Identifying and Prioritizing Stakeholders for Public Relations - A Guide for Students and Practitioners

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Abstract

Stakeholder management is fundamental to the practice of public relations. This paper builds on the seminal 2006 paper by Professor Brad Rawlins, *Prioritizing Stakeholders for Public Relations.* It provides practitioners' perspectives on defining stakeholders in corporate and non-profit settings, in addition to applying the prioritization models presented in Professor Rawlins' paper to a case study.

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Introduction

In 2006 the Institute for Public Relations (IPR) published a popular Gold Standard paper, *Prioritizing Stakeholders for Public Relations,* by Brad L. Rawlins, a member of IPR's Commission on Public Relations Measurement and Evaluation. (Rawlins 2006)

Subsequently, an edited version of the original paper, prepared by the original author, was included as a chapter in the book, *An Overview of the Public Relations Function* (Bowen et. al. 2019)

As part of the IPR Measurement Commission's strategic goal to make the library of resources more accessible to students, instructors and practitioners, we have revisited the original paper. Designed for use in the classroom and by practitioners developing strategic stakeholder communications plans, this paper includes two parts:

Part One: The 2019 "chapter" version of the original paper, *Managing Stakeholders and Publics*, with permission of the publishers. This is an abbreviated version of the original 2006 paper, also prepared by Professor Brad L. Rawlins. (Bowen et. al. 2019)

Part Two: A companion piece to serve as a guide to facilitate the understanding and implementation of stakeholder prioritization at the academic or practitioner level.

Part One - Prioritizing Stakeholders for Public Relations

Managing Stakeholders and Publics
By Brad L. Rawlins

Chapter 7 from *An Overview of the Public Relations Function* (Bowen, S.; Rawlins, B.; Martin, T. 2019 Business Expert Press). Excerpted and used with publishers permission.

Based on *Prioritizing Stakeholders for Public Relations* (Rawlins, B. 2006 Institute for Public Relations [IPR]).

Managing Stakeholders and Publics

One of the most important steps in strategic public relations is to accurately identify the publics with whom you want to build relationships. A popular axiom for public relations is that there is no such thing as a “general public.” In essence, an organization has a variety of key groups each of whom bring different expectations to their relationship. These differences help an organization segment its publics into groups with similar values and expectations. There are several approaches to identifying and prioritizing stakeholders and publics for communication. An understanding of these main approaches to stakeholder management offers a theoretical foundation and a practical guide to practicing strategic public relations.

Stakeholder Management and Prioritizing Publics

Experts in stakeholder management offer different ways of identifying key stakeholders or publics. At the heart of these efforts is the question: “How much attention does each stakeholder group need, deserve, or require?”

Because it is impossible that all stakeholders will have the same interests in and demands on the organization, stakeholder management should be about managing stakeholders’ potentially conflicting interests.[1] Once organizations have identified their stakeholders, there is a struggle for attention: whom to pay attention to, whom to prioritize for more attention, and whom to ignore. Choosing to sacrifice the needs of one stakeholder for the needs of another is a dilemma with which many organizations struggle. When these conflicts arise, it is important for the success of the organization that it has prioritized each stakeholder according to the situation.

Defining Stakeholders and Publics

A stakeholder is a group or individual who is affected by or can affect the success of an organization.[2] The definition has been expanded to include groups who have interests in the organization, regardless of the level of its interest in them. Employees, customers, shareholders, communities, and suppliers are the most common stakeholders for a typical organization.

Grunig and Repper differentiated the terms "stakeholder" and "public" in the following way: Organizations choose stakeholders by their marketing strategies, recruiting, and investment plans; but, "publics arise on their own and choose the organization for attention."[3] This classification relied on John Dewey's definition: A public is a group of people who face a similar problem, recognize the problem, and organize themselves to do something about it.[4] Therefore, publics organize from the ranks of stakeholders when they recognize an issue and take action.

Identifying Stakeholders by Linkage to Organization

Organizations should attempt to identify all of their stakeholders. Some of these will be continuous stakeholders while others may be temporary, according the situation. Devising a stakeholder map will show linkages and help to anticipate communication strategies.

