareholder-centric management theory based on Chicago School of Economics' Friedman, which emphasizes 'Shareholder Primacy', and the neoclassical economic-based theories. Friedman from the Chicago School of Economics argued that shareholders are the owners of the company and that the company exists to maximize shareholder interests. However, in Stakeholder Management Theory, responsibility extends beyond just the economic interests of shareholders to emphasize the balance of interests among all stakeholders (Freeman, Harrison, Wicks, Parmar, & de Colle, 2010). In other words, by expanding the scope of responsibility to include not only shareholders but also employees, suppliers, customers, and the local community, Stakeholder Management Theory evolves into a strategic management theory that seeks to balance the interests of various stakeholders comprising the company. It argues that by pursuing this balance, both social and economic value can be achieved simultaneously.

Comparison between Shareholder-Centric Management and Stakeholder Management

Representative studies analyzing the differences between stakeholder and shareholder-centric management include Blair and Stout (1999), Kochan and Rubinstein (2000), Carney, Gedajlovic, and Sur (2011). According to their research, it can be seen that perspectives on the purpose and role of companies, the relationship between companies and society, perspectives on humanity, and the relationship between management strategy and ethics are significantly different (Table 1). Freeman, a prominent stakeholder management theorist, distinguishes between shareholder-centric management and stakeholder

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Table 1. Shareholder-centric management and stakeholder management

	Shareholder-centric management	Stakeholder management
The purpose of a business	The sole purpose of business is to make profits	Purpose, values, and ethics are as important as money/ profits
The scope of stakeholders	Business is primarily about serving shareholders, the legitimates "owners" of the business	Business is about value creation for stakeholders
The relationship between the Business and society	Business works best when allowed to operate in free and unregulated markets	Business is embedded in society and the physical world
Assumptions about humanity	Businesspersons are purely economic creatures	People are complex
Strategy and ethics	Business and ethics should be separated	Business and ethics must be integrated into holistic business models

Note. Adapted from "The power of and: Responsible business without trade-offs," by Freeman et al., 2020. Copyright 2020 Columbia University Press. Adapted with permission.

management as shown in the table below (Freeman, Parmar, & Martin, 2020).

Shareholder-centric management argues that the sole purpose of a company is to maximize profit for shareholders. In contrast, stakeholder management emphasizes a balance of interests among shareholders and various stakeholders, including not only profit but also ethical consciousness for the company's purpose, values, and collaboration for mutual benefit with multiple stakeholders.

Prominent stakeholder management theorist Freeman (1984) argues that companies are subsystems of the social system, and because companies can create value through collaboration with various stakeholders such as shareholders, customers, employees, suppliers, and the local community, it is impossible to narrowly focus management activities solely on shareholders.

Shareholder-centric management holds that the sole owners of a company are the shareholders, and stakeholders such as employees, suppliers, the local community, and customers are not more important than shareholders. The theoretical basis for such an argument is the principal-agent theory, which posits that employees and management are agents serving the owners, who are the shareholders. According to this theory, employees and management are mere agents serving the interests of the shareholders. In contrast, stakeholder management argues that not only shareholders but also employees and management are important stakeholders, and thus their rights are as significant as those of the shareholders.

Shareholder-centric management argues that companies should strive to maximize profits without regulation in a free market. In contrast, stakeholder management asserts that companies, as subsystems of the social system, should engage in management activities that align with the values, beliefs, and ethics endorsed by the society they operate in. Friedman (1962), a proponent of shareholder-centric management from the Chicago School of Economics, assumes that in a free market without government interference, companies, as the sole owners, will engage in selfish behavior to maximize the economic interests of shareholders. He argues that even though companies act selfishly, guided by the principle of profit maximization for shareholders, an "invisible hand" will ensure that the overall wealth of society increases as resources are efficiently utilized and related activities are designed without deception or fraud.

On the other hand, stakeholder management criticizes the limitations of the market's self-regulating function, arguing that the pursuit of profit maximization for shareholders often forces unilateral sacrifices upon important stakeholders who constitute the company, such as employees, suppliers, the local community, and customers. Stakeholder management criticizes that if companies enforce unilateral sacrifices of other stakeholders to maximize shareholder interests, it will lead to severe conflicts and resistance, ultimately diminishing the company's competitiveness.

Shareholder-centric management assumes a solitary individual who exists in society solely to pursue economic pleasure, detached from others. This view of human nature is presupposed in neoclassical economics. On the contrary, stakeholder management assumes that humans are not solely beings who pursue economic pleasure, but multifaceted individuals who seek meaning, fulfillment, values, and beliefs in life (Freeman et al., 2020). In other words, humans are beings who are both selfish and considerate of others, capable of making rational decisions as assumed in neoclassical economics, while also making decisions based on emotions, values, identity, and beliefs.

Shareholder-centric management argues that management and ethics should be separated, whereas stakeholder management claims that management and ethics are mutually complementary, and thus should be addressed from an integrated perspective (Freeman et al., 2010, 2020). Stakeholder management asserts that management strategy and ethics cannot be separated and, in fact, should be actively integrated. Stakeholder management advocates for integrating the strategic level of the organization with the level of its purpose. This strategy incorporates the demands of various stakeholders within the society to which the company belongs, along with principles such as the UN Global Compact's Human Rights, Labour, Environment, and Anti-Corruption, among others (Carroll, Brown, & Buchholtz, 2018).

In summary, shareholder-centric management and stakeholder management differ significantly in perspectives on the purpose of the company, the scope of stakeholders, the relationship between the company and society, assumptions about human nature, and the relationship between strategy and ethics. Due to these various aspects of differentiation, the two approaches inevitably have different business communication strategies.

Proposed Communication Strategies for Effective Stakeholder Management

Stakeholder management emphasizes the active participation of important internal and external stakeholders surrounding the company in its management activities to create a win-win synergy, leveraging cooperation between them. Furthermore, to foster the active participation of stakeholders, stakeholder management emphasizes a clear understanding of their demands and encourages proactive management activities to address them effectively. Therefore, the characteristics of corporate governance pursued by stakeholder management are participation, cooperation, and diversity. Some related studies refer to stakeholder management as participatory management or democratic management (Moriarty, 2014). Therefore, the shift from shareholder-centric management to stakeholder management signifies structural changes in the management system, necessitating a new dimension of corporate communication.

Shareholder-centric management aims solely for financial performance for the benefit of shareholders and follows management systems and organizational principles focused solely on acquiring, processing, and distributing resources. Furthermore, shareholder-centric management perceives the external environment surrounding the company as objectified entities outside the company, viewing actors in the economic ecosystem as opportunistic agents capable of selfish behavior at any time. Therefore, it often adopts passive and defensive communication styles or communication strategies focused on risk and crisis management.

However, stakeholder management aims to balance the interests of all stakeholders involved in the company, viewing the company as a social institution connected to various stakeholders surrounding it. It recognizes these relationships as bi-directional causal relationships. Therefore, it advocates for communication focused on integration and balance rather than division and disconnection. Furthermore, stakeholder management emphasizes collaboration among diverse stakeholders. This is because fostering cooperation requires not only reconciling conflicting interests but also minimizing opportunistic behavior from selfish actors, which is crucial for effective collaboration.

In situations of the prisoner's dilemma, individuals often choose betrayal over cooperation because they possess only perfect information about the short-term benefits they will receive, given the inability to communicate with each other (Kang & Kim, 2013). Therefore, to overcome such dilemmas, it is necessary to institutionalize communication that promotes cooperation.

In terms of game theory, Ostrom is a prominent theorist who researched cooperation and conflict among individuals within communities, similar to the Prisoner's Dilemma. Ostrom, who researched a third alternative beyond direct government intervention and market-based solutions through property rights for overcoming the tragedy of the commons, argues that self-governing communities exist to prevent resource depletion and environmental degradation. According to her, these communities can effectively control the pursuit of short-term self-interest through mutual monitoring and sanctioning based on trust among community members (Ostrom, 1990).

Ostrom assumes reciprocal humans, departing from the mainstream economics and shareholder-centric management's premise of completely rational and self-interested choices. Through laboratory experiments and field studies, she suggests that humans engage in cooperative behavior within mutual relationships, rather than living as isolated entities excluded from societal networks. In other words, it suggests that individuals reciprocate cooperative behavior when others cooperate and respond with non-cooperation when others act opportunistically. It asserts that fostering face-to-face communication is crucial to encourage such individuals to participate in and dedicate themselves to the interests of the community (Kang & Kim, 2013; Ostrom, 1998, 1999, 2009).

In summary, for a successful transition from shareholder-centric management to stakeholder management, it is necessary to move beyond the communication assumptions inherent in shareholder-centric management and embrace a new dimension of communication. Therefore, the following communication model is proposed: The characteristics of stakeholder business communication model can be broadly categorized into

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(1) Building Trust with Stakeholders, (2) Encouraging Participation, Dedication, and Learning Orientation, and (3) Sharing of Performance (Table 2).

