EFFECTS OF STAKEHOLDER MANAGEMENT ON THE SUSTAINABILITY OF SMALL AND MEDIUM SCALE BUSINESS

A research dissertation presented in partial fulfilment of the requirements for the degree of MSc in International Business and Law.

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August, 2019.

Candidate Declaration

I, **OPARINDE, IBUKUN AKINKUNMI** hereby certify that this dissertation entitled **'EFFECTS OF STAKEHOLDER MANAGEMENT ON THE SUSTAINABILITY OF SMALL AND MEDIUM SCALE (SMES) BUSINESS'** submitted for the degree of **MSc in International Business and Law** is the result of my own work and that where reference is made to the work of others, due acknowledgment is given.

Candidate signature:

Date:

Supervisor Name: **Michael Nicell**

Supervisor signature:

Date:

Dedication

This project is firstly dedicated to the giver of life and creator of mankind; God Almighty. Also, it is dedicated to my beautiful wife, Funmilola and children-Precious and Donald, who have learned to live with an e-father who confined himself to 'eyeland/highland' for long period of time because of this study. Finally, this work is dedicated to my supervisor, Michael Nicell, who helped me survive the busiest ninety days of my life.

Acknowledgement

I would like to thank my professor, Justin Keogan for intellectual impartation and introducing me to the real world of global organizations. I would also like to thank in particular the duo of Mark Campbell and Maiden Grainne who exposed me and sharpened my thoughts on practical ways global organizations can become responsible.

I would like to thank all the people approached to be interviewed, with special thanks to those who eventually created time for me out of their busy schedule to participate in this study. Without their stories and support, this dissertation could not have been possible.

I would like to thank my cousins and friends who helped in one way or the other (morally and financially), worthy of mentioning Tunde who pushed and prodded me throughout my study. You build up my confidence every step of the way.

I would also like to thank my kids, Precious Olateju and Donald Oladeji who have put up with me for months and my lovely wife, Funmilola, who has supported me every step of the way.

Abstract

Sustainability is imperative; an integral part of any organizational goal. However, there exist little convergence on how organizations become sustainable. Whereas, there are divergence opinions among researchers on ways sustainability is best developed and implemented within organizations.

This study achieves its aims of providing insight into how sustainability emerges within small and medize business (SMB) with much focus on the influence of its stakeholder management.
Business sustainability in this context explain the level and ability of small and medium scale organization's continuity. That is, the capacity of an organization to continue operating in a sustainable manner over a long period of time. This research takes a view to such business sustainability to be dependent on the level of its stakeholder management.

For this research, an integrated methodology was deployed to examine from a qualitative viewpoint the overall effects of stakeholder management on the sustainability of small and medium-sized organizations.

Specifically, business owners/managers from five SMEs who possess exemplary sustainability standings were approached to share their views on stakeholder management contributions to the organization sustainability.

The findings of these interactions revealed that different viewpoints toward sustainability existed at the different studied organizations with all focus on people and profit. Question such as *what steps has your organization/business taken in the past to be where you are today?* Elicited answers like; active engagement with stakeholders, consistent quality services, proper training of staff, meeting customers' needs when they want it, open communication, affordable price etc.

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CHAPTER ONE

INTRODUCTION

1.1. OVERVIEW

This chapter aims to provide introduction to this thesis through a description of the study, research problem and research significance. The research aim, questions or objectives are also outlined. The next part of the chapter outlines the structure on how the remaining parts of this thesis will be discussion.

1.2. RESEARCH PURPOSE

The survival of an organization has mainly been the concern of stakeholder approach (Freeman and McVea, 2001).

The effects of stakeholder relationships on the continuous success of the organization are now recognised and accepted, and stakeholder engagement has effects on business chances of survival (Freeman, Wicks and Parmar, 2004). Stakeholder management implies that business objectives should create value for all stakeholders (Freeman and Reed, 1983), and it is a means to an end not an end in itself (Jongbloed, Enders and Salerno, 2008; Gareis, R, Huemann M and Martinuzzi A, 2013).

The focus of this research is to examine the need for corporate/business sustainability of Small and Medium-Sized Enterprises (SMEs) through business approaches that creates long-term value for shareholders using series of socially responsible policies.

Why SMEs? SMEs account for the majority of economic activity. For instance, in the European Union, there are approximately 23 million SMEs, constituting 99% of all enterprises. The sector generates two-thirds of all private-sector jobs (75 million) and more than half (52%) of private-sector turnover is generated by SMEs (*Small and Medium Enterprises - CSO - Central Statistics Office*, 2019).

The general business problem is that businesses fail over some time due to lack of suitable economic sustainable strategy. The specific business problem is that some business owners have limited information on factors that might contribute to business sustainability for a period of time.

Therefore, businesses need to understand the importance of stakeholders for their survival. Given that this study employs a cross-sectional approach, it does not appreciate changes overtime and development, therefore the study focused on how business owners/managers identified, prioritised and managed stakeholders for business sustainability at the time being.

1.3 SIGNIFICANCE OF THE STUDY

The essence of this study is to provide a clearer picture on the role stakeholder management plays on business sustainability.

Despite being in the business agenda for almost thirty years, stakeholder management is still an under explored field especially in the context of its contribution to the going-concern of organizations. This thesis aims to ensure that stakeholder management is a useful technique in the achievement of business sustainability.

This will equip small and medium scale businesses with the necessary tools to manage and maintain business in sustainable ways which in turn impact positively on macro economy.

The research work when completed would be very useful to the following:

- **Economy:** This study having critically investigate effect of stakeholder management on business sustainability, stakeholders would be equipped with the necessary tool to manage and maintain a sustainable business which in turn would lead to a stable economy. This study would go a long way to ensure economic growth and sustainability.

- **Corporation:** This study would be of value to business for overarching concept of business sustainability by addressing the role of stakeholder management and possibilities of organizations carrying out the core business processes in a sustainable manner.

1.4 RESEARCH OBJECTIVES

The underlisted objectives would assist in answering the research question of what effects stakeholder management has on the sustainability of SMEs.

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- To inquire and discuss how business identified and engaged stakeholders for business sustainability.

- To explore and describe the role of stakeholders in the sustainability of business.

- To propose recommendations for the promotion of stakeholder management with regard to business sustainability.

1.5 STRUCTURE OF THE STUDY

This project is divided into five chapters as presented below:

1. Introduction

This chapter highlights the reasons for undertaken this research, followed by a brief description of its significance to corporations and the economy. It also defines the objective(s) deploy in answering the overarching research question.

2. Literature Review

It covers the review of extant literature on the research variables. It presents a brief comparison between stakeholder theory and shareholder theory with emphasize on the sustainability need of corporations. It further provides views on different aspects of stakeholder management necessary to achieve business sustainability. The concept of business sustainability and management, implementation and relevance of business sustainability to stakeholder management are also summarized.

3. Research Methodology and Design

This describes the approach used by the researcher to collect data for the research and the methodology I used to analyse the collected data. The details of the reasons for sampling plan on source of data, data collection methods plus analysis and ethical issues are also covered.

4. Presentation and Discussion of Findings

The chapter presents the findings of this research. All findings of interviews; insight into the businesses' stakeholder management geared towards corporate sustainability are

presented and discussed. Also discussed are the factors that influenced and affected the studied organizations as they move along the paths towards sustainability. The chapter discloses the actions that these companies have taken to continuing being in business.

5. Concluding thoughts, Limitation and Suggestions

Chapter 5 discusses the limitation of this research and present final recommendation as suggestions for further thoughts and actions by interested parties based on a list of conclusions from the study undertaken. Limitations of the research and recommendations for further study directions are addressed.

6. References

The citations used in this research are chronologically listed. Interview questions, transcribed interviews and other documents used in the completion of this research are added as appendices.

CHAPTER TWO

LITERATURE REVIEW

2.1 OVERVIEW

This literature review runs an outline of the key concepts and theoretical perspectives that are relevant to this dissertation. The main theoretical background of the study is stakeholder theory, which provides a solid starting point for understanding stakeholders and management's behaviour with regard to them. In addition, the thesis utilizes extant theoretical knowledge, developed in the field of business, by focusing on stakeholder management and business sustainability research.

Section 2.2 discusses the theoretical framework, which provides an underlying assumptions and key concepts of introduction to the stakeholder theory. Section 2.3 provides the context for the study by conceptualizing stakeholder management. The next section; Section 2.4, provides the context for the study by conceptualizing and providing insight on the concept of business sustainability and management. Section 2.5 shows the contextual factors and relevance of business sustainability to stakeholder management. The Conceptual Framework for this study is discuss elaborately in section 2.6 while section 2.7 concludes on the literature review.

2.2 THEORETICAL FRAMEWORK

2.2.1 Stakeholder Theory

In recent years, the prevailing shareholder theory of the firm has come under assault. It has long been gospel that corporations have obligations to stockholders, holders of the firm's equity, which are sacrosanct and inviolable. Shareholder theory further holds that the sole responsibility of firm managers is to maximize returns for shareholder (Freeman and Reed, 1983). The theory defines the nature and purpose of a company in economic terms, and defines and measures success in those terms. Stakeholder theory criticizes shareholder theory for an over emphasis on creating economic returns for one class of stakeholder investors and proposes an alternative: managers should weigh the concerns of all of a company's significant stakeholders in decision making, without automatically privileging investor interests, in order to create value for all stakeholders (Freeman, 1984). The stakeholder notion is indeed a deceptively simple one. It says that there are other groups to whom the corporation is responsible to in addition to stockholders: those

groups who have a *stake* in the actions of the corporation (Freeman and Reed, 1983). The following description nicely summarizes the stakeholder concept and the core arguments of stakeholder theory:

"The basic idea is quite simple. Business can be understood as a set of relationships among groups that have a stake in the activities that make up the business. Business is about how customers, suppliers, employees, financiers (stockholders, bondholders, banks, and so on), communities, and managers interact and create value. To understand a business is to know how these relationships work…If we understand capitalism as how business really works (rather than how theorists want us to believe it works) it will become obvious that this has always been true".
"Building and leading a great company has always been about managing for stakeholders. The idea that we need to pay attention to only one of these groups, the people that supply the capital (stockholders or financiers), if we want to build and sustain a successful business is deeply flawed. The very nature of capitalism itself is putting together a deal, a contract, or a set of relationships among stakeholders so that all can win continuously over a long period of time" (Freeman, Currens and rob, 2007, pp. 3–4; MacDonald, 2009).

In stakeholder theory, the goal and the ultimate purpose of the firm is different from that prescribed by shareholder theory. While shareholder theory privileges investor interests and wealth creation over all other interests, stakeholder theory sets the objective of creating as much value as possible for all of a firm's stakeholders, without resorting to trade-offs. That is, where stakeholders' interest conflict, the executive should find a way to rethink the problems so that these interests can go together, so that even more value can be created for each. If trade-offs have to be made, as often happens in the real world then the executive must figure out how to make the trade-offs, and immediately begin improving the trade-offs for all sides (Freeman, 2010).

Stakeholder theory is managerial (Freeman, Wicks and Parmar, 2004) and can be articulated by asking the following two questions:

(a) What is the purpose of the organization?

(b) What responsibility does management have towards its stakeholders? (Freeman, 1994).

According to Jackson (2003), stakeholders need to be educated about organizational visions and changes, as well as being conscientized with regard to the implications of the system of values and beliefs that they have. Stakeholders, as well as shareholders, have a vested interest in a company's strategies and development plans. Businesses are increasingly adopting strategies that not only involve the essential needs of the business's operations and enterprise, but that also comply with environmental regulation and the recognition that sustainability is important to the protection of natural resources and

human existence. Sustainability takes into account the future impact of economic development and incorporates it in ways that benefit the company, the environment and the consumer's quality of life, as it assists organizations to recognize and analyse the individual and group stakeholder characteristics that have an influence on or are influenced by the organization's actions and decisions (Mainardes, Alves and Raposo, 2012).

Stakeholder theory thus challenges the neoclassical assumption that a firm's sole purpose is to maximize shareholder wealth. If companies are responsible to stakeholders other than investors, and their purpose involves more than maximizing shareholder earnings, the way they respond to stakeholder's concerns becomes both strategically important and practically germane.

2.3   Stakeholders Management

The concept of stakeholder management has gained considerable attention in the field of management recently and has its origins in the resource-based theory of the firm (Loosemore, 2010). Stakeholder management is becoming increasingly recognized as a central element in the effective stakeholder engagement (Meding *et al.*, 2013). In reality, no stakeholders are identical according to their interests and power. If their interest could not be met up finally it will jeopardize the project objectives and its smooth implementation(Meding *et al.*, 2013). Cleland (1999) offers a process for managing stakeholders being: identifying appropriate stakeholders; specifying the nature of the stakeholder's interest; measuring the stakeholder's interest; predicting what the stakeholder's future behaviour will be to satisfy him/her or his/her stake (Cleland, 1999).

Stakeholder management approach assists in making partners maintaining good communication, it helps the project participants to work together to face the challenge (Kolk and Pinkse, 2007). According to Gareis *et al.* (2013), *the aim of business sustainability will be accomplished if the organization can continue to meet the wants and expectations of the stakeholders* (Gareis, R, Huemann M and Martinuzzi A, 2013)*.* Meding*et al.* (2013), considered that stakeholder management is a proactive approach that stops things going wrong in the first place (Meding *et al.*, 2013).

Persson and Olander (2004) mentioned that a successful management of stakeholders ensures to engage them properly via actively giving their support and working together to devise, plan and develop new business solutions (Persson and Olander, 2004). Rowlingson and Cheung (2008) argued that modes of stakeholder management will lead to learning and innovation (Rowlinson and Cheung, 2008).

2.3.1 The Stakeholder Concept

Freeman and Reed (1983) credit the birth of the stakeholder concept to the Stanford Research Institute (SRI); "An internal memorandum drafted at the SRI in 1963 used the term stakeholder to describe those groups without whose support the organization would cease to exist" (Freeman and Reed, 1983, p. 89). Stakeholder management, on the other hand, did not become prevalent as a theory within strategic management until the 1980's. Freeman's (1984) seminal textbook *"Strategic Management: A Stakeholder Approach",* which defined stakeholder as any group or individual who can affect or is affected by the achievement of the firm's objective, (Freeman, 1984) is cited by most researchers as the foundation of stakeholder management theory. According to Mainardes *et al.* (2012), stakeholders for public and non-profit organizations are identified as individuals or groups with the power to directly influence the survival of the organization (Mainardes, Alves and Raposo, 2012).

Fewings (2019) characterized stakeholder as one who enthused about the strategy or consequence of an assignment (Fewings and Henjewele, 2019).

2.3.2 Stakeholder Engagement

Stakeholder engagement is emerging as a means of describing a broader, more inclusive, and continuous process between a company and those potentially impacted that encompasses a range of activities and approaches, and spans the entire life of a project (IFC, 2007). This definition encompasses the entire process of stakeholder management in any project management. However stakeholder engagement as a process is the procedure by which a firm's stakeholders engage in dialogue to improve a firm's decision-making and accountability toward corporate social responsibility (CSR) and achieving the triple bottom line. Stakeholder engagement works to take into account the concerns and objectives of a firm's stakeholders in its decisions. Stakeholder engagement also consider the varying perspectives, priorities, and limitations of different stakeholders.

The practitioners in stakeholder engagement are often businesses, non-governmental organizations (NGOs), labour organizations, trade and industry organizations, governments, and financial institutions. Company most often initiates open, two-way dialogue seeking understanding and solutions to issues of mutual concern. Stakeholder engagement must occur when a company truly wants input from groups that will be affected by the its decision.

This is very different from when a company wants to issue a message or influence groups to agree with a made decision. Engagement is the opportunity to discuss and agree expectations of communication and, primarily, agree a set of Values and Principles that all stakeholders will abide by.

2.3.3   Decision Barriers and Enablers in Stakeholder Engagement

The decision barriers and enablers of achieving successful and effective stakeholder engagement are caused by many factors. The risk of failing to engage stakeholders in a timely and strategic manner is relatively high. The majority of barriers to engagement can be overcome with effective design and good facilitation (Durham *et al.*, 2014).The problems associated with the successful implementation of the approach, are not limited to the followings:

(a) **Lack of a unified scheme**

Despite a great number of existing methods of stakeholder engagement, there is no single formula for success. The methods vary from quite passive interactions, where the stakeholders provide information, to self-mobilization, where the stakeholders themselves initiate and design the process.

(b) Conflict of interests

An enormous variety of interest groups undoubtedly leads to the collision of interests resulted in different priorities and conflicts that might dramatically increase the complexity of a situation. To encourage positive stakeholders' behaviour, companies should provide them with a better way to advance their interests, i.e. to consider their opinion in defining solutions. In addition, the engagement process should be designed in a way to encourage stakeholders to stop competing but start collaborating. However, such processes not always succeed because of possible irreconcilable differences, and in

situations when consensus cannot be achieved (Terje Karlsen, Græe and Jensvold Massaoud, 2008).

(c) Lack of capacities/Insufficient capabilities

Shifting from traditional forms of stakeholder management to proactive forms of stakeholder engagement requires a new capacity of resources (Rhodes *et al.*, 2014). Organizations are required to communicate, negotiate, contract, and manage relationships with stakeholders and motivate them to behave in ways that are beneficial to all parties (Harrison and St. John, 1996).

Specific skills, training, knowledge, and particular behaviour of people in all parts of an organization are required to get best results from stakeholder engagement initiatives (Rhodes *et al.*, 2014).

However, many companies tend to lack strategy of stakeholder engagement (Kuenkel, 2013), since they do not take specific cognizance of these processes as part of daily operations in their core business. On the other hand, the credibility of the participation of stakeholders might also be questioned on the basis of insufficient expertise of many of them to be meaningfully engaged in, for example, in highly technical debates (Reed, 2008).

(d) Too many different stakeholders

Another problem of stakeholder engagement faced by businesses, is a variety and quantity of interest groups. It becomes very challenging to identify and prioritize all possible stakeholders (e.g. from most to least important/crucial). Many companies suffer from a lack of focus when engaging stakeholders, failing to define their goals, reasons and purposes (Kuenkel, 2013).

For example, to achieve sustainability-related targets in business, experts confront many diverse stakeholders, some of which are generally recognized as important, yet others, who not always perceived as such, but whose absence from the decision-making may eventually resulted in a failure to address sustainability issues (Menoka Bal *et al.*, 2013).

2.3.4 Stakeholder Mapping

Mapping is an important step to understand who the key stakeholders are, where they come from, and what they are looking for in relationship to the business. Due to the

complexity of relationships, one decision making can cause stakeholders' various reactions (Yang, Shen and Ho, 2009).

Bourne and Walker (2008), proposed stakeholder circle, to map stakeholders as means to providing a useful and effective way to visualize stakeholder power and influence that may have pivotal impact on a project's success or failure. The stakeholder-circle tool is developed for each project through a methodology that identifies and prioritizes key project stakeholders and then develops an engagement strategy to build and maintain robust relationships with those key stakeholders (Bourne L and Walker D, 2008).

Stakeholder mapping offers the first step of identifying stakeholders, a simple way to visualize stakeholders and their likely impact and influence (Bourne and RMIT University, 2005). Cleland (1999) also mentioned that the approach is simply to list stakeholders along one axis of a table, list the significant stakeholder interest along another axis of the table and to then indicate the perceived magnitude of their interest (Cleland, 1999). Freeman and Reed (1983), opined that as stakeholders have begun to exercise more political power and as marketplace decisions become politicized, the need for awareness to grow into responsiveness has become apparent (Freeman and Reed, 1983). Thus, the analytical model can be used by businesses to map carefully the power and stake of each group. Social network mapping is a useful tool for visualizing power and influence patterns which extends the concept of an organization chart as mapping people's position in a hierarchy to one of their position as influencer and shaper of ideas and opinion (Bourne L and Walker D, 2008).

2.3.5 Stakeholder Identification

The first task in developing business and project's strategic aim and brief is to identify the stakeholders. This establishes a significant competitive advantage in developing a sustainable business. "This facilitates managing process that maximizes stakeholder positive input and minimizes any potential detrimental impact" (Bourne and RMIT University, 2005, p. 649). A critical challenge in stakeholder management is the identification and prioritization of stakeholders (Parent and Deephouse, 2007).

Stakeholder analysis is a tool used by companies to help determine its stakeholders and their salience (Jongbloed, Enders and Salerno, 2008). However, research has found that many organizations do not currently undertake a formal analysis of all stakeholders'

interests, because they anticipate difficulties in mapping them (Payne, Ballantyne and Christopher, 2005).

Identifying stakeholders can be considered drawing a line between the parties to be involved and the parties not to be involved (Vos and Achterkamp, 2006).
Key stakeholders must be identified prior to identifying other stakeholders. Key stakeholders are those who can significantly influence or are important to the success of the business. Influence is the power that stakeholders have over the business and decision making in the company.

2.3.6   Classification and Types of Stakeholders

There are many different stakeholders or stakeholder groups with different resources and expectations. According to Lim *et al.* (2005)"stakeholders need to be categorized or grouped for the better utilization of rules for generating appropriate strategies" (Lim, Ahn and Lee, 2005, p. 833). Freeman (1984) introduced two types of stakeholders namely 'primary stakeholders' and 'secondary stakeholders' (Freeman, 1984). Additional review of extant literature on types of stakeholders revealed that other scholars further classified stakeholders to also include internal and external stakeholders (Nilsson and Fagerström, 2006) as well as political stakeholders (Holtbrügge, Berg and Puck, 2007).

- **Primary Stakeholders**

Primary stakeholders are those who have a formal, official, or contractual relationships in which the impacts of relationships are direct and they involve human entities. For example, customers, employees, investors (Wheeler and Sillanpa¨a¨, 1998). They have a direct stake in the organization and its success (Nilsson and Fagerström, 2006), bear some form of risk as a result of having invested some form of capital, human or financial, something of value, in a firm. These stakeholders are those without whose participation the corporation cannot survive (Vandekerckhove and Dentchev, 2005).

- **Secondary Stakeholders**

Secondary stakeholders are those that have a public or special interest/stake in the organization (Nilsson and Fagerström, 2006) and have less direct involvement but nevertheless sometimes extremely influential. Civil society, business at large, various

specific interest groups fall into this category. This type of stakeholders does not engaged in transactions with the corporation and are not essential for its survival, e.g. NGOs, activists (Wheeler and Sillanpa¨a¨, 1998).

- **Non-social Stakeholders**

Non-social stakeholders do not involve human relationships. This may be divided into primary (direct) and secondary (indirect). For instance, natural environment, nonhuman species, future generations and their defenders in pressure groups. They are neither influenced by nor a factor in the survival of the organization (Wheeler and Sillanpa¨a¨, 1998; Vandekerckhove and Dentchev, 2005).

- **Internal and External Stakeholders**

According to Nilson and Fagerström (2006), internal stakeholders are those in the management, marketing experts, designers, purchasing, manufacturing, assembly and sales, while external stakeholders are the users/customers, distributors, governments, suppliers, communities, laws and regulations (Nilsson and Fagerström, 2006).

- **Political Stakeholders**

Political stakeholders can be divided into 2 different sub-groups; 'national stakeholders' and 'international stakeholders' (Holtbrügge, Berg and Puck, 2007). National stakeholders include governmental actors such as central government, state government, local authorities and also non-governmental organizations. On the other hand, international stakeholders are those supranational organizations such as IMF, WTO, UN.

2.3.7 Stakeholder Analysis

Stakeholder analysis has become an established framework to identify and examine the interactions between organizations and constituents in an external environment. It was originally advocated by Freeman (1984) as a tool for managers to engage proactively with their external environment in the face of a rapidly changing global marketplace. Stakeholder analysis has been used to identify the effects associated with the entry of a large format retailer into a new market (Arnold and Luthra, 2000). At the absolute minimum this implies that boards of directors must be aware of the impact of their decisions on key stakeholder groups (Freeman and Reed, 1983). Simmons and

Lovegrove (2005), mentioned that stakeholder analysis is both a relevant research tool as well as a means of identifying different stakeholder claims in the performance management context and arbitrating between them. Researchers considered that stakeholder analysis can be widely applied in strategic management and corporate governance (Donaldson and Preston, 1995; Simmons and Lovegrove, 2005), as well as in information systems studies.

Harvey (2011), stated that the first stage of the stakeholder analysis generates the list of stakeholders, the second stage is to build the roles and effects table and the third stage is to rate the stakeholders on specified dimensions. In terms of dimensions for the third stage of the analysis, Mitchell *et al*. (1997) suggest that stakeholders can be identified using Freeman's (1984) ''effect criterion'' based on power, legitimacy and urgency. Power, which can be gained as well as lost by a stakeholder, may be coercive, utilitarian, or normative; legitimacy is something that is ''socially accepted and expected structures or behaviours''(Mitchell, Agle and Wood, 1997, p. 853).

Based on the presence of three attributes of power, legitimacy and urgency, on their own or in various combinations, Mitchell *et al*. (1997) identified types of stakeholders – "dormant stakeholders", "discretionary stakeholders", "demanding stakeholders", "dependent stakeholders", "dangerous stakeholders", "dominant stakeholders".

2.4　The Concept of Business Sustainability and Management

Business Sustainability or Corporate Sustainability is understood in this context as a 'sub-branch' of the overarching concept of Sustainable Development. Corporate Sustainability specifically addresses the role of (commercial) organizations and their possibilities of carrying out the core business processes in a sustainable manner (Thomas, 2013).

The concept of Corporate Sustainability will be clarified and differentiated from related concepts.

Cruz and Marques (2014) define sustainability as a social objective with a keen focus on achieving the triple bottom line performance of profit, planet, and people.

Within the scientific community of sustainability researchers, no general consensus about the terminology within the field exists (van Marrewijk, 2003). The most commonly cited and used concepts found in the literature reviewed are Corporate Sustainability

(CS), Corporate Social Responsibility (CSR), Corporate Citizenship (CC), Triple Bottom Line (TBL) and Business Ethics.

According to Wempe and Kaptein (2003) Corporate Sustainability (CS) is however the umbrella term of the mentioned terms above and Corporate Social Responsibility (CSR) is thus one specific sub-element of it. The 3 P's (people, planet, profit) which describe the three pillars that are supposed to be considered in every sustainability initiative, are the foundation of the 'house construction' (Muel Kaptein and Wempe J, 2003).
Business sustainability has advanced in the past decade from branding and green washing to strategic imperative while global business organizations continue to focus on the achievement of sustainability performance as investors demand and regulators require the disclosure of sustainability performance information. Recently more than 14,000 global public companies disclose their financial economic sustainability performance (ESP) and non-financial environmental, social, ethical, and governance (ESEG) sustainability performance information (Rezaee, 2016).

In this evolving and highly opaque field of business sustainability, where the relationship between ESP and ESEG may be viewed as complementing/completing or conflicting/competing (Rezaee, 2016), there is a need for a strategic imperative and pragmatic approach to business sustainability. In recent years, organizations faced the challenges of adapting proper sustainable business strategies and practices to effectively respond to ESEG issues while creating sustainable financial performance and value for their shareholders.
Rezaee (2016) defines business sustainability as the process of achieving financial ESP in creating shareholder value while protecting the interests of all other stakeholders by focusing on non-financial ESEG sustainability performance.

According to Dow (2013), Corporate Sustainability is a business approach that creates long-term shareholder value by embracing opportunities and managing risks deriving from economic, environmental and social developments. A sustainable company manages its risks and maximizes its opportunities by identifying key non-financial stakeholders and engaging them in matters of mutual interest (Savitz and Weber, 2014).

To support companies in their sustainability activities, a framework for corporate sustainability and CSR has been developed which consists of different management levels: the normative level has the objective of ensuring and enhancing the legitimacy of corporate activities by stakeholders and society; the strategic management level has the objective of effectiveness, i.e. of determining the long-term goals; whereas the operational management level has the objective of efficiency, i.e. of implementing normative and strategic goals within all corporate activities (Ulrich, 2001).

2.4.1 Corporate Sustainability Strategies

According to the Business Dictionary (2013), a strategy is defined as: A method or plan chosen to bring about a desired future, such as achievement of a goal or solution to a problem. However, since CS is dominantly seen as a process and not a specific goal that can be achieved, a CSS can be rather understood as the method or plan that supports the process of developing a desired future with the incorporation of lessons-learned on the way and necessary adjustments due to changing circumstances (Bagheri and Hjorth, 2007).

In the case of an integration of sustainable development into the strategic planning of a company, sustainability aspects has to be taken into account in the analysis of external developments and internal strengths and weaknesses. A sustainability strategy integrates the social and environmental dimension into the strategic management process of a company (Baumgartner *et al.*, 2010).

To structure possibilities for 'green' strategies, different models of corporate environmental management strategies have been developed. There are categorical models which allow the identification and structuring of characteristics of strategic environmental management at a given point in time or continuum/progression models which integrate the evolution of strategies over time (Hass, 1996).

For a comprehensive corporate sustainability strategy, it is necessary to consider all sustainability dimensions, their impacts, and their interrelations (Baumgartner *et al.*, 2010). Different sustainability strategies can be distinguished which are based on a range from reactive strategies to offensive and proactive strategies; they can be interpreted as simultaneous progression and as categorical models (Baumgartner *et al.*, 2010):

- Introverted – risk mitigation strategy: focus on legal and other external standards concerning environmental and social aspects in order to avoid risks for the company.

- Extroverted – legitimating strategy: focus on external relationships, license to operate.

- Conservative – efficiency strategy: focus on eco-efficiency and cleaner production.

- Visionary – holistic sustainability strategy: focus on sustainability issues within all business activities; competitive advantages are derived from differentiation and innovation, offering customers and stakeholders' unique advantages.

Visionary strategies occur in two different forms; in a conventional way and in a systemic way. Conventional visionary strategies are based on market opportunities in an opportunistic manner. As long as sustainability issues lead to market advantages, they are part of the strategic management of conventional visionary-oriented companies. The focus is outside-in; inputs for the strategy formulation are derived from the market perspective. Systemic visionary strategies combine this view with an inside-out perspective, that is, the marked-based view is supplemented with a resource-based view and sustainable development is deep-seated in the normative level of the company (Baumgartner *et al.*, 2010).

According to Ceresia and Daza (2009) Corporate Sustainability Strategy (CSS) has to be integrated into and aligned with the overall business strategy and not just taken as an 'add-on' (Ceresia and Daza, 2009).

2.4.2 Corporate Sustainability Implementation

The ambition of implementing Corporate Sustainability in a more structured and deeply embedded way is constantly rising within the corporate world. The understanding of its vast benefits has reached a high level at least within many leading industries and ambitions rather accelerate than slow down (Ameer and Othman, 2012; Barnett and Salomon, 2012). The times when companies were predominantly looking for the 'low-hanging-fruits' and achieving quick wins is at least over for the more advanced companies within the field and the need for more 'holistic' sustainability strategies is getting larger (Braungart, McDonough and Bollinger, 2007).

2.4.3 Comparative and Competitive Advantage

If there is at least one thing that modern economists associate with the name of Ricardo David, it is the principle of comparative advantage, which still today forms the basis of the major part of the theories of international trade. It is supposed to explain the direction of the flows of trade between countries and determine the gains each country gets from its participation in international exchanges. It forms also a powerful argument in favour of free trade between nations. While the principle of comparative advantage as expounded by D. Ricardo was couched in terms of technological superiority, the principle, when phrased in terms of comparing opportunity cost or relative prices of goods and services between countries is sufficiently general to encompass a variety of circumstances. A country's comparative advantage in a product can change over time due to changes in any of the determinants of comparative advantage including resource endowments, technology, demand patterns, specialization, business practices, and government policies (Ricardo, 1951).

In recent years, the concept of competitive advantage has been a hot issue in the field of competitive strategies and much controversy has been raised in relation to the concept. Nevertheless, providing a precise definition of competitive advantage is a difficult task. On one hand, the competitive advantage has been defined as too much returns, and on the other hand, it has been linked to the performance of capital markets and expectations. However, the most common definition of competitive advantage in the field of competitive strategy and in the context of value creation is whatever cause revenues increase over expenses (Rumelt, 2003).

According to Besanko *et al.* (2000), a firm has the competitive advantage if it gains a higher economic profit than the average rate of profit in the same market (Besanko and Dranove, 2000). On the other hand, Porter (1985) deals with the competitive advantage in the context of competitive strategy. He sees the competitive strategy as the determination of a firm's position in a competitive environment. The purpose of competitive strategy is to gain insights about the market through understanding and predicting the economic factors, especially other competitors' behaviour. The competitive strategy causes a firm to produce a product that is not easily inimitable by

the competitors. Therefore, the competitive strategy is a strategy for creating an imperfectly competitive market (Barney, 1986).

The concept of sustainable competitive advantage (SCA) was introduced in 1984 when Day was explaining the competitive advantage maintenance strategies. Barney (1991) provided the closest definition of sustainable competitive advantage as the continuity of benefits and application of unique value creation strategies asynchronously with potential competitors that are not able to copy such benefits.

Sustainable competitive advantage is related to the firm's efforts in establishing and maintaining advantages for a long-term period. Sustainable competitive advantage is affected by three factors: the size of the target market, greater access to resources and customers, and restrictions on the powers of the competitors. Usually a firm can create the sustainable competitive advantage whose managers apply its strategy based on characteristics that cannot be easily copied (Coyne, 1986).

Coyne (1986) argues that to create sustainable competitive advantage, customers need to recognize the differences between a firm's products and those of the competitors. These differences must have been created due to the firm's resources that are not accessible by its competitors (Coyne, 1986) which ranges from human capital to Research and Development (R&D).

2.4.4   Succession Planning

Business succession refers to the transfer of business ownership and management from one generation to another and is an issue most prevalent among family-owned firms. "It is a process that is most critical among entrepreneurial firms because when an entrepreneur decides to retire, it would mean transferring the business within the family - or selling the business" (Malinen, 2001, p. 21). The process of implementing a succession plan is imperative to providing the family business with identity, stability and continuity (Harveston, Davis and Lyden, 1997).

"For succession in the family firm to occur, there must be three components: a leader who hands over the leadership role who is often referred to as the incumbent or

antecedent; a successor who takes over the role, and a mechanism by which the transition takes place. It is also important to have agreement among other family members to continue the business"(Handler, 1994, pp. 16–21).

Planning for succession however, is often an issue that is left until later in the business phase, but entrepreneurs have to think about succession five to ten years in advance in order to be well prepared (Demers, 2002). Succession planning is imperative for all entities wishing to continue business for a substantial number of years. Sustaining a professional business firm is not just about replacing a leader with another, it is about thinking of the integrated practices associated with the business. A corporate social responsibility (CSR) policy is good for this type of thinking.

2.4.5   Dynamic Capabilities

The concept of dynamic capabilities originates from the resource–based view (RBV) of a firm, and these capabilities are linked with ''identifiable processes and strategic routines that managers may synthesize to acquire and alter their resources and integrate them together, generating new applications and value-added strategies" (Eisenhardt and Martin, 2000, p. 1107). As Beske *et al*. (2014) notedly put dynamic capabilities to be very difficult to conceptualize and as a matter of fact, they represent the bundles of capabilities and not necessarily a single process (Beske, Land and Seuring, 2014).

Pagell and Wu (2009) argued that sustainable dynamic capabilities are the ones that drive firms to achieve multi-dimensional performance, namely environmental, financial and social sustainability, and enhanced corporate governance practices (also known as ESG - environmental, social and governance) (Pagell and Wu, 2009). This means that regulations relating to the outcomes of emerging economies' multinationals are partly driven by the sustainable practices of organizations. Thus, sustainability can be affected by overall dynamic capabilities. Such capabilities may result in financial and nonfinancial benefits such as lower cost, better product outcomes and enhanced service quality, significant waste reduction, efficient energy consumption, and, most importantly, environmental protection/adaptation that may reduce the likelihood of industrial hazards (Hall G.M and Howe J, 2012).

In summary, dynamic capabilities are 'the strategic routines by which firms achieve new resource configurations as markets emerge, collide, split, evolve, and die' (Eisenhardt and Martin, 2000, p. 1107).

2.5 Relevance of Business Sustainability to Stakeholder Management

From an ethical viewpoint, one could argue that every company should be a sustainable company. But in the reality of market-based economies, companies also have to be successful in economic terms (Rodriguez, Ricart and Sanchez, 2002). This implies that it is necessary to clarify the requirements, needs, and pressure a company faces regarding sustainable development.

The contextual factors and the relevance of sustainable development for a specific company have to be identified. That means recognizing external requirements and demands as well as impacts caused by the corporation in order to recognize sustainability-related opportunities and threats. These so-called contextual factors can be grouped into general business environment factors, sector-specific factors, and stakeholder factors (Baumgartner *et al.*, 2010). Political and legal, economic, societal, technological, and ecological factors belong to the general business environment factors, whereas sector-specific factors are based on Porter's 5-forces model (Porter, 1985). Porter distinguishes rivalry, threat of substitutes, buyer power, supplier power, and barriers to entry as sector-specific factors determining the intensity of competition. Finally, demands from internal and external stakeholders have to be identified.

These contextual factors can be evaluated regarding their relevance for the company. This evaluation is done qualitatively based on the question of whether a certain factor is relevant for a company from a sustainability perspective. To support this evaluation, the relationship between a contextual factor and each dimension of sustainable development is described verbally; the relevance of each factor is evaluated using a nominal scale with the classes 'low', 'middle' and 'high' relevance of sustainable development for the company. The more contextual factors are evaluated with 'middle' or 'high' relevance, the more urgent a strategically planned integration of sustainability aspects into corporate management is. In such cases, corporate sustainability and CSR are strategically important for a company. In this vein, business organizations worldwide are now

recognizing the importance of sustainability performance and the link between financial ESP and non-financial ESEG sustainability performance. Therefore, justifications for business sustainability are moral obligation. This may include social responsibility, maintaining a good reputation, ensuring sustainability, environmental consciousness, continuity in business, licensing to operate, and creating stakeholder value.

In creating shared value for all stakeholders, corporations identify potential social, environmental, governance and ethical issues and integrate them into their strategic planning. There are many factors of why a company should integrate sustainability performance to its stakeholder management, including the pressure of the labour movement, development of moral values and social standards, the development of business education, and the change in public opinion about the role of business, environmental matters, governance, and ethical scandals. Companies which are, or aspire to be, leaders in sustainability are challenged by raising public expectations, increasing innovation, continuous quality improvement, effective governance measures, high standards of ethics and integrity, and heightened social and environmental problems (Rezaee, 2018).

Globalization has provided incentives and opportunities for business organizations, their stakeholders, and executives to influence their business sustainability initiatives and strategies and integrate them to their stakeholder management. Corporations can choose from a variety of sustainability initiatives and performances with regard to the scope, extent and type of sustainability strategies that focus on different issues, functions, areas, and stakeholder management. Although integrating the proposed framework of sustainability theories, ESP and ESEG sustainability performance, sustainable shared value creation and sustainability performance reporting and assurance, to business sustainability may be a challenging task, the failure to act can be detrimental to the company's success (Rezaee, 2018).

2.6   Conceptual Framework

This paper proposed a conceptual framework to explore the factors that have influence on stakeholder management to achieving business sustainability. A conceptual framework is designed based on the information collected from extant literature and the

interview findings. A conceptual framework is a device that organizes empirical observations in a meaningful structure. This model was primarily derived from literature (it was literature-based conceptual framework) and it is suitable for qualitative analysis. Subsequently, it was empirically verified through data gathered from sample from the research population. The framework incorporates depiction on how the independent variable; stakeholder engagement, can be predicted by such factors as; Mapping/Identifying, Engagement, Relationships and Decision Barriers/ Enabler directly or indirectly and how it affects the dependent variable of business sustainability which can also be predicted through factors such as Succession Planning, Sustainability Strategies, Future Focus and Distinct Capability. This study will use an exploratory case study. According to Zikmund *et al* (2012),exploratory research can be employed to provide identity and clarity when decisions are to be made, and to identify/map out stakeholders and key concepts (Du Plooy-Cilliers, Davis and Bezuidenhout, 2014). This exploratory study employs a qualitative approach in order to gain insight into how small and medium enterprises identified, engaged and managed its stakeholders. In-depth interview will be used as the gathering instrument for taking views from the respondents in order to obtain data for analysis on their views and qualitative method will be employed in the data analysis. In order to achieve the above, the conceptual framework in figure 2.1 is adopted.
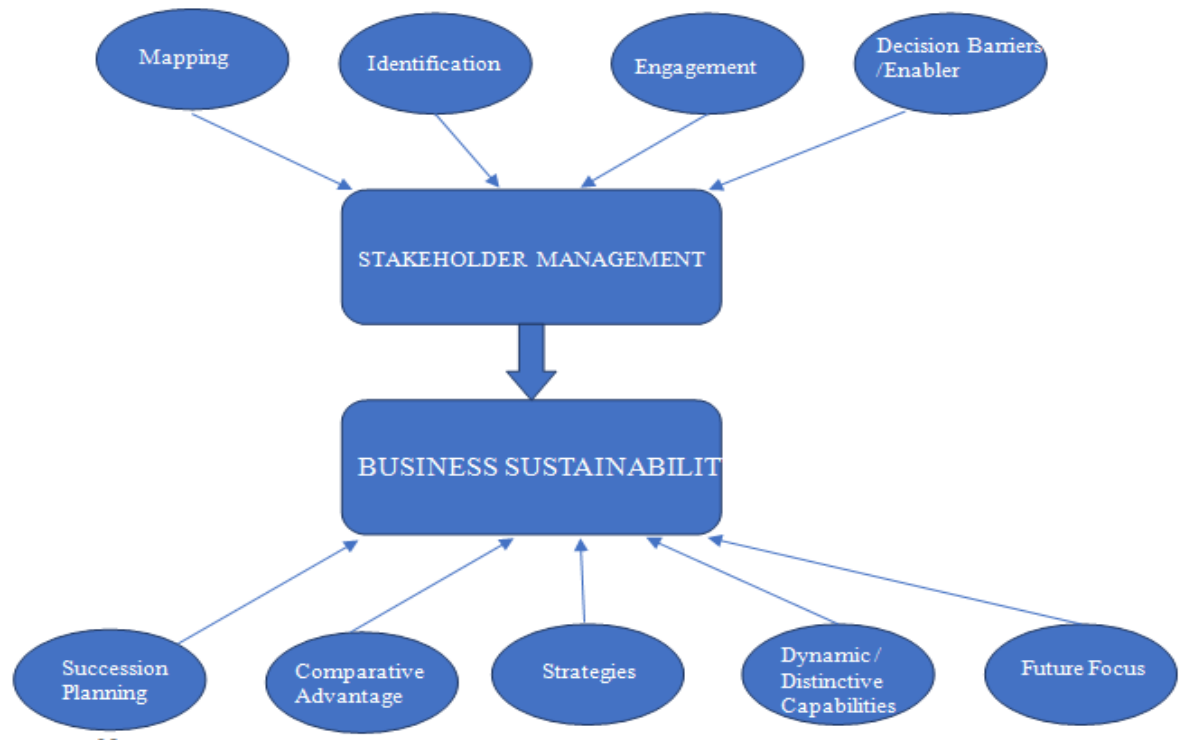
Among the key components of any business' successful strategy is robust regular dialogues with key company stakeholders on sustainability challenges. The above Conceptual framework model depicts factors that are necessary to facilitate stakeholder management and relationship between these strategies to achieving business sustainability. The qualitative analysis outcomes are subsequently compared with the literature-based framework.

2.7   Conclusion of the Literature Review

This chapter reviewed the literature related to the research topic. It covered stakeholder theory and management; addressed the issues of who or what a stakeholder is. It unpacked stakeholder identification and analysis; presented types and values of stakeholders; elaborates on business sustainability and its relevance to stakeholder management.

Business sustainability are moral obligation, social responsibility, maintaining a good reputation, ensuring sustainability, environmental consciousness, engaging in business,

licensing to operate, and creating stakeholder shared value. The chapter's main focus was on reviewing literature relevant to the study and which would assist in answering the research question and achieving the objectives of the study.

CHAPTER THREE

METHODOLOGY AND RESEARCH DESIGN

3.1   Overview

Saunders (2009) defined research as something people undertake in order to find things out in a systematic way, thereby increasing their knowledge (Saunders, 2009). According to Collins and Hussey (2003) there are multiple reasons for undertaking research including:

- Review or synthesize existing knowledge.

- Investigate existing situations or problems.

- Provide solutions to problems.

- Explore and analyse more general issues.

- Construct or create new procedures or systems.

- Explain new phenomenon.

- Generate new knowledge.

- Combination of any of the above.

Methodology is defined as the paradigm that forms the basis for how the research is carried out and encompasses the research philosophy, research approach, research strategy, time horizons, data collection methods and data analysis that is utilized in the research (Blaxter, Hughes and Tight, 2010). He further defines the research methods as principally the tools used to collect and analyse data, such as questionnaires and interviews. This section presents an outline of the research methodology and methods used for this research.

Saunders *et al* (2009) used the analogy of the layers of an onion to illustrate the different layers of the research methodology or process. The six principal research layers are:

- Research philosophy

- Research approach

- Research strategy

- Research choices (i.e. single, mixed or multiple methods)

- Time horizons (i.e. cross-sectional or longitudinal)

- Techniques and procedures (i.e. data collection methods and data analysis).

(Saunders, 2009)

3.2.1 Research Philosophy and Approach

3.2.1 Research Philosophy

According to Blaxter *et al.* (2010) the three most common paradigms adopted in social research are positivism, post-positivism and interpretivism.

Positivism

The positivism approaches to research are based on research methodologies commonly used in the natural sciences. They are characterized by an objective approach to research (Blaxter, Hughes and Tight, 2010). This approach aims to identify, measure and evaluate any phenomena and to provide a rational theory for it (Collis and Hussey, 2003). Quantitative approaches which utilize statistics and experiments are viewed as typical examples of positivism (Blaxter, Hughes and Tight, 2010).

Post-Positivism

This research philosophy retains the same set of basic values as positivism. However, it accepts that our knowledge of social reality can only be examined by methods which are flawed. Hence, the knowledge acquired is imperfect, probabilistic and only partially objective (Blaxter, Hughes and Tight, 2010). This philosophy typically involves increased utilization of qualitative methods to validate the findings of the quantitative study.

Interpretivism

According to Blaxter *et al*. (2010), the interpretivist approach regards interpretations of the social world as culturally derived and historically situated. This approach maintains that the social sciences should be concerned with understanding rather than explaining, which is the basis for the positivistic approach. Interpretivism is classified as a subjectivist approach (Saunders, 2009).

This dissertation research philosophy is **interpretivism.** As the research objectives are concerned with determining business sustainability through business approaches that creates long-term value for shareholders using series of socially responsible policies, the researcher believes that the subjective position provided by an interpretivist approach is the most appropriate methodology.

3.2.2 Research Approach

Research approaches are classified as deductive or inductive. For the deductive approach, the researcher deduces a hypothesis (or hypotheses) based on the current level of

knowledge on a particular subject and of any theory relating to that subject. The hypothesis (or hypotheses) is subjected to empirical testing (Saunders, 2009).

Furthermore, Saunders *et al*. (2009) noted that the inductive approach requires the researcher to undertake interviews to "get a feel of what is going on". This then gives the researcher a better understanding of the nature of the problem, which provides a basis to form a theory. Hence, the inductive approach is converse to the deductive approach in that the development of a theory occurs after obtaining the primary data (Saunders, 2009).

The **inductive** approach is utilized after the collection of qualitative data. Using specific findings for general conclusion. The findings were drawn from the primary data collected from in-depth interviews with five business owners/managers of small and medium scale enterprises in Dublin, the Republic of Ireland.

3.3   Research Strategy

According to Saunders et al. (2009) the researcher's choice of research strategy is directed by the research question, research objectives, the researcher's level of expertise and knowledge of the subject, the time and resources available to the researcher and the research philosophy underpinning the methodology. Saunders *et al.* (2009) grouped Research Strategy into the following:

- Experiment
- Survey
- Case study
- Grounded research
- Ethnography
- Archival research (Saunders, 2009)

This research makes use of **case study** as the research strategy for the study. A case study design was used to gain insight into the situation and its meaning (Henning, Smit and Van Rensburg, 2004). Henning *et al*. 2004, stated that case studies are not the same as any qualitative study, because it analyses and describes a single unit or bounded system such as an event, individual or community. The researcher employed a case study and qualitative approach, in order to gain insight into how corporations identified and managed stakeholders in order to achieve business sustainability. Qualitative approach was deployed since the researcher's concerns was to understand rather than explain the

'effect' of the independent variable on the dependent variable. Effect is better researched through qualitative study.

3.4   Collection of Primary Data

According to Zikmund*et al.* (2012), data consists of facts of phenomena and data collection methods refer to the scientific ways by which researcher gathers data (Zikmund *et al.*, 2012). This study used primary data. The primary data was collected through in-depth interviews.

3.4.1   In-Depth Interviews

As one of the qualitative data collection methods, in-depth interviews provide an opportunity for the interviewer to ask questions to elicit views, opinions and beliefs of participants about a particular phenomenon, in order to gain a deeper understanding of their stance (Du Plooy-Cilliers, Davis and Bezuidenhout, 2014). In-depth interviews are semi-structured to allow the researcher to probe (Du Plooy-Cilliers, Davis and Bezuidenhout, 2014). To answer the substance of the research questions, in-depth interviews (Zikmund *et al.*, 2012) with key decision makers; business owners/managers of small and medium enterprises that have been existing for a minimum of five years were undertaken. The in-depth interviews aimed to elicit tacit knowledge from participants about the business sustainability strategy and its stakeholder management strategies, and this enabled the researcher to probe further for clarity and a deeper understanding. According to Henning *et al.* (2013), in-depth interviews allow the researcher to achieve the same level of understanding and knowledge as participants.

The researcher conducted five single interviews with respondents chosen randomly among small and medium scale business owners/managers with minimum of five years of experience/existence. Interview appointments were arranged and solicited physically, and consent and permission to conduct the study were documented in a form tagged 'request for interview' **(copy attached as appendix)**. Follow-up reminders were sent directly to participants that consent to be interviewed. In order to ensure that answers collated with the research objectives and that there was a degree of systematization in questioning and analysis (Marshall and Rossman, 2011), the researcher drafted guiding questions for the interview process **(attached as appendix)**. The interviews were semi-structured and conducted at the most suitable time and place for participants. The

interviewer/researcher was granted verbal permission by participants/interviewees to voice-record the interviews.

The interviews were conducted between 11th and 29th July 2019, and were voice-recorded via cell-phone and later transcribed **(transcription attached as appendix)**. The transcribing method will be determined by the type of interviewing method (Malhotra, 2012). The cell-phone voice recorder was tested before the interviews. The interviews were conducted in English, which was agreed upon before the interviews.

3.4.2   Access and Ethical Issues

Research ethics means ensuring the design of your research methodology is sound and morally defensible to all those involved (Saunders, 2009). Research ethics is an area of concern throughout the duration of the dissertation and, hence, has been considered and evaluated on an ongoing basis**.**

The main ethical issues identified relate to the data collection element and objectivity. In accordance with recommendations by Saunders *et al.* (2009), participants in the interview are required to give permission on the information provided to the researcher to use their responses in the dissertation. Any amendments made by the researcher to the responses provided is considered as unethical behaviour and as such the researcher did not tamper with the information. Furthermore, the respondents always have the option to withdraw their permission at any time.

3.5   Approach to Data Analysis

According to Zikmund *et al.* (2012), data analysis is the process of applying reasoning in order to understand the data (both primary and secondary) that have been gathered or collated. Ghauri *et al.* (2002) defined data analysis as the process of bringing order, structure and meaning to collected data. The analysis of the study included determining consistent patterns in the interview responses and summarizing details revealed in the study. Transcribing data includes transferring the coded data from questionnaires or interviews recordings (Malhotra, 2012). The in-depth interviews were transcribed, typed up in Word documents, and converted into text files for storage and analysis. Participants communicate consciously and subconsciously, as well as verbally and nonverbally, in trying to put across one message or the other, which means that intuitive skills need to be applied in the interpretation of qualitative data (Ritchie *et al.*, 2014). The inductive

method was used to analyse the transcribed in-depth interviews in this study. Componential analysis, which uncovers relationships between words through the search of associated cultural symbols such as acts, sound sand objects (Malhotra, 2012), was used to interpret non-verbal communication by respondents and to evaluate alternative explanations to responses. The primary data was prepared and processed through editing, coding, capturing, verification and cleansing, labelling and storage. Collis *et al*. (2003) emphasize the need to summarize, categorize and restructure as a narrative the non-standardized and complex data collected during qualitative research, in order to support meaningful analysis. Given that this was a qualitative study, the data analysis was non-statistical.

3.6   Conclusion

Research methodology should not be technical and should therefore be easy for everyone to understand (Tustin, 2005). This chapter outlined the research design and how the data collection was done, piloted and refined. It covered the research approach and philosophy for the study. Furthermore, the chapter detailed the systematic collection of data – in other words, how the research was conducted and the organization of practical aspects such as personal and in-depth interviews, and the identification of respondents. The systematic interpretation of the data is discussed in chapter four.