Using a linkage model can help an organization identify stakeholders before narrowing classification by their attributes.[5] The model breaks stakeholders into four groups: enabling, functional, diffused, and normative. We use these categories to identify as many stakeholders as possible, while recognizing that the categories are not necessarily mutually exclusive.

- **Enabling stakeholders** have some control and authority over the organization, such as stockholders, board of directors, elected officials, or legislators and regulators. When enabling relationships falter, the oversight can be increased, and the autonomy of the organization limited, restricted, or regulated by government.

- **Functional stakeholders** are essential to operations; they are divided between input—providing labor and resources to create products or services (e.g., employees and suppliers)—and output— receiving the products or services (e.g., consumers and retailers).

- **Normative stakeholders** are associations or groups with which the organization has a common interest. These stakeholders share similar values, goals, or problems—often including competitors that belong to industrial or professional associations.

- **Diffused stakeholders** include publics who have infrequent inter-action with the organization, and become involved based on the actions of the organization. These are the publics that often arise in times of a crisis; linkages include the media, the community, activists, and other special interest groups.

The linkage model should help the organization identify all of its continuous stakeholders. The challenge in any situation is in identifying the stakeholders that arise according to the issue, so it is useful to identify potential issues before identifying stakeholders, as we discuss in detail in Chapter 10. With the increased use of social media, issues may arise and gain salience through stakeholder initiative. These actions by concerned stakeholders may result in recruiting additional stakeholders unforeseen by the organization. Examining “issue arenas”—the social arena where people are connected by an issue—helps the organization identify the stakeholders likely to be involved and prioritize accordingly.[6]

Stakeholder networks make each group more influential. For example, a diffused stakeholder group gains more influence when it is networked with enabling stakeholders. When you consider the “issue arena” and how the stakeholders may be connected, you are less likely to overlook the influence of one of the groups. Identifying key issues and areas of interest for each group, as well as their sphere of influence and reach, would help an organization keep abreast of potential issues before they become problematic.[7]

Prioritizing Stakeholders According to Attributes

Much of the literature in stakeholder management prioritizes stakeholders on the basis of their attributes, but some researchers went further to develop a comprehensive model that includes the attributes of power, legitimacy, and urgency: the stakeholder typology.[8] Here stakeholders are defined as risk bearers. The concept of risk is used to narrow classification to identify stakeholders with a legitimate claim. Stakeholders and organizations have an interdependent relationship regarding the invested risk.

Stakeholders have power when they can influence other parties to make decisions that the party would not have otherwise made. Legitimacy is determined by whether the stakeholder has a legal, moral, or presumed credible claim that can influence the organization's behavior, direction, process, or outcome. Urgency exists under two conditions: "(1) when a relationship or claim is of a time-sensitive nature, and (2) when that relationship or claim is important or critical to the stakeholder."[9] Urgency, then, requires organizations to respond to stakeholder claims in a rapid fashion. Urgency alone may not predict the priority of a stakeholder, especially if the other two attributes are missing. However, urgency adds a dimension that is particularly salient to the practice of public relations, because it is the urgent public that often attracts the attention of the media and other stakeholders (see Figure 7.1).

