

**NPTEL
NPTEL ONLINE CERTIFICATION COURSE**

Course Name

Strategic Communication for Sustainable Development

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**Lecture 14: Role of Stakeholders in
Strategic Communication for
Sustainable Development**

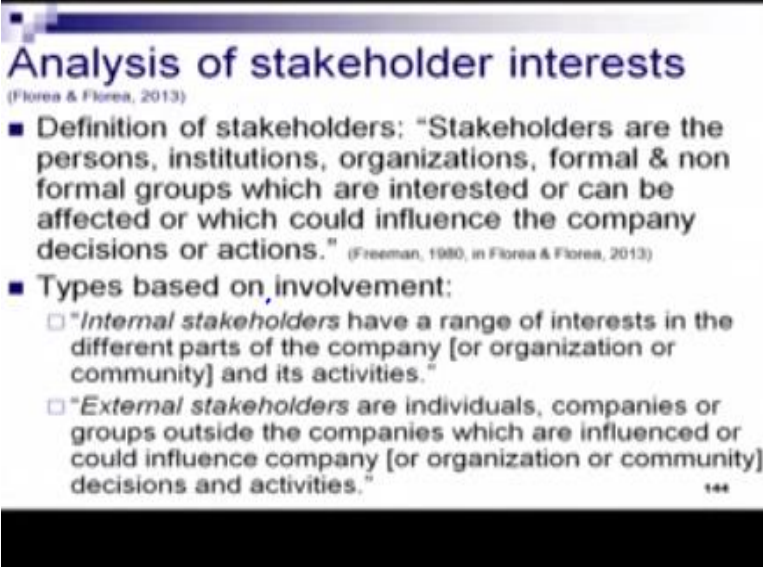
Welcome back to the course titled Strategic Communication.

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For Sustainable Development, my name is Aradhna Malik and I am helping you with this course.

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Analysis of stakeholder interests
(Florea & Florea, 2013)

- **Definition of stakeholders:** "Stakeholders are the persons, institutions, organizations, formal & non formal groups which are interested or can be affected or which could influence the company decisions or actions." (Freeman, 1980, in Florea & Florea, 2013)
- **Types based on involvement:**
 - "Internal stakeholders have a range of interests in the different parts of the company [or organization or community] and its activities."
 - "External stakeholders are individuals, companies or groups outside the companies which are influenced or could influence company [or organization or community] decisions and activities."

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And today we are going to talk about Stakeholders, we will talk about Stakeholders are how are they categorized, how do he talk to them we have been talking about the different elements of Strategic Communication in Sustainable Development, and how we can strategize different techniques of Communication for Sustainable Development. So today we are going to discuss some more issues regarding this.

Now when we talk about Sustainable Development we are talking about people, we are talking about what we can do to help Communities, what we can do in order that the Communities are empowered to take on the responsibility or they are empowered to deal with the problems in a manner that is ongoing. So, you know not only corrective measures but also preventive measures are taken by communities. So they are ultimately comfortable, what are we focusing on here. We are focusing on the comfort of human kind.

We are focusing on the well being of human kind, we are focusing on the welfare of people around us. That is why we are doing any of this work right. It is not for our own personal growth, at the end of it all our final goal is to ensure, is to facilitate that the community that we live in is comfortable and what is the community made of, it is made of people, it is made of, you

know and who was stakeholders, stakeholders are the people in the community who are going to be affected who are already affected by the state that the community is in, there is something in the environment that is making the people in the community, uncomfortable and we are going to help make remove those things that are making people uncomfortable and bring the state back to or resolve the states to a point where the environment comes comfortable.

And who is the environment, what is the environment made of, or what are the different aspects of the environment, they are like, you know the three pillars of sustainability which is people planet and profit or the social fabric, the environment, and the economic state or the economic environment that the community functions in. So once all three things are in a state of equilibrium with respect to each other, then, you know the problem will not exist.

But because of the dynamic nature of each of these three aspects of any community new problems keep coming up and we are trying to facilitate the removal of current problems and prevention of future problems. So that is why we are so concerned about Stakeholders and when there are people they will be communication. How do people stay with each other, how do they connect with each other, who are they in relation to each other is determined by how they communicate with each other and that is the role that communication plays in this. And anybody who is affected in any manner is defined as a stakeholder in that situation.