CHAPTER FOUR

PRESENTATION AND DISCUSSION OF THE FINDINGS

4.1 Overview

This chapter presents the findings of the interviews. The data collection, data analysis and conclusions are also presented in this chapter. Data analysis is a process of structuring, ordering and deriving meaning from collected data, and qualitative data analysis involves a process of labelling, organizing and interpreting data with reference to a set of codes, categories, concepts or themes (Ritchie *et al.*, 2014).

4.2 Interview Findings

Generally speaking, findings in qualitative research are usually dominated by respondents' views to interview questions and representation of these responses to questions. Findings from the in-depth interviews conducted are presented in line with the specific research objectives of this study. As indicated in the previous chapter, all interviews were recorded with the permission of participants and were later transcribed by the researcher to enable the process of data analysis which identified emerging themes based on a systematic coding process. Based on the above, the findings of this research are hereafter presented.

4.2.1. Profile of the respondents

As stated in the methodology chapter, the respondents in this research are five business owners who have operated SMEs in Ireland for minimum of five years. An insight into their profile is presented in the table below.

Table 4. 3. Profile of the respondents.
(Source: compiled by the author).

Code name	Business Type/Industry	Year of experience
Respondent 1	Sales and letting of property	6
Respondent 2	Sales and repair of bicycles	7
Respondent 3	Hardware Sales	33
Respondent 4	Hotel/hospitality	16
Respondent 5	Pharmaceutical	6

4.2.2. Research Objective One

The first objective of this study is *to inquire and discuss how businesses identify and engage stakeholders for business sustainability*. To achieve this objective, the researcher focused on the views expressed by respondents in terms of their recognition of stakeholders and their level of involvement in the business decision making processes. From the empirical data, the following findings were presented in relation to the first objective of this study.

4.2.2.1. Stakeholders Identification Process

For business to achieve an effective stakeholders' management plan, there is a need for a proper stakeholder's prioritization. Logically, it can be argued that stakeholders' prioritization can only take place after stakeholders' identification. Findings from the interviews revealed that many of the business owners do not have a clearly defined process for identifying the different stakeholders in relation to their businesses. While some define stakeholders strictly as the business owners and their employees, some others view stakeholders as comprising of consumers, business owner, and the vendors. For example, our **respondent 2** states that:

> *I am a sole trader, I am a shareholder, and everything I do is for the business. The staff that works for me likewise.*

From the above quote, it can be said that the emphasis of who stakeholders are to this business owner is majorly himself and the staff that works within the company to achieve his and or business objectives.

This view is also supported by **respondent 3,** who opines that:

> *My business is a family business, and we have two employees, outside the rest of our family members. So all family members and staff are stakeholders to the business... Although in my mind I have the staff, my family and the community at large.*

Although this particular respondent passively mentioned the community as a stakeholder, the emphasis however, on who should be regarded as the business was actually placed on the business owners (his family) and the employees. In contrast to the two previous views, **respondent 1** seems to have different definition of who should be regarded as stakeholders. According to her, she states that:

> *Our work, we have a lot of properties at the moment and we have a system where we have a list of interested clients that we can contact when there are new listings. These people are mostly walk-in. They go through our brochure and asked to be*

kept updated on new listings or previous clients who could also be interested in buying new properties. Also, most of our businesses come from vendors, they see our flier or adverts and are interested in selling their property and they contact us.

The above quote suggests that this respondent also recognizes vendors and clients as key stakeholders in the business. Interestingly, this respondent made no mention of the employees and the business owner in her delineation of stakeholder identification. The above suggests that the respondent views stakeholders majorly as external persons/parties who have direct dealings with the company.

From the analysis of the data collected, it was found that much emphasis was not placed on government as a stakeholder by the respondent. The few respondents who mentioned government as stakeholders only did so in the passive. For example, the **respondent 4** states that:

> *Our business headquarter is in Spain. Here in Dublin, the Sales Manager and the General Manager have the power over the business… **Talking about government regulations that will be at general manager level.** Our customers are also a key stakeholder*

This opinion indicates that government is only recognized as a stakeholder at the strategic level of the business; hence the role of the government as a stakeholder might not really have much impacts at the operational level.

From another perspective, **respondent 5** believes that national professional bodies, which set standards for the industry are also key stakeholders. The respondent states that:

> *This is a family business owned by two sisters. We have staff that works for us… and the customers, we identify them because they come in in need of prescribed medicine or those with health-related problems. Also, the **National Pharmacy Association is the regulatory body which ensure that the business is run according to standard**. And many other groups of local people helping each other to keep the environment together.*

The findings from this is that respondents differ on whom they regard as the stakeholders in their business. Also, the respondents mentioned a wide range of stakeholders which include business owners, employees, vendors and regulatory bodies. The above is further discussed under the relevant section of this chapter in relation with the literature.

4.2.2.2. Stakeholders Engagement

The second finding of this research in respect of the research objective one indicates that SMEs adopt different strategies for stakeholders' engagement. Generally, the level of

engagement seems to be focused on how stakeholders can contribute to the financial bottom-line of the businesses. For instance, ***Respondent 1*** the states that:

> *We put up signs like two doors to the property letting people know what property we have in the area and get involved in the village, like sponsors, like credit union and football clubs and try to get our adverts out there… and when there is a new listing, we send our clients text messages, email to let them know what properties we have in the area and the price. It is a very good system.*

From the perspective of this respondent, various tools such as advertisement, SMS and e-mail are adopted mainly to increase customer base and enhance turnover. As she rightly earlier identified, the stakeholders targeted for this level of engagement are external stakeholders.

Another interesting finding in relation to stakeholders' engagement is that the approaches adopted towards stakeholders' engagement differ across various businesses or industries at large. In relation to the property industry, **respondent 1** quoted above adopts various tools such as advertisement, e-mail and SMS to engage the stakeholders. In contrast, **respondent 2** who operates a bicycle repairs and sales outfit states that:

> *"...We also have a Facebook page and Google where we ask for reviews from time to time, and we get written reviews to get customers feedback on our services. Sometimes we talk face-to-face"*

Briefly stated, this respondent does not limit engagement to traditional tools of advertisement and e-mail, but offers open public access like Facebook for customers' reviews on product and service. A peculiar feature from the views of both **respondent 1 and respondent 2** is that they both adopt online measures to engage with their main external stakeholders (the customers). However, **respondent 4** in the hotel/hospitality adopts a slightly different approach to engage with the customer. In his words;

> *We offer good services so they keep coming back. We interact, greet, and smile with customers. We make them feel at home. On interaction level, we ask questions, we probe so as to know what they want and if everything (our services) is okay with them. Right from when they walk into the hotel till when they leave, we talk to them several times. We get into interaction after leaving if there is any complaint. Same as the customers, we talk to our staff face-to-face and have meeting on issues and how we can handle such problems.*

This excerpt indicates that face-to-face engagement and quality service are very crucial to this respondent in terms of stakeholder engagement. This could be as a result of the nature of the industry (hospitality) which depends largely on personal interaction with personnel of the business.

In relation to the internal stakeholders (which are majorly recognised as the employees by our respondents), there appear to be a level of agreement among the respondents on the means of engagement administered on this group of stakeholder. For instance, the **respondent 2 opines** that:

> *We organize some training programs for our staffs, so they can train and get to learn process and how to orientate themselves with customers*

Corroboratively, **respondent 3** states that:

> *I supposed we have been fair to our people, we try to develop them and bring them along. At the end it will help the business. The business need people that know what they are doing in core technology and customers services. We train our staff and give them the experience they need to get the business going...they need some level of enthusiasm on what they are doing and a good level of the product knowledge. This is not like grocery stores where customers have adequate knowledge of products. Here we spend about 50% of our time just answering questions from customers...*

From the above views, it can be deduced that the major tools adopted in engaging the employees is training and personal development. As stated by the **respondent 3,** the business recognises the employees as invaluable assets needed to attain the objectives of the firms. Hence, the need for human development to enhance their productivity.

In sum, the findings in relation to the first objective indicates that issues of stakeholder identification and stakeholder engagement are very crucial to the SMEs, However, it was fond that there is no uniform standard for defining who should be a stakeholder, rather it is subjected to any person considered so for the purpose of business. Furthermore, a wide range of stakeholders, such as customers, vendors and employees are recognised by our respondents. However, less emphasis is placed on government as a stakeholder. In this wise, it can be inferred that the SMEs understanding of the term stakeholder is very narrow as a whole range of stakeholders such as the competitors, community, NGOs etc were not paramount to our respondents.

In the area of stakeholder engagement, this research found that various tools of engagement such as e-mail, facebook, advertisement, personal contact and many more means are adopted to engage the various stakeholders. Moreover, it was found that the nature of industry also plays a crucial role in the way stakeholders are engage. Generally, respondents appear to agree on an adoption of training as a tool to engage employees.

4.2.3. Research Objective Two

Having presented the findings of this research in relation to the first objective of this study, the findings relating to the second objective is hereafter presented. As stated earlier, the research objective two is 'To explore and describe the role of stakeholders in the sustainability of business' Based on the analysis of the data collected for this study, two emerging themes were found in relation to this objective. These are presented below.

4.2.3.1. Stakeholders Participation

Analysis of data reveals that SMEs realise the need for stakeholders to participate in the business process. Therefore, all respondents place emphasis on stakeholders' participation. However, many of the participants appear to lay emphasis on consumer and staff participation more than other stakeholders. In this wise, **respondent 3** states that:

> There is a wide range of stakeholder participation in terms of our business, where the new product trend is concerned, the customers are our main stakeholder....

In the same vein, **respondent 2** points out that:

> Our customer often gives us reviews. For our staff, we communicate with them constantly and they bring in fresh new ideas for our business and how to better our business.

The above indicates that priority is given to customers and employees in these organisations when it comes to stakeholder participation. Although, this does not suggest that other stakeholders are not also considered in the area of stakeholder participation. For instance, **respondent 5** opines that**:**

> When there is a problem, the regulatory body will come in and investigate or if there are any changes within the pharmacy system, they will contact us by mail or phone to let us know of the change…

From this view, it is obvious that there are situations when the regulators also participate as a stakeholder in the activities of the company. Also, **Respondent 1** places emphasis on the vendor participation. Specifically, the respondent states that:

> Stakeholders participates through contacting us and putting up properties for sell. This participation so far yielded a good relationship between our business and our customers and vendors. We are always seeking to maintain a good relationship with our vendors, so when they have any new property for sale, they can contact us for the listing. The vendors have a huge impact to our business, without them, we wouldn't be in business.

Based on the foregoing, it can be inferred that SMEs understand the need to strengthen stakeholder participation that involves a wide range of stakeholder. Indeed, this position is highlighted by the **respondent 3** when he says that:

> *There is a wide range of stakeholder participation in terms of our business, where the new product trend is concerned, the customers are our main stakeholder. In terms of participation, we have seen how the environment, product trends and customers' want influences the type of product we sell. Our staff need know what people need, the requirement in the area. We have to be specific with what the area needs, know the trend and respond to that.*

Nonetheless, findings suggest that despite realising the need for stakeholder engagement to be all-encompassing, greater emphasis is placed on customers and employees.

4.2.3.2. Decision Making and Business Benefits

In terms of decision making and business benefits, the analysis of this research data shows that some of the participants do not agree that stakeholders, other than the management should be involved in decision making. In this wise, **respondent 3** elaborately states that:

> *Management makes decisions. Decisions are made based on range of variables like price, margin, market trend and product to stock. These are primarily management functions.*

However, despite the above they mostly agree that the interest of the stakeholders must be considered in the decision-making process. Emphasising this, **respondent 2** explains that:

> *In some decisions we consider our stakeholders inputs, but it depends on the type of decision. If it has to do with management, the way the company is going, the stakeholders will be considered. Decisions that has to do with product development (the prototype) that would be for the staff. For the customer if they come in to ask a particular service and we don't do it, we look into it. We have to listen to what they ask and see if it's practical (we decide on it) are we doing it on their social point of view or for the money point of view or a happy mix but more on the social side.*

Sharing this same view, *Respondent 5* maintains that:

> *The business owners make all the decision. However, we won't make decisions outside the regulatory specifications. So every decision made are solely to do with how the business is run.*

Other participants such as **respondent 3 and respondent 4** believes that stakeholders, particularly the customers and staff provide the needed information for an effective decision making.

In the area of business benefits, there appear to be a consensus among the participants that stakeholder engagement generates benefits for the SMEs. For example, **respondent 1**states that:

> *"Continuous relationship with customers bring more business to us (referrals) and that has also contributed to our business in the last six years. That's basically all that's needed".*

This position is corroborated by the **respondent 3** who explain that:

> *The benefit is that it keeps me in business, through our staff training, they provide better service and customers keep coming back and high referral rate. It makes me money and every system is working.*

The above views are not different from the position of the **respondent 4** who elucidates that:

> *The customers interact with us on menu they would like to have. In the bedroom front, they tell us what they want to see or have in the bedrooms. So from feedback, we make informed decisions.*

In a nutshell, all the above views suggest that the respondents appreciate the responsibility of the management to take business decisions. In addition, they understand that the interests and the views of key stakeholders are very crucial in the decisions making process. Generally, the respondents agree that stakeholder engagement is a source of benefit to their firms. However, merely saying this does not validate the assertion due to lack of proof.