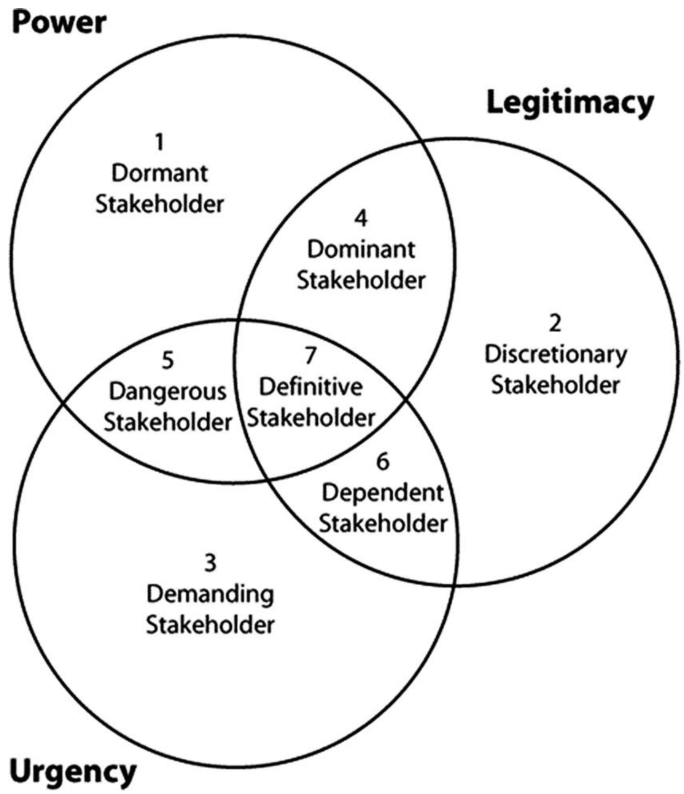

Figure 7.1 Stakeholder typology

Source: Mitchell, R., B.R. Agle, and D.J. Wood. 1997. "Toward a Theory of Stakeholder Identification and Salience: Defining the Principle of Who and What Really Counts." Academy of Management Review 22, p. 784, used with permission.

We use the combination of the three attributes to develop a prioritization strategy. Accordingly, latent stakeholders possess only one of the attributes; expectant stakeholders possess two attributes, and definitive stakeholders possess all three attributes. If individuals or groups do not possess any of the attributes, they are not considered stakeholders.

- **Latent stakeholders** have lower salience to an organization because they only have one attribute. They are identified as dormant, discretionary, and demanding.
  - The *dormant* stakeholder has power but no legitimacy or urgency in its claim. Therefore, its power remains unused.
  - The *discretionary* stakeholder possesses legitimacy, but has no power to influence and no urgency in the claim, and therefore is reliant on the good will of the organization rather than exerting any pressure.

    - The *demanding* stakeholder has urgency, but no legitimacy or power. These groups can be bothersome, but not dangerous.
- **Expectant** stakeholders possess two attributes and are organized into dominant, dependent, and dangerous stakeholders.
    - *Dominant* stakeholders have power and legitimacy and, because they can act on their claims, they receive much of management's attention.
    - *Dependent* stakeholders have legitimacy and urgency. Organizations should be ethically responsible to stakeholders that have a legitimate and urgent claim, and who depend on the organization to address and resolve the claim.
    - *Dangerous* stakeholders have urgency and power, but lack legitimacy. Most of the time these stakeholders use formal channels to affect change, but they may become violent or coercive to achieve their claims. Advocacy groups sometimes engage in forms of protests, boycotts, and (in extreme cases) damage to property and lives.
- The stakeholders who have all three attributes are **definitive** stakeholders and have the highest priority.

An important tenet of the stakeholder typology is that it is flexible; any group can acquire (or lose) power, legitimacy, or urgency depending on circumstances. Therefore, an expectant stakeholder group can become a definitive stakeholder if it acquires the third attribute. A dangerous stakeholder group can acquire legitimacy, as has been the case with many nongovernmental organizations (NGOs). A dependent stakeholder group, such as a community affected by irresponsible corporate behavior, can acquire power by appealing to governmental agencies or the judicial system.

The possession of multiple attributes contributes more significantly to the prioritization of stakeholders, while perceived power and legitimacy are the most influential attributes assigned by corporations.[9] The higher the priority of a stakeholder, the greater the corporate resources aimed at communicating with these competing publics.

One dimension of stakeholder attributes missing from the stakeholder typology is whether the stakeholder group is supportive or not. As previously noted, each of these groups could be supportive or threatening, and stakeholder strategies would be contingent on the level of support. A comprehensive model of stakeholder prioritization should also identify whether dominant, dependent, dangerous, or definitive stakeholders are supportive or threatening.

The Situational Theory of Publics Predicts Active or Passive Behavior

Grