Company-NGO Dialogues

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Introduction

According to a recent KPMG study, 39% of the world's 1600 largest corporations mention structured stakeholder dialogue in their CSR (Corporate Social Responsibility) reports[1]. While these references suggest that stakeholder dialogues contribute to CSR activities, it remains unclear if and how this dialogue contribution materializes. This research aims to partly fill this knowledge gap, by addressing the following research question:

Do company-NGO dialogues around sustainability issues result in changes in the CSR practice of the involved company, how can we explain this, and what is the value of these changes for corporate environmental sustainability?

Research Strategy

The research question is answered through three subsequent research phases
Phase 1: Empirical exploration of the current dialogue practice
Phase 2: Developing an analytical framework, combining empirical and theoretical insights
Phase 3: Case study research

Findings Phase 1: The Current Dialogue Practice

Dialogue is induced by negative NGO campaigns, reputation research, and the *Zeitgeist*.
Stakeholder engagement is linked to both the CSR and communications or issues management departments.
Dialogue topics are selected by assessing the likelihood that a topic will rise on the public agenda and the possible impact of such exposure. NGOs are selected by mapping it's attitude towards the company, its field of expertise, its possible impact on the company's reputation, and the likelihood this impact will materialize.

Four general dialogue- types can be distinguished:
- One-to-one dialogue, mainly directed at building relationships.
- Working groups, focused on gathering knowledge.
- Conferences, directed at knowledge exchange with a positive spin-off for PR.
- Roundtables, take place at the level of the industry/sector or the production chain.

The outcomes of company-NGO dialogue that are most valued by the dialogue participants are improved relationships, better understanding, and trust. Furthermore, participants value the creation of partnerships, gaining knowledge and expertise, improving corporate policies, and making amendments in corporate activities as outcomes of dialogue.

Findings Phase 2: Towards an Analytical Framework

Three 'layers' of organizational reality that might be of influence on the process of dialogue outcome generation are identified: the organizational context, participating organizations and individual dialogue participants. These 'layers' can be defined by using a *power* as well as a *learning* perspective.
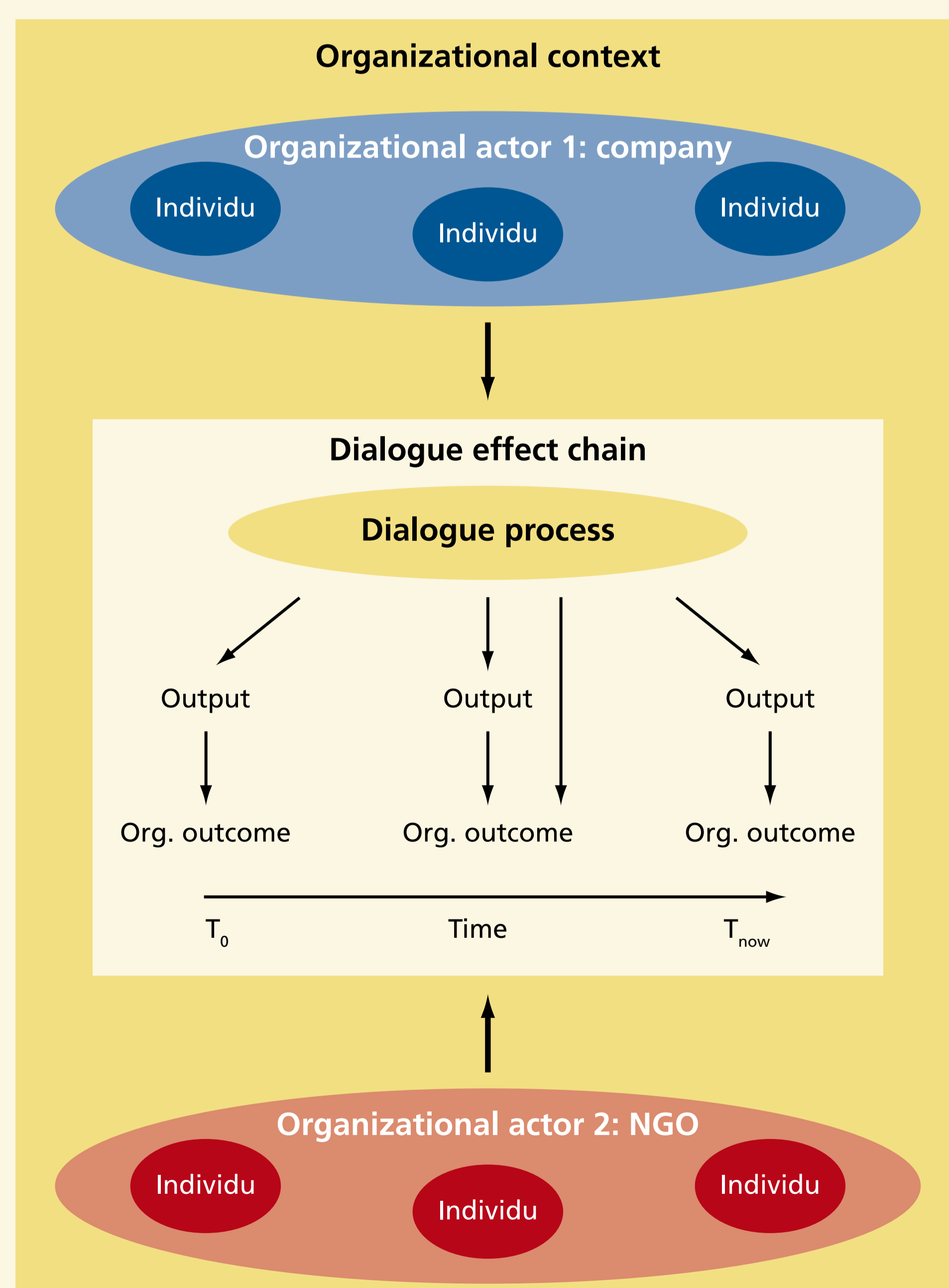
Intermediate Conclusions

It is expected that both the power and the learning perspective will be helpful in explaining the course of the dialogue effect chain. I have recently begun to apply the analytical framework to two cases of company-NGO dialogues. Two observations already stand out. By providing input for CSR policies and/or establishing sustainable product development partnerships, these dialogues certainly create CSR value. Second, power dynamics are able to provide ample explanation for the course of the dialogue effect chain. It remains to be seen whether changes in perceptions on the individual and organizational level have occurred during the dialogue processes, which might prove that the learning perspective has explanatory power too. The development and subsequent application of the analytical framework will hopefully contribute to the advancement of a more realistic insight into the nature and value of company-NGO dialogues than is currently available.

1   KPMG. 2005. International Survey of Corporate Social responsibility 2005. Amstelveen: KPMG

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