4.2.4   Research Objective Three

The third objective of this study is 't*o propose recommendations for the promotion of stakeholder management with regards to business sustainability.* The approach adopted in achieving this is to understand the specific stakeholder engagement and sustainability strategies adopted by the SMEs, as well as the key stakeholders that drive the business. In this vein, the data analysis suggests two thematic findings as presented below.

4.2.4.1. Strategies for Stakeholder Management and Sustainability

Findings indicate that a variety of stakeholder engagement and sustainability strategies are adopted by the SMEs. The overview of this strategies is presented in table 3.2. Interestingly, the strategies adopted differ significantly across firms. For example, while **respondent 1** adopts strategies such as sponsorship of community programs and engagement with customers and vendors, **respondent 2** adopts innovative idea, enterprise-wide sustainability strategy and open communication with stakeholders. In their own words, **Respondent 1** states that:

> *…we try to do some advert and get involved in the village, like sponsors, like credit union and football clubs and try to get the adverts out there… Our major strategy for business continuity is our continuous relationship with our customer and vendors, this has brought in more customers via referrals and has also contributed well to our business for the last 6 years. That's basically all that is needed.*

In contrast, *Respondent 2* explains that:

> *Yes, from the customers point of view we got a bad review about some goods, the review said it happened twice and because we found out how we can improve on ourselves. From the staff we communicate within ourselves all the time. They bring in new ideas because we are in this together. They come forward with ideas then we work on it together, we give it a go. So if you don't keep the communication open, you cant keep the flow of idea open. Business grows with the flows of ideas.*

A number of factors could be adduced for the difference in the strategies adopted by various firms to achieve stakeholder engagement and business sustainability. Chiefly among them could be the nature of business and the vision of the business owner.

Table 4. 4. Overview of stakeholder engagement and sustainability strategies adopted by SMEs. (Source: compiled by the authors).

RESPONDENTS	STRATEGIES ADOPTED
Respondent 1	Sponsorship of programs, active engagement with vendors and customers
Respondent 2	Idea development, open communication, sustainability strategy
Respondent 3	Following trend, affordable price, quality service
Respondent 4	Good customer service, serene environment

Respondent 5	Early opening of shops, clients interaction, discount offer.

Notwithstanding the above, a major strategy that is common to all the participant is quality of the service delivered to customers. For instance, **Respondent 4** states that:

> *By keeping the customers happy. Our business is about customers. Interaction is crucial. We've undergone couple of changes. The hotel lobby got a total new look. We always keep the customers guessing what our next step would be. Changes on what they want to see; they want a brighter lobby, even bed board, light colored carpets etc. so all these changes are to keep the customers satisfied. We have changes on menu also, like summer salads in the summer.*

Similarly, **Respondent 3** expatiates that:

> *We run a family business, we manage our activities and as well sure to pass on the business onward to our family members. Our future focus is to develop into a chain store and get good business locations. Because, in our line of business good location really matters. We offer affordable prices and quality service to our customers and treat them with respect. This has been our strategy. It's a good system and it works.*

The above views are confirmation of previous findings of this research that majority of SMEs places emphasis on customers as a key stakeholder of their business.

4.2.4.2. Key Stakeholders and Keeping the business going.

Respondent 1

The Findings of this research on the key stakeholder that drives the business also indicates that individual respondents differ on their mapping of who should be recognised as the key stakeholder of the business. In her own view, **respondent 1** believes that:

> *Without the vendors, we wouldn't be in business and we sell on their behalf. They are our key stakeholder*
>
> Undoubtedly, this respondent believes that the stakeholders that drive her business are the vendors and customers.

In his own view **Respondent 2** explains that:

> *The staff is our key stakeholder that is why we spend more efforts in training them. Because if we provide the best service the customer will long to come,*

To this respondent, the key stakeholder that drives his business is the staff, as against the position of the respondent 1.

Corroborating the view of the respondent 2, **Respondent 3** also maintains that:

> *The staff and the family members are the key stakeholders in the business.*

Just like the respondent 1, **respondent 4 and respondent 5** argue that the key stakeholder that drive their business are the customers. In the words of the **respondent 4,**

> *The customers are our key stakeholders. Because if we don't have a customer, we don't have a business, and staff won't be here if there is no customer. By keeping the customers happy, our business is about our customers. Interaction is crucial in keeping the business going.*

Similarly, **Respondent 5** states that that:

> *The customers are our key stakeholder. Because any other person is replaceable,... We keep our customers by just keep doing what we do every day.*

These views are diagrammatically represented below to give a snapshot of the key stakeholders mentioned by the participants.

Figure 4. 2. Overview of the key stakeholders that drive SMEs business. (Source: compiled by the author).
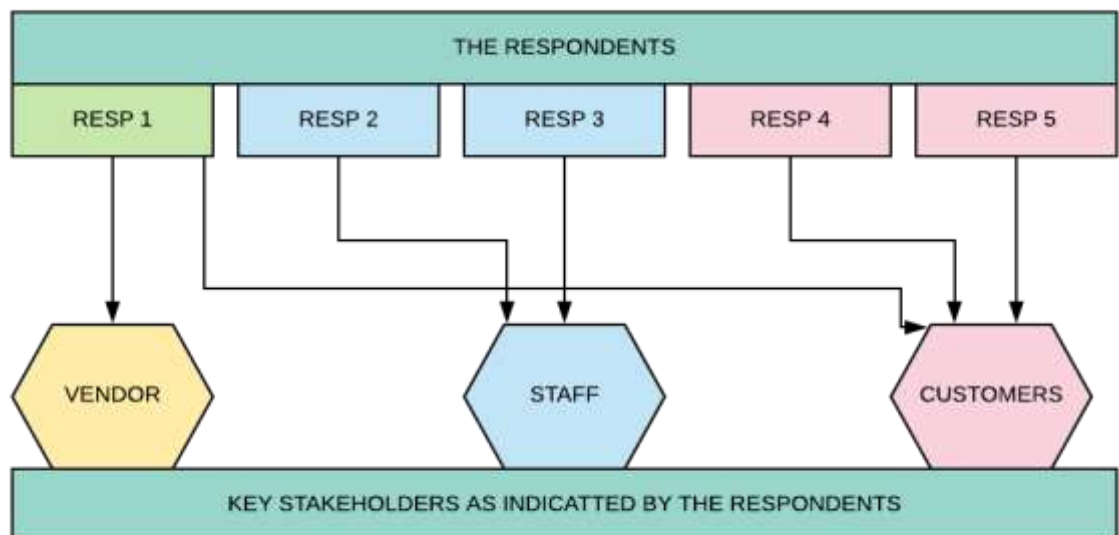
As indicated in figure 3.1, three respondents (1, 4 and 5) indicated that their business is majorly driven by the customers. In contrast, only two respondents (2 and 3) mentioned staff/employees as the major stakeholder that drives their business. Also, vendor was only mentioned as a key stakeholder that drives business sustainability. Based on the

foregoing, it can be deduced that customer is acknowledged as the major stakeholder that drive SMEs business.

4.3. Summary of the findings

Based on the foregoing discussion, the summary of the findings of this study is presented in table 3.2 below.

Figure 4. 2. Summary of the findings.

(Source: compiled by the author).

RESEARCH OBJECTIVES	KEY FINDINGS	SALIENT ISSUES
RO1: *To inquire how businesses identify and engage stakeholders for business sustainability*	No uniform stakeholder identification process	• There is no uniform standard for identifying stakeholders. • A wide range of stakeholders were identified. • Less emphasis is placed on government as a stakeholder.
	Tools of Stakeholder engagement and type of stakeholder engaged differ across industries	• The tools for engagement differ across industries. While some place emphasis on engagement with internal stakeholders, some emphasise external stakeholders.
RO2: *To explore and describe the role of stakeholders in the sustainability of business*	Stakeholder participation	• A wide range of stakeholders are considered for participation with emphasis placed on customers and employees.
	Decision making and benefits	• Firms believe that management has the sole responsibility for decision making. • There is also a general believe that interests and views of stakeholders are very cogent, therefore they should be involved in

		• decision making process.
		• Engagement do yield benefits for firms.
RO2: *To propose recommendations for the promotion of stakeholder management with regard to business sustainability.*	Stakeholder engagement and sustainability strategies	• Firms adopt a wide range of strategies which vary in accordance with firms' nature.
		• Customer service is a common strategy among SMEs.
	Key stakeholders that drive organisations survival	• Three key stakeholders were mentioned by participants. Customer is mentioned by the majority of the respondents.

4.3   Discussion of the findings

Having presented the findings of this research, the subsequent sections of this chapter discusses these findings in the context of the extant literature.

4.3.1. Research Objective One

The themes covered in research objective one included stakeholder identification process and stakeholder engagement.

In terms of stakeholder identification process, the findings suggest that stakeholders are those who directly or indirectly affects the operations of the business. The purpose of any organization is to serve the interests of its stakeholders (Louw, 2008). However, Pearce et al. (2008) argue that the goal of business survival is taken for granted, and that the organization that is unable to survive is incapable of gratifying the interests of any of its stakeholders(Pearce and Robinson, 2008).

According to Jackson (2011), the term "stakeholder" denotes any individuals or groups who have an interest in what the system is doing (Jackson, 2011). The data obtained regarding stakeholders management and business sustainability indicated that the stakeholders include the following: sole traders, business owners, family member, staff,

customers, the public, vendors (supplier), the environment, the local people, the general manager, sales manager, national pharmacy association, and government.

According to Carroll (1991) a narrow mapping of a company's stakeholders might identify the following stakeholders: owners, customers, employees, community, competitors, suppliers, social activist group, public at large and others (Carroll, 1991). The identification of stakeholder groups, according to Jongbloed *et al*. (2008), is not straightforward or simple. The findings in relation to stakeholder identification indicate that the owners of the business and the nature of the business determines the type of stakeholders for the business.

Bobeica (2011) argues that identifying stakeholders is a difficult thing because nobody knows exactly who they are (Bobeica, 2011). The findings also indicate that there is no process or scientific means followed in order to draw up the list of potential stakeholders, they are identified in terms of their interest in line of business. Doh*et al*. (2014) state that the list of potential stakeholders of any organization is virtually limitless (Doh and Quigley, 2014).

In terms of stakeholder engagement, the findings suggest that most businesses engage their stakeholders through organizing of training, communication, feedbacks from their customers, meetings, mentorship, community involvement, sharing of new ideas, customers reviews and continuous interaction with customers and staff. The findings from this research was in line with the findings of O'Halloran (2014) stakeholder engagement strategies and methods preferred by project managers in the Irish construction industry and found to be effective were: meetings, workshops, negotiations, phone, media, interviews, social interactions, public engagement, website, questionnaire, emails, and other social media.

4.3.2. Research Objective Two

Research Objective two was covered by the following themes: Stakeholder participation and decision making and business benefits. In terms of stakeholder participation, the findings suggest that SMEs need to continue working tirelessly in maintaining relationship with its customers, employees and the society at large, and this is expected to contribute to the sustainability of the business. Stakeholder participation provides

opportunities to further align business practices with societal needs and expectations, helping to drive long-term sustainability and shareholder value. According to the findings of Yang *et al.* (2011) and O'Halloran (2014), effective stakeholder engagement and involvement are the best ways of ensuring stakeholders participation (Jing Yang *et al.*, 2011).

In terms of decision making and business benefits, the finding suggests that business makes decisions based on how it affects their key stakeholders and some decisions are made based on customers preference and in turn these decisions has benefit to the business at large. The benefits from stakeholder's involvement in the process has been listed in the classification as follows: growing business, profitability, good customer relationship, continuity in business, happy staff and customers' satisfaction. Rowlinson and Cheung (2008) proposed a stakeholder management model that emphasized the need to empower stakeholders in the decision-making process (Rowlinson and Cheung, 2008). Also, literature suggests that stakeholder governance can be used to achieve wider participation of internal and external stakeholders in decision making. Furthermore, Chandra *et al.* (2012) discovered that there are strong positive correlations between levels of stakeholder engagement and stakeholder psychological empowerment and the achievement of business sustainability (Chandra, Artama and Wiguna, 2012).

Research Objective Three

Research objective three was covered by the following themes: strategies for stakeholder management and sustainability and key stakeholders and keeping the business going.

About strategies for stakeholder management and sustainability, the findings indicated that the businesses practice quality services, good customer services, stakeholder's engagement through staff training, and continuous interaction and relationship with the customers. The business has to engage its stakeholders, and this requires a succinctly articulated strategy for understanding and managing stakeholder relationships, which has an impact on the success of the business (Jongbloed, Enders and Salerno, 2008). Stakeholder management suggests a potentially comprehensive and unifying framework for understanding the complex interactions between organizations and their internal and external environments (Doh and Quigley, 2014). According to Freeman *et al.* (2001), the reason for stakeholder management is to try to develop a framework that is responsive to

the concerns of managers, who are being faced with unprecedented levels of environmental turbulence and change.

In terms of key stakeholders and keeping the business going, the findings in relation to key stakeholders for business sustainability were mentioned to be the business owners, the staff and the customers. Louw *et al.* (2008) argue that it is essential for each organization to identify its key stakeholders, and to clearly define their key responsibilities towards them. This research has revealed that many businesses do not undertake a formal analysis of all stakeholders' interests, because this creates difficulties when it comes to mapping these interests (Payne, Ballantyne and Christopher, 2005).