Building Trust with Stakeholders

The shift from shareholder-centric management to stakeholder management represents a systemic innovation, also known as archetypical innovation. This systemic innovation involves uncertainties and ambiguities, leading to resistance to change from stakeholders. Therefore, companies must use effective communication to instill stakeholders with confidence and trust in the vision of transitioning to stakeholder management. Therefore, businesses must provide assurance to all stakeholders within the company that through mutual prosperity and collaboration, everyone can thrive. To achieve this, businesses should engage in communication with stakeholders to share the company's purpose, vision, and values.

The purpose of a business refers to its reason for existence, answering the question, "What do we exist for in society?" (Freeman, 1984), The purpose of a business is defined by identifying what products and services align with the universal ethical consciousness pursued by a society and how these products and services will contribute to the development of the social community. Here, the demands of various stakeholders in society and the ten principles of the UN Global Compact, which include human rights, labor, environment, and anti-corruption, are reflected (Carroll et al., 2018).

Vision is a concrete depiction of the future state of the company. Companies practicing stakeholder management depart from a singular vision based solely on financial performance. Instead, they define a future vision that realizes the collective interests of diverse stakeholders constituting the company, thus embodying a vision for societal consensus and share it.

Values are the beliefs and principles that a company aspires to, serving as guidelines for both actions to be taken and actions to be avoided, thereby functioning as decision-making guidelines.

In summary, the purpose is to answer the 'why' question of 'Why does a company exist?'. The vision is to answer the 'what' question of 'What do we want to create in the future?' Values answer the "how" question of 'How will we reach the desired future?' (Mirvis, Googins, & Kinnicutt, 2010). The purpose, vision, and values of this kind operate as frameworks for making sense of organizational identity and circumstances. This is important because they serve as mechanisms that promote interpreting meaning, attributing significance, and facilitating action within ambiguous and uncertain organizational environments. In other words, it is important because it operates as a framework for interpreting events and phenomena occurring both within and outside the organization, enabling the attribution of meaning and interpretation (Weick, 1993). The term "framework of reference" here refers to the mental models applied when interpreting the internal and external environments surrounding the organization. When all stakeholders share such mental models of understanding, the boundaries of identity extend beyond the physical and legal limits of the organization, transcending them (Santos & Eisenhardt, 2005). Because companies are subjectively and socially constructed. This means that through the sharing of meaning among internal and external stakeholders and the sharing of identity, trust is established. Not only that, but it also implies that the effectiveness and efficiency of communication are increased, minimizing unnecessary conflicts and costs. Therefore, in this study, we can formulate the following proposition:

> **Proposition 1**: Companies practicing stakeholder management have clearly defined their purpose, vision, and values, and they share them with internal and external stakeholders, thereby fostering trust.

Companies practicing stakeholder management not only clearly articulate their purpose, vision, and values and share them with internal and external stakeholders but also define a strategic framework aligned with these elements to create shared value. They then share this framework with stakeholders. A CSV strategy is a model that emphasizes symbiotic relationships between companies and their internal and external

Table 2. Strategies for business communication with Stakeholders

Agenda	Stakeholder business communication strategy
Building trust with stakeholders	Proposition 1. Communication of purpose, vision, and values Proposition 2. Communication of creating shared value's strategy
Encouraging participation, dedication, and learning orientation	Proposition 3. Relationship-oriented communication Proposition 4. Proactive, preemptive, open communication for learning
Sharing of performance	Proposition 5. Communication of financial and non-financial performance Proposition 6. Continuous Communication for joint benefit sharing through formal and informal channels

stakeholders, moving away from traditional zero-sum strategies such as industrial structure theory and resource-based theory (Porter & Kramer, 2011). In other words, CSV strategy is based on the premise of a symbiotic relationship between society and the company, aiming to create value that is shared by all stakeholders. It proposes practical approaches such as (1) reinterpreting products and markets, (2) redefining the value chain, and (3) establishing regional industry clusters to achieve this goal. A CSV strategy to avoid becoming an empty CSR theory and to be implemented in the business field, it is essential for both internal and external stakeholders of the company to share the relevant strategic framework. Therefore, we can derive the following proposition:

Proposition 2: Companies practicing stakeholder management define a strategic framework aligned with their purpose, vision, and values, focusing on shared value creation. They share this framework with stakeholders, fostering trust.

Encouraging Participation, Dedication, and Learning Orientation

Stakeholder management strategy is fundamentally a process of deriving strategies formed through learning and evolution within an interconnected corporate ecosystem. It involves translating these strategies into action. To implement such strategies, the involvement and dedication of stakeholders in the company's production activities are required. To put such strategies into practice, the participation and dedication of stakeholders in the company's production activities are necessary. Furthermore, to promote their participation and dedication, a new form of communication within the company is needed. This entails a transition from functional communication to relational communication.