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So, let us go through some definitions here, a definition proposed by Freeman in 1980 as Sighted by Florea & Florea in 2013. In their paper is stakeholders are in the persons, institutions, organization, formal and non-formal groups which are interested or can be affected or which could influence the company decisions or actions. Now this is in the context of an organization. We can extrapolate this definition, we can apply this definition to the context of any community.

Anybody who is affected or is interested in the community for any reason what so ever, or anybody who could influence what is happening in the community for any reason what so ever is known as a stakeholder. People who have a stake in the organization in the community, in the society, anybody who has some influence over how the community behaves. For example let us take the example of a school that your part of IIT Kharagpur for example.

It is not only a college it is also, you know our stakeholders are the current students definitely the current students, the faculty, the staff who are living here our stakeholders to a large extent are also our alumni. Especially the alumni who want to stay connected, why because the alumni are bearing the name of IIT Kharagpur with them. They go and if somebody asks them who they are,

they say we are graduates, we of IIT Kharagpur. We passed, we finished our bachelors, masters, PhD from here, we did our post off here.

So anybody who was ever been connected with IIT Kharagpur is a stakeholder of the going zone in IIT Kharagpur, because it can affect the way the world perceives them, that is, you know of course from a far tangentially. But as long as the use or they feel connected or they feel affiliated to IIT Kharagpur they are the stakeholders of anything that happens in IIT Kharagpur okay. Similarly the community, the people who live around our campus are also stakeholders.

Because the people who come and go, the roads that are build, the resources in the community that are used by people living within the IIT Campus which has, you know thousands of people living on it can influence what happens outside, we also provide a livelihood to the people staying around the campus. We have people coming into help us, you know so we have shopkeepers and we have helpers in the house and we have a different technicians of various kinds.

And many times when we have functions here on campus and we use loud speakers, we are told to do not down the volume after I think it is 10'o clock in the night which is low of the land. So that the community is not disturbed because the sounds goes outside. So, you know any time a dignitary high profile person visits the campus, the campuses got do not off the road around it is affected the people around it are affected.

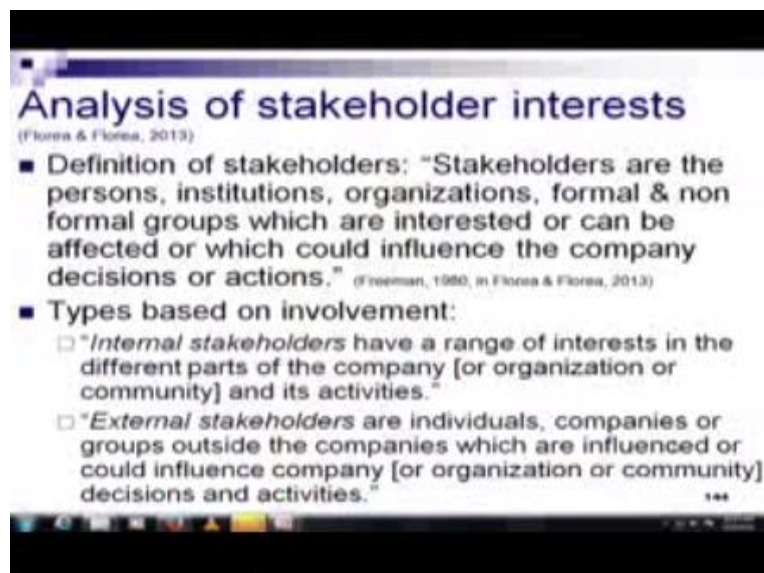
So everybody who is living in the vicinity of IIT Kharagpur is affected by IIT Kharagpur and what goes on in our campus. So when we talk about of a community we are talking about anyone who is going to be affected by it. Similarly aspiring students at IIT Kharagpur would become or people who want to be students at IIT Kharagpur would be affected by what goes on in IIT Kharagpur.

People who are earning their PhDs in different disciplines in other colleges and institutes who want to come here as faculty or as research, staff are also stakeholders at IIT Kharagpur okay. So anyone who wants to be connected also becomes a potential stakeholder. Then, you know

because what happens in the campus can affect how they will be perceived when they apply for a job. Then the local politicians, because of the community living here are stakeholders.

The government is the stakeholder, because, you know we are after all of part of a setup here. So everything and anything, you know connected within the physical geographical region of IIT Kharagpur anything that is around IIT with the entire Kharagpur town is a stakeholder in some indirect manner. So anybody who is connected with a community becomes a stakeholder.

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Now let us look at the different types of stakeholders. The, based on the involvement, the level of involvement we could have internal stakeholders and we could external stakeholders. Internal stakeholders have a range of interest in different parts of the company or organization or community and its activities. So all people, all students, faculty, staff, at IIT Kharagpur are the internal stake holders.

Then we come to external stakeholders, external stakeholders are the individuals, companies or groups. Outside the companies, or organizations, or communities, which are influenced by or could influence the organization or communities decisions and activities. So people living

around the campus, so whatever we do on the campus can have an effect on the way people live outside the campus.

If we build a wall around it, you know we have a fly over that just outside our main gate. So when the fly over was built, the fly over has been built to facilitate the large volumes of traffic in this region. And there are two big railway crossings just outside our main gate. So, you know that was because of the large volume of traffic coming into the campus and going around the campus to the neighboring regions a fly over was built.

Now the fly over being built affects the people inside and the people outside the campus. So we say this is our fly over and people around the Kharagpur campus say no it is our fly overs we have a little bit of ownership and anybody is being, you know anybody outside the campus who is indirectly being affected becomes a part of the whole set up becomes an affecting becomes a stakeholder in this whole process. So anything, so these are external stakeholders.

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Categories of stakeholders based on how they are influenced by decisions/ actions (Florea & Florea, 2013)

- "Primary stakeholders are the people or groups which are directly affected, in a positive or negative way, by a strategy, decision or action of a company, organization [or community]."
- "Secondary stakeholders are people or groups that are indirectly affected, either positively or negatively by a company [or organization or community] decision or action."
- "Key stakeholders play an important role in [the] decision making process & also in its implementation because they are involved in company management or financing [or management & financing of the organization or community], [e.g.] policy makers, officials, important professionals or community personalities having a strong position or influence."

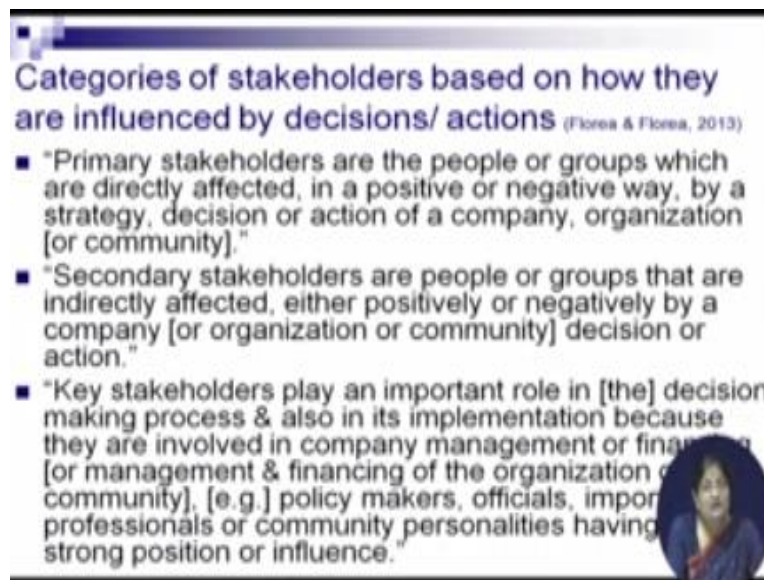
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Then categories of stack holders based on how they are influenced by our decisions, we could have primary stakeholders, who are the people or groups which are directly affected in a positive

or negative way, by a strategy, decision or action of a company, organization or a community. So these are people who are going to be directly influenced by the decisions we take. For example, the grading policy, the grading policy will directly affect the teachers who are going to grade the students and it will also affects the students whose grades are going to be affected.

So these are the primary stakeholders and in most cases the primary stakeholders will be the people inside an organization or in a community.