The findings in relation to how to keep the business going, continuous interaction and relationship with customers and staff with consistency with working system were the key factors for future focus of the business. Waligo *et al*. (2014) argue that the consideration of stakeholder cooperation contributes to the success of business strategy (Waligo, Clarke and Hawkins, 2014), and according to Felix *et al.* (2014), stakeholder management includes designing and implementing strategies for sustainability (Felix and Ogbor, 2014).

4.4   Conclusion

The study used a small sample size, though quality data were collected through in-depth interview. According to Wiid *et al.* (2015), qualitative research depends upon detailed descriptions by respondents, in order to gain insight into the problem, given that it uses smaller sample sizes. This enabled the researcher to access the tacit knowledge of the participants (Wiid and Diggines, 2015).

This chapter presented the findings of the interviews. The themes created for data collected through interview includes the following: Stakeholder identification process; stakeholder engagement; stakeholder participation; decision making and business benefits; Strategies for Stakeholder Management and Sustainability; Key Stakeholders and Keeping the business going.

It also presented the discussion of the findings and conclusion. The following chapter discusses the conclusions and contributions of the study and suggestions for further research.

CHAPTER FIVE

CONCLUDING THOUGHTS ON THE CONTRIBUTION OF THIS RESEARCH, ITS LIMITATION AND SUGGESTIONS FOR FURTHER RESEARCH

5.1   Implication of Findings for the Research Question

Stakeholder theory has influence over the management and strategic development of organizations through changing the nature of management decisions, the type of objectives, and the strategic point of view (Mainardes, Alves and Raposo, 2012). Therefore, if stakeholder relationships are vital for the long-term success and survival of an organization, the measurement of the organization's success cannot be restricted to the creation of value for only one stakeholder group (Clarkson, 1995).

This study revealed the significance of identification of stakeholders in business, among other things, for proper engagement and involvement of these stakeholders towards sustainability of the business. The study findings identified the following stakeholders for business: sole traders, business owners, family member, staff, customers, the public, vendors (supplier) the environment, the local people, the general manager, sales manager, national pharmacy association, and government. The literature described stakeholders as internal or external individuals or groups who have a stake in, and influence on, or a direct or indirect interest in the way that the business operates. The findings seemed to have fitted the definition because stakeholders identified in SMEs included individuals or group of individuals who participated directly and indirectly in the business. The concept seems to bring new meaning to the conduct, role and responsibility of the business, and changes the way in which corporations interact with stakeholders. According to Carroll (1991) company's stakeholders include owners, customers, employees, community, competitors, suppliers, social activist group, public at large and others. However, this study could not establish what stake(s) each stakeholder claimed in the business. This could form part of the recommendations for future studies.

The study also revealed that stakeholder identification was dependent on the type of business, the research identified stakeholders and eventually drew up a list of

stakeholders. Doh and Quigley(2014) suggest that the list of potential stakeholders for any organization is potentially limitless (Doh and Quigley, 2014). However, Bobeica (2011) argues that identifying stakeholders is difficult because nobody knows exactly who they are. This begs the question as to whether or not business understands the difference between stakeholders and stockholders. Once again, this could form part of future research. The study could not establish whether there were primary, internal and external stakeholder groups, as Clarkson (1994) describe these as the most important stakeholder groups for business sustainability. The findings of the study did indicate, however, who the key stakeholders were.

In terms of how small and medium scale businesses managed their stakeholders, the study shows that stakeholders were managed through engagement and decision making. However, it was not clear if the engagement and decision making were formal (that is, a Memorandum of Understanding or Memorandum of Agreement) or merely a gentlemen's agreement.

The SMEs identified its key stakeholders, which represented the stakeholder groups that were essential for its survival and sustainability. According to the literature, SMEs have been able to apply stakeholder management strategies, and the identification, prioritization and management of stakeholders is not an easy or straightforward process. One could agree with the finding of the study that SMES is moving in the right direction, but that there is room for improvement. Louw (2008) argues that the purpose of any organization is to serve the interests of its stakeholders (Louw, 2008).

The study show that the roles of stakeholders included the following: customer feedback, participation, delivering quality service, and ensuring business survival. An organization will last longer if it is able to build and maintain sustainable and durable relationships with all members of its stakeholder networks.

Corporations need to seek ways of involving stakeholders, in order to understand the value of the service rendered and the means for their respective improvement (Mainardes, Alves and Raposo, 2012). The fundamental feature of managing stakeholder relationships is understanding and knowing what the stakeholders expect and need. Corporations have to, beyond merely identifying their stakeholders, understand different stakeholders' expectations and needs or demands (Bertrand and Busugutsala, 1998).

The findings of the study suggested that the SMEs had not undertaken stakeholder analysis - it did not delineate the process that it followed to identify stakeholders; it was not aware what stakes their stakeholders were claiming, and it was not clear what responsibility the SMEs had towards its stakeholders. It also did not indicate the strategy employed in promoting stakeholder management, though it did mention engagement and collaborative decision making as a way of managing its stakeholders; and it did describe the role that stakeholders played towards business sustainability.

The findings revealed that SMEs intended to gain, either in monetary terms or maintaining good relationship with its customers to fulfil its mandate, from the invited and participating stakeholders in other to compete favourably. Every business, in order to remain competitive, has to meticulously assess the challenges and threats posed by the environment, understand the needs of stakeholders, attract and consolidate resources, consider external changes, and resolve internal problems (Mainardes, Alves and Raposo, 2012). The capacity of a business to thrive in turbulent environments, meet the needs of its stakeholders, and successfully resolve internal problems, determines the institution's stakeholder orientation (Clarke, Flaherty and Mottner, 2001).

Corporations needs to have dedicated personnel to undertake stakeholder analysis; to develop suitable strategies for stakeholder management; and create specific structures for managing their stakeholder relationships. Stakeholder analysis includes identifying the most important stakeholder groups that have a direct and indirect influence on the organization. However, the key driving force in implementing stakeholder management is the fundamental importance of identifying and guiding stakeholders in accordance with the strategic objectives of the business. Identification of stakeholders and their needs is not an event, but a continuous process that business needs to embark on. Slabá (2015) argues that stakeholder management, including stakeholder identification, salience, categorization, prioritization and analysis, is considered to be one of the new business orientations in university and marketing management (Slabá, 2015). The aim of analysis of stakeholder relationships is to assess the sustainability of the interactions between the organization and its stakeholders through qualitative and quantitative information.

It was also recommended that business should conduct stakeholder analysis in order to determine who its stakeholders are, what stakes they are claiming, what responsibility the business has towards them, what threats and opportunities the stakeholders are

presenting, and what other strategies the business can employ to manage its stakeholders. In the process of identifying stakeholders, the business needs to understand the typology of stakeholder attributes in order to be aware of the threats or opportunities presented by each stakeholder. Business has to identify who its key stakeholders are. It was important to note that stakeholders are not only groups of individuals and organizations, but also individual as stakeholder.

5.2 Contributions and Limitations of the Research

5.2.1 Contributions

The essence of this study is to provide a clear picture of the effect of stakeholder management on the sustainability of small and medium scale enterprises.

The research work contributed to the following:

- **Economy:** This study, having critically investigated effect of stakeholder management on business sustainability, stakeholders and users of the information are exposed to the important practicable tools needed to manage and maintain a sustainable business which in turn lead to a stable economy. This study goes a long way to ensure economic growth and sustainability.
- **Corporation:** This study is of great value to business for overarching concept of sustainable development by exploring the role of (commercial) organizations and their possibilities of carrying out the core business processes in a sustainable manner.

5.2.2 Limitations

This was an exploratory case study and cross-sectional data was gathered at one specific point in time, which meant valuable trend analyses of business stakeholder management, which only a longitudinal study would have been able to do, were not used. The researcher could also not collect data up to the point of saturation, because time was limited, and the period in which the researcher was permitted to conduct the study did not enable this to be achieved. The researcher could not exhaust the existing literature, given the time frame, and may therefore have missed some relevant publications. A longitudinal study could have given better insight into who the business stakeholders are, what claims they have, what responsibility the business has towards them, what threats and opportunities they present, and whether or not new managerialism,

entrepreneurialism, capitalism, and globalism had any influence on how the business identified and managed its stakeholders.

The study employed a qualitative approach and used a small sample, which meant that the study was not representative of the total population, hence the findings cannot be generalized to the greater population. The research design of the study was a single exploratory case study, and due to the qualitative nature of this study, the purpose was not to be representative, but rather to be able to use the research findings for other purposes and studies. The study used the purposive sampling technique, which on its own limits the inclusion of a large number of participants. The sampling technique also presented challenges for the researcher in terms of finding ways to convince the participants to participate in the study, while in the process guarding against compromising the credibility and permission of the study. The full participation of all potential participants could also have been hindered by, among other things, the time within which the study permission was granted, as potential participants were immersed with summer sales, while others were either on vacation or planning to do so within the study time frame.

5.3   Recommendations for Practice

This study recommends that businesses should purposely identify all stakeholders, map their interest and power and also maintain continuous relationship and interaction with them. The findings of this research have shown that there is a general belief that continuous engagement of stakeholders by SMEs has proven to be a key factor for the survival of their businesses.

5.4   Recommendations for Further Research

Future research should look at businesses as a complex adaptive system, employing simple system thinking to examine stakeholder management in detail. This will enable the application of creative holism to accommodate the role of non-stakeholders and the stake(s) they might have in the business. As the business attempts to traverse to higher levels of fitness landscape and the changing external environment shapes it towards other stakeholders, this could enable the development of stakeholder management strategies to accommodate ever-increasing complexity, change and diversity.

The replication of this study with big corporations employing different research designs and mixed methods, with the sampling of more respondents, which may increase the potential for the generalizability of the findings to the entire population, is another possible future study. This could perhaps lead to new insights that could be used by businesses to improve stakeholder management and establish a comprehensive stakeholder management framework.

5.5   Final Conclusion and Reflections

This study intended to determine the effect of stakeholder management on the sustainability of small-scale business and how SMEs attempted to identify, engage and manage their stakeholder for business sustainability. The study reviewed the literature related to stakeholder theory and other relevant disciplines, in order to understand stakeholder management and its concepts. The primary data that was collected came from in-depth interviews with SMEs owners/managers.

Stakeholder theory has begun to gain attention among organisations world-wide as many big corporations have come to the realisation that Milton Friedman was wrong (Posner, 2019). Very recently, CNBC reported that about 200 companies' leaders agreed to the fact that shareholder value alone is no longer their major aim (Fitzgerald, 2019).

In the past, organizations focused on a short-term goal by maximizing profits for one stakeholder, namely the stockholder. Nowadays, however, business has to focus on a long-term goal, which is maximizing wealth for all stakeholders, thereby contributing to the survival of the organization.

Companies with skilled and knowledgeable engaged employees are more likely to make correct decisions and add value to the organization - and that results in better organizational performance (Hitt *et al.*, 2001). According to Hsu & Wang (2008), the challenge has been on how to encourage employees to commit to giving their best to the organization and in doing that, add value to the organization (Hsu and Wang, 2008).

According to the result of the research, business owners and employee of SMEs are committed to giving their best to the organization and to add value. The assumption can then be made that it will have an influence on business sustainability. This shows how

stakeholder engagement has a big influence on how businesses perform and create value in the long run.

Conducting research is both scintillating and cumbersome to a certain extent. As a scintillating process, it exposes the researcher to new information. As someone who holds qualifications in accounting and business management, the study brought new insights that were different from my previous fields of study. It has inspired me to learn more about other theories relevant to this field of study and profession. The research process is a challenging one that requires endurance, perseverance, an inquiring mind and focus, and is also exhilarating. From a scholarly perspective, the researcher has grown and become encouraged to search for more information and knowledge. The research process is also a cumbersome one however, especially with regard to obtaining ethical clearances and permission. For practical studies such as this one, encouraging potential participants to participate in the study is uninspiring and discouraging at times. The research process has presented an opportunity for the researcher to practically experience conducting research study. I found the research process to be fulfilling, as it presents opportunities to gain and increase knowledge, both tacit and explicit.

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APPENDICES

Appendix A

Form for Interview Request

Appendix B

Objectives and questions to achieving them.

- To inquire and discuss how business identified and engaged stakeholders for business sustainability.

- ✓ Who are your stakeholders? (identifying stakeholders)
- ✓ How do you manage their interest/power? (to know if the business keeps them informed/monitor, and keeps them satisfied/manage closely? (engaging stakeholders)
- ✓ Why do you engage/manage your stakeholders? (To what end/purpose)

- To explore and describe the role of stakeholders in the sustainability of business.

- ✓ In what ways are stakeholders contributing to your business? Or Highlight contributions of stakeholders to your business/organization existence.
- ✓ How do you inform and involve stakeholders in decision making?
- ✓ According to your opinion, please describe in detail the benefits you have derived from this relationship/involvement?

- To propose recommendations for the promotion of stakeholder management with regard to business sustainability.

- ✓ What steps has your organization/business taken in the past to be where you are today? (if any factors like succession planning, future focus etc are mentioned, I will inquire more on that).
- ✓ Which stakeholder is key to the future of your business? Please tell me more on the reasons the stakeholder so identified is key to your business' future?
- ✓ In what ways would you have loved to manage better the stakeholder identified above for the benefit of your business.
- ✓ Explain how you think you can keep your business running.

Appendix C

Respondent 2 Transcribed Interview

Respondent 2

ME: Do you know who your shareholders are?

Respondent -l'm a sole trader so definitely I'm the shareholder because l have everything to do with the business, the business evolves around me.