Functional communication refers to PR communication and marketing communication aimed at forming a positive image of the company (Cyron, 2021). Functional communication may take the form of a conversation outwardly, but it tends to prioritize unilateral transmission of information rather than mutual understanding. According to Habermas' theory of communicative action, strategic communication refers to exerting influence on others to achieve one's own intentions (Habermas, 2006). Strategic communication fundamentally involves framing the counterpart as the target of strategy within the dynamic of subject and object, utilizing incentives and influence to gain consensus (Ha, 2009, 2016).

While language is still employed in such strategic communication, the emphasis lies more on exerting influence over the counterpart rather than the validity of the argument (Habermas, 2006). Externally, it may seem like communication is being valued, but internally, it faces criticism as a strategically veiled linguistic act with specific intentions concealed (Ha, 2016). On the other hand, relational communication revolves around mutual subjectivity between subjects, emphasizing mutual understanding and egalitarian dialogue within this framework. It entails practicing reciprocal questioning and active listening for mutual understanding. As a result, it becomes possible to share identities, beliefs, and values between parties, and the conversation itself acquires ethical value.

According to Habermas' theory of communicative action, this form of communication attains legitimacy based on mutual agreement. In other words, communication involves not merely conforming to one-sided assertions, but ensuring that all participants in the conversation have equal rights to speak and opportunities to argue or refute (Kim, 2016). Through this form of communication, both parties establish mutual trust and legitimacy in their communicative acts. Therefore, we can derive the following proposition:

Proposition 3: Companies practicing stakeholder management go beyond functional communication and engage in relational communication (such as bidirectional and feedback-oriented communication) with both internal and external stakeholders, fostering participation and dedication.

When relational communication between the company and stakeholders promotes the participation and dedication of stakeholders, it serves as the foundation for organizational learning and evolution. Through such learning, companies develop and implement distinctive management strategies. Senge (2014) contends that through learning, individuals come to reconceive the world and their relationship with it, asserting that such learning can cultivate the ability to create. And in this context, he defines a learning organization as an organization that continually expands its capacity for creating the future. In other words, a learning organization refers to an organization where members continuously learn together and share methods of learning (Park, 2021).

For this type of organizational learning to take place, individual learning at the level of questioning and inquiry must precede it, because individuals are the agents of organizational learning (Argyris & Schön, 1978; Kim & Yoon, 2012). Individual learning can be broadly categorized into single-loop learning, where apparent mistakes are corrected without challenging the governing values that dominate the individual and the organization, and double-loop learning, where individuals challenge and question the values that govern both themselves and the or-

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ganization, developing new alternative values and perspectives (Argyris, 2002; Argyris & Schön, 1978).

The difference between the two types of learning can be likened to an automatic temperature control device installed in an office. Single-loop learning involves reflexively adjusting the office temperature based on the preset temperature settings. On the other hand, double-loop learning entails reflecting on why the office temperature is set at its current level and potentially resetting the temperature settings accordingly. To foster double-loop learning beyond single-loop learning, it is essential to reflect on mistakes and be able to challenge past dominant values. In this process, dialogue among members is crucial (Argyris & Schön, 1978; Kim & Yoon, 2012). The meaning of dialogue is to engage in deliberative communication where members openly and honestly share new information from a mutually horizontal perspective, allowing questioning and feedback to challenge existing dominant values and normalized norms within the organization.

Through deliberative communication, companies and stakeholders can not only build mutual trust but also learn together. This enables the formulation of distinctive strategies, ultimately enhancing the effectiveness and efficiency of the company. Consequently, the interests of all internal and external stakeholders, including shareholders, employees, partner companies, local communities, and customers, can be improved. Especially in today's rapidly changing external business environment with increased uncertainty, organizational learning that strengthens or revises past dominant values, beliefs, and behaviors is crucial for companies to survive and continuously evolve. Therefore, it is necessary to move away from passive, reactive, defensive communication in the dimension of stakeholder-related risk or crisis management, and instead embrace proactive, preemptive, and open communication with stakeholders from the perspective of learning, evolution, and the formulation of distinctive strategies. Hence, we can derive the following proposition:

Proposition 4: Companies practicing stakeholder management engage in proactive, preemptive, and open communication with internal and external stakeholders, fostering a learning organization that creates new knowledge. They utilize this new knowledge as a resource for formulating distinctive strategies.