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Then we have secondary stakeholders, secondary stakeholders are people or groups that are indirectly affected either positively or negatively by a company, or organization, or community decision, or action. For example, if we decide to be very, you know, if we decide to change our grading policy the way the parents of our students will perceive IIT Kharagpur will could change, because our grading policy has changed.

And so, because the children are being affected and the parents are at least till the under graduate level the parents are paying the fees of their children. The parents could be the secondary stakeholders if the grading policy is changed because their perception of how hard their child has

to work will change their impact of the child's grade will be on the parents also they will want the child to get a good grade and if because of the change in policy the child gets a better grade or worse grade it is going to affect the parents also. So they become the secondary stakeholders.

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Then we have the key stakeholders, key stakeholders play an important role in the decision making process and also in its implementation, because they are involved in company management or financing or management and financing of the organization or community. For example, the policy makers, the officials, the important professionals or community personalities having a strong position or influence. So as far as the policies of our institute are concerned and the key stakeholders are the senior administrators within the institute and the government. IIT does not allow anyone else to influence its decisions.

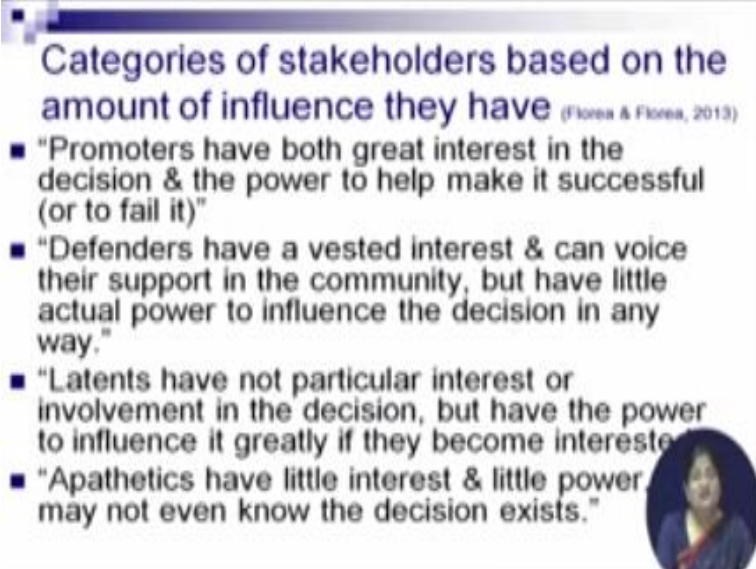
So, you know IIT is very firm on that, but outside, you know, the other at least as far it is grading and, you know remuneration policies are concerned. But as far as the other policies are concerned as to who is to be let in, you know who is supposed to come in work inside the campus, how are the visitors to the campus treated all that could be influenced by what the community says to the IIT campus to facilitate community participation, to facilitate or to

encourage the people around the IIT campus and within, you know to facilitate the cottage industries around.

We have various types of fears going on in the campus where people are given special permission to come and exhibit their where, so the IIT community benefits from it and the people living in the region also benefit from it, because we have, we buy stuffs from them. And so both benefits of that kind of decisions could be influenced by the people around the campus by the, maybe the co operative societies of these small and medium industries in the region around IIT Kharagpur.

So those could be the key decision makers then, you know so various firms. So, you know what, that anybody who has a say in the decision making process becomes a key stakeholder.

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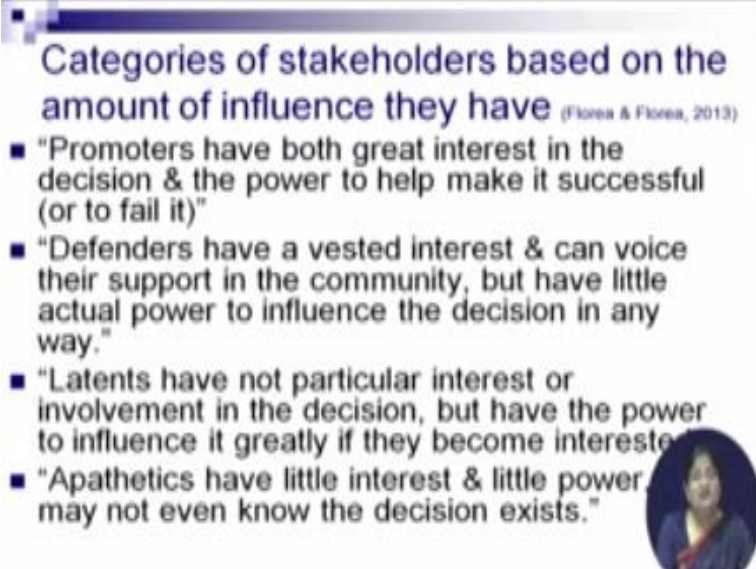