ME; Stakeholders are those people that could have effect on your business your customers, competitors, community, environment, staff etc. Do you identify with any of these people?

Respondent -Yes, first of all with the staff; because they are the closest to me so, we identify with them by communicating the needs of the company or (short pause) with training programs so they can train and get to learn process and that's ongoing all the time and how to orientate themselves with customers, that's what part of the job is, is to meet with the customers and try to conduct themselves in that kind of relationship and from the customers point of view, hmm we have a Facebook page and Google and we ask for reviews from time to time and we have to get written reviews to find out where we stand. So what we are trying to do is to get a large number of people that will review us to give us a clearer picture and it has gone a long way in us improving ourselves because of their customers' feedback. Sometimes we talk face-to-face. I don't step in unless the boys ask, I leave them to find their own feet.

ME: I could identify two of the stakeholders there, the staff and the customers. You orientate the staff on how to do the work and also of the customers from your Facebook page where you get reviews on your job. If I may ask, you know these two groups have power and interest in the business are you aware of that?

Respondent -Oh, they have a huge interest. For instance, if the staff doesn't perform. First of all, if I don't perform then the staff won't perform, so I have to perform. If the staff does not perform then it reflects on the level of service that goes back to the customers. So therefore the customer won't perform any by giving me their business so there is no money coming in into the company. We all support each other because each group has its own importance within that group. So if one the group like myself fall down on the job, it will start to crumble on itself, customers will drop off, the staffs will feel there is no work enough there for them and they going to run away from you if you are not focused on what to do, so you can't just focus on one thing on its own; all the time on the staff, is not a good thing. All the time on the customers, not a good thing nor all the time on yourself, not a good thing. So you have to apportion different time to

different advice too. You know if something new is probably coming in, you have to focus on the staff train them on what the new product is and get their feedback. Get their ideas too, it is very important, you've to listen to others in operation. Then you can move forward by presenting it to of the customers which helps to grow the business.

ME: In doing all these, why do you do that, to what end?

Respondent -Because I want to grow the business, I want it to be the best place to work. I want to be a profitable business.

ME: And to your customers, why do you need their feedbacks?

Respondent -Because the feedback tell us whether we are going in the right direction or not or if we can oil it and shine a bit up for them. To make it more enhance for them and our hope is they would tell their friends, why? Because they like the way the staff attend to them, the approach, we like the understanding and knowledge when we ask them questions. That's why we do these. You know, I want the business to be a success, I don't want to sow the seed of failure. So the whole thing together makes the business. It's not about one person; its not about Larry but the "business" (emphasis). It's about projecting the company name, the level of service committed to the company no matter who looks after the company it going to give you a minimum standard that is required.

ME: In all of these, what has been the specific contributions from your customers, your staff towards the business?

Respondent -Yes, from the customer point of view we got a bad review about some goods, the review said it happened twice and because of that we found out how we can improve on ourselves. From the staff we communicate within ourselves all the time they bring in new ideas because we are in these together they come forward with the ideas then we work on it together. We give it a go. So if you don't keep the communication open, you cant keep the flow of idea open. Business grows with the flows of ideas.

ME: In decision making, do you involve your stakeholders? And how do you, if you do?

Respondent -Yes, in some decisions yes but it depends on the type of decision it is really. If it has to do with to find out the way the company is going, the stakeholders will be involved so we come up with. If its to do with a product the staff (the prototype). For the customer if they come in to ask a particular service and we don't do it, we look into it. We have to listen to what they ask and see if it's practical (we decide

on it, we need reason to do it) are we doing it on their social point of view or for the money point of view or a happy mix but more on the social side.

ME: According to your opinion, please describe in detail the benefits you have derived from the relationship with your stakeholders.

Respondent -The benefit is that it keeps me in work (rising tone), it makes me money and every system is working. Without my stakeholders I'm nothing (emphasis). Whatever ideas, there is no service to offer to the stakeholders if someone else has it better. And then it also (pause) let me meet lots of different people and it also let me know where I am in the world. sometimes you think you are outdone by then you listen to your customer when they come in and they tell you stories then you realize life isn't anywhere near you think it is if they don't offer you they would offer it to somebody else sometimes they just come in to give you a laughter for the day, sometimes they come in with little ideas, sometimes they come in with a little bag of sweet or something, spontaneous things which is good for the spirit. They are very kind to the staff and they treat staff the way they would treat me which is very good and what we want. And we won't have it any other way, the staff also treat them the way I would. And they don't know their relationship we might have because some customers are relative or it could just be a stranger. I give my staff the confidence, I don't speak in over their needs.

ME: Thank you. How long have you been in business?

Respondent -In these business? I have been since 2012 and the business as my own entity in 1985. So I've picked a lot of different businesses. This is retail and it's much more challenging. Everyday is particularly different, different customers and how you deal and the reception you get with them keeps you on your toes and it's refreshing.

ME: Talking about this business, what have you done in the past to be where you are today. Since 2012 till date?

Respondent -When I started, I started small I had an interest in cycling because I was massively over weight and the doctor said the worst I could do cycling and because of cycling my bike needed much servicing then I started to understand more about my bike, either I take to the bike shops, different ones and it was just the level of service I was getting back consistent. That was the big things, consistency was the key for me starting up the business. To that end I wanted to get training here in Ireland to be a proper mechanic (a bicycle mechanic) not car or other. My research into it led me to the Ireland because there was nobody with a dedicated recognized qualifications for bicycle mechanic so further research showed up for university bicycle mechanic in the United States which is too far and GCSE etc I picked a training centre that was suitable and easy to travel to and went to London for the first course which was great and then

while I was there I got it all then come back for my practices. (long pause as the interviewee coughs as a result of "…long speech")

ME: Having identified all your stakeholders, which of them is key to the future of this business?

Respondent -Okay (long pause) the staff have got to come first and the training of the staff.

ME: why the staff?

Respondent -Because if we provide the better service the customer will long to come, the customer are not just going to come in if it's no benefit for them so we've got to produce the benefit to them whatever it is. A nicer place, a nicer customers relationships (high emphasis), a better stock and wider range. So we have to start there and work our ways to the customers. It started with me going to training and setting up the business and then bringing them in, getting the customer and I won't have the business without the customers. Customers fund the business and allow you to hire your staff and train the staff to bring in more customers if you want to keep on growing the business.

ME: Apart from orientation, trainings on how to deal with customers etc of the most important stakeholder which according to you the staff. How would you have loved to manage this particular group of stakeholder better so as to keep your business running?

Respondent -Yeah, there is first of all my staffs are very young way younger than me so I have got the experience they are in life they eager to learn and they want to know things quicker at their age so the method of teaching while I was younger is "its the boss" and everybody listens either right or wrong. My views is that life is a form and we've all got to communicate together, give a little, take a little and the only way we can do this is to listen and talk to each other, take over ideas from each other and form that little bit of information take the best that will benefit all the stakeholders. That sound fine but it's quite a hard thing to do. You've got to do it ongoing all the time. It's like a heartbeat, if the heart stops…you just have to get into the habit of doing it. And respect as well. You've got to respect your customers, respect your staff and respect yourself. Respect is the key.

Appendix D

Code book for Respondent 2

Page	Textual data	Code	Coder	Date
1	a sole trader	Sole trader	IO	03-Aug-2019
1	I'm the shareholder because l have everything to do with the business, the business revolves around me.	Business owner	IO	03-Aug-2019
1	I'm the shareholder because l have everything to do with the business, the business revolves around me.	Stakeholder	IO	03-Aug-2019
1	the staff;	staff	IO	03-Aug-2019
1	staff; because they are the closest to me so	Close to staff	IO	03-Aug-2019
1	identify with them by communicating the needs of the company or	Communication with staff	IO	03-Aug-2019
1	with training programs so they can train and get to learn process and that's ongoing all the time	Training and Learning process	IO	03-Aug-2019
1	the customers	The customer	IO	03-Aug-2019
1	how to orientate themselves with customers, that's what part of the job is, is to meet with the customers and try to conduct themselves in that kind of relationship and from the customers point of view	Training to server customer	IO	03-Aug-2019
1	Facebook page and Google and we ask for reviews from time to time and we have to get written reviews to find out where we stand	Facebook page and Google review	IO	03-Aug-2019
1	Facebook page and Google and we ask for reviews from time to time and we have to get written reviews to find out where we stand	Customer feedback	IO	03-Aug-2019
1	a Facebook page and Google and we ask for reviews from time to time and we have to get written reviews to find out where we stand.	Online presence	IO	03-Aug-2019

Page	Textual data	Code	Coder	Date
1	customers' feedback	Customer feedback	IO	03-Aug-2019
2	service that goes back to the customers. So therefore the customer	Customer satisfaction	IO	03-Aug-2019
2	So you have to apportion different time to different advice too	Time management	IO	03-Aug-2019
2	if something new is probably coming in, you have to focus on the staff train them on what the new product is and get their feedback	Training of staff for new product	IO	03-Aug-2019
2	Get their ideas too, it is very important, you've to listen to others in operation. Then you can move forward by presenting it to of the customers which helps to grow the business.	Staff meeting	IO	03-Aug-2019
2	Because I want to grow the business	Growing the business	IO	03-Aug-2019
2	I want it to be the best place to work	Good working environment	IO	03-Aug-2019
2	a profitable business.	Profitable Business	IO	03-Aug-2019
3	Because the feedback tell us whether we are going in the right direction	Customer feedback	IO	03-Aug-2019
3	To make it more enhance for them and our hope is they would tell their friends	Customer referral	IO	03-Aug-2019
3	You know, I want the business to be a success,	Successful business	IO	03-Aug-2019
3	from the customer point of view we got a bad review about some goods, the review said it happened twice and because of that we found out how we can improve on ourselves	Customer review	IO	03-Aug-2019
3	From the staff we communicate within ourselves all the time they bring in new ideas because we are in these together they come forward with the ideas then we work on it together	Meeting for new idea	IO	03-Aug-2019
3	So if you don't keep the communication open, you cant keep the flow of idea open	Open communication	IO	03-Aug-2019

Page	Textual data	Code	Coder	Date
3	Business grows with the flows of ideas	New ideas	IO	03-Aug-2019
4	If it has to do with to find out the way the company is going, the stakeholders will be	Companies decision	IO	03-Aug-2019
4	If its to do with a product the staff	Product decision	IO	03-Aug-2019
4	If its to do with a product the staff	Staff	IO	03-Aug-2019
4	For the customer if they come in to ask a particular service and we don't do it, we look into it.	Customer idea	IO	03-Aug-2019
4	social point of view or for the money point of view or a happy mix but more on the social side.	Decision based on Social point of view	IO	03-Aug-2019
4	social point of view or for the money point of view or a happy mix but more on the social side.	Decision based on profit	IO	03-Aug-2019
4	benefit is that it keeps me in work	Continuity in business	IO	03-Aug-2019
4	makes me money and every system is working.	Profits	IO	03-Aug-2019
4	and every system is working.	Working system	IO	03-Aug-2019
4	listen to your customer when they come in and they tell you stories then you realize life isn't anywhere near you think it is if they don't offer you they would offer it to somebody else sometimes they just come in to give you a laughter for the day, sometimes they come in with little ideas, sometimes they come in with a little bag of sweet or something, spontaneous things which is good for the spirit	Customer feedback	IO	03-Aug-2019
5	different customers and how you deal and the reception you get with them keeps you on your toes and it's refreshing	Different customer	IO	03-Aug-2019
5	Consistency	Consistency	IO	03-Aug-2019

Page	Textual data	Code	Coder	Date
5	to get training here in Ireland to be a proper mechanic	Proper training	IO	03-Aug-2019
5	My research into it led	research	IO	03-Aug-2019
5	a training center	training centre	IO	03-Aug-2019
6	) the staff have got to	Key stakeholder	IO	03-Aug-2019
6	the training of the staff	Staff training	IO	03-Aug-2019
6	better service	Quality service	IO	03-Aug-2019
6	customers relationships	Customer relationship	IO	03-Aug-2019
6	better stock and wider range	Quality product	IO	03-Aug-2019
6	customers	Customers	IO	03-Aug-2019
6	Customers fund the business	Customers	IO	03-Aug-2019
6	hire your staff and train the staff	Staff	IO	03-Aug-2019
6	hire your staff and train the staff	Staff training	IO	03-Aug-2019
6	so I have got the experience they are in life they eager to learn and they want to know things quicker at their age so the method of teaching while I was younger is "its the boss" and everybody listens either right or wrong	Mentorship	IO	03-Aug-2019
6	take over ideas from each other and form that little bit of information take the best that will benefit all the stakeholders	Sharing ideas	IO	03-Aug-2019

CLASSIFICATION

STAKEHOLDER

Sole trader
Business owner
Staff
Customers

DEVELOPMENT PROCESS

Staff training
Mentorship
Staff meeting
Training of staff for new product
Communication with staff

Training to server customer
Training and learning Process

SEEKING INFORMATION

Customer feedback
Customer review
Customer referrals
Customer idea

Facebook page and Google review
Customer satisfaction

Online Presence

CREATIVITY

New ideas
Sharing Ideas

Open communication
Meetings on new ideas

CONSISTENCY

Consistency
Quality product

Quality service
Customer relationship
Good working environment
Time management

DECISION MAKING

Decision based on profit
Decision based on Social point of view
Companies decision
Product decision

BENEFITS OF STAKEHOLDER

Growing the business
Profitable Business
Successful business
Working system
Profits
Different customer
Continuity in business