Performance Information Sharing

Stakeholder management presupposes a positive-sum game, aiming for a balance of interests among all internal and external stakeholders, rather than assuming a zero-sum game among them. In essence, it emphasizes maximizing shared value through management activities and distributing it equitably. Therefore, the transition from shareholder-centric management, which emphasizes maximizing profits only for shareholders, to stakeholder-centric management signifies a shift towards management that overcomes the dilemma of conflicting interests among various stakeholders and achieves greater common ground through collaboration.

The theory of the Prisoner's Dilemma has two main implications. Firstly, the cause of the Prisoner's Dilemma lies in the asymmetry of information among relevant stakeholders, necessitating communication measures to overcome this. Firstly, the cause of the Prisoner's Dilemma lies in the asymmetry of information among relevant stakeholders, necessitating communication measures to overcome this information asymmetry. Related stakeholders must share not only financial performance information, but also non-financial performance information related to E (environment), S (social), G (governance). Through this, they must overcome the Prisoner's Dilemma. Therefore, the following proposition can be derived:

Proposition 5: Companies practicing stakeholder management share both financial and non-financial information with internal and external stakeholders.

The second implication of the prisoner's dilemma theory is that the outcomes after a cooperative game are less favorable than the utility gained from betraying the other party. Therefore, companies need to develop measures to manage the betrayal of stakeholders.

The basis for such an argument can be found in Olson's theory of collective action and Ostrom's theory of governing the commons (Olson, 1965; Ostrom, 1990).

Olson criticized the optimism of collective action theory. Optimism in this context refers to the belief that individuals will cooperate in pursuit of a common interest. Olson argued that without mechanisms to compel individuals to act for the common good, they would pursue selfish interests. In other words, his argument suggests that when conflicts arise between collective interests and individual interests, institutions are needed to compel individuals to sacrifice their selfish interests and pursue common interests. In other words, it suggests the need to establish mechanisms that encourage individuals to choose long-term common interests over short-term individual gains within the tension between short-term individual benefits and long-term collective interests (Bridoux & Stoelhorst, 2022, 2016; Ostrom, 1990).

Therefore, to prefer collective interests over individual gains and long-term benefits over short-term gains, it is necessary to define the long-term benefits that will be obtained through the practice of stakeholder management, and to constantly share them through formal and informal channels. In summary, it is necessary to minimize opportunistic behaviors and betrayal actions of certain stakeholders and promote the pursuit of cooperative long-term benefits. Therefore, the following proposition can be derived:

Proposition 6: Companies practicing stakeholder management define long-term mutual benefits between the company and stakeholders through cooperation, and they consistently share this through formal and informal communication channels.

Conclusion

Stakeholder management moves beyond the narrow reductionist view of businesses from the perspective of neoclassical economics, viewing businesses as subsystems within an open system and a social system. It emphasizes interdependent relationships with various stakeholders (Ackoff, 1994; Freeman, 1984). Rather than narrowly viewing businesses as internal management activities, stakeholder management presupposes that businesses are situated within external systems and interdependent relationships. Therefore, for the survival and prosperity of a business, communication and collaboration with external stakeholders must be considered critically. As a result, stakeholder management aims to foster coexistence and mutual benefit with various stakeholders such as shareholders, employees, partners, local communities, and customers, each with diverse interests.

However, understanding from both internal and external stakeholders such as shareholders, customers, employees, suppliers, and the local community varies greatly and often becomes the source of conflicts. Therefore, in order to resolve such conflicts and foster mutual trust and collaboration among all stakeholders for the pursuit of corporate objectives and strategic implementation, new business communication strategies are necessary.

The characteristics of the communication strategy model proposed in this study can be broadly explained by (1) building trust with stakeholders, (2) fostering participation, dedication, and a learning orientation, and (3) sharing outcomes and shared value. Through such business communication strategies, companies will be able to resolve conflicts among various stakeholders, ultimately enabling successful implementation of the company's objectives and management strategies.

Stakeholder management theory serves as a theoretical foundation for various contemporary management systems such as CSR, CSV, corporate citizenship, and ESG management, which have garnered significant interest in both academia and industry. Understanding the conditions that need to be considered when constructing each of these new management systems can be facilitated by stakeholder management theory. However, discussions on business communication strategies that promote conflict resolution, trust building, and mutual cooperation with various stakeholders have been scarce.

This study holds theoretical significance by stimulating conversations about innovative business communication strategies for stakeholder management paradigm. Additionally, it offers practical value by presenting tangible methods to enhance trust and collaboration among diverse stakeholders.

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