Categories of stakeholders based on the amount of influence they have (Flores & Flores, 2013)

- "Promoters have both great interest in the decision & the power to help make it successful (or to fail it)"
- "Defenders have a vested interest & can voice their support in the community, but have little actual power to influence the decision in any way."
- "Latents have not particular interest or involvement in the decision, but have the power to influence it greatly if they become interested."
- "Apathetics have little interest & little power may not even know the decision exists."


Categories of stakeholders based on the amount of influence they have promoters. So how much of influence do the people have, promoters have both great interest in the decision and the power to help make it successful or to feel it. So these are the promoters, people whose voice matters, and they have a personal interest in the decision that is being made.

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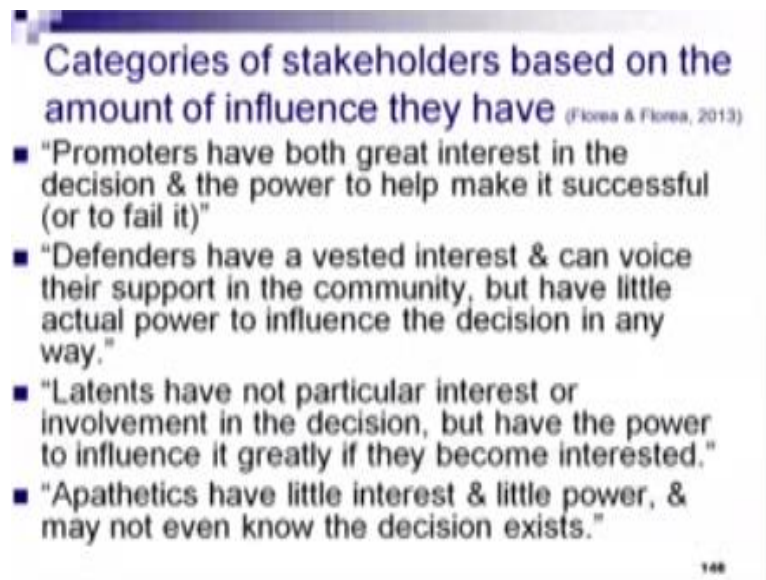
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Defenders have a vested interest and can voice their support in the community, but have little actual power to influence the decision in any way. So defenders will say, yes I have a interest in it and they can voice the support, they go back to the community and they can voice their support in the community, but their voice us is not really heard when it comes to the actual decision making. So they will, you know they will have very loud voices physically, but very little influence those are the defenders. Then Latents have not particular interest or involvement in the decision.

But have the power to influence it greatly if they become interested. So you will have wall flowers, you know. So you will have people on the side who are just sitting and listening and they will just keep quiet, they know they have the power to influence. So they have the people who the defenders go after, they have the once who promoters fear.

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Promoters say that our voice should be heard. Defenders need the support of the latents to have their voice heard. And latents are the people who just sit and they just keep nodding their heads and they know that if they speak their voice can take the decision either way. So they are the people, the quiet people, but very influential people in the community. Apathetics have little interest and little power and may not even know the decision exists.

There is a whole bunch of people who will say okay, if the decision is x we are okay with it, if the decision is Y we are okay with it. My own life is so complex, I am so busy with my own life, I really do not care what goes on, I do not even know what is going on. So those people are the apathetics. So these are some of the categories that Freeman proposed in 1980 depending on the category on the amount of influence.

The different types of people, the different people in the community have development and that is where we will stop as far as this lecture is concerned, thank you very much for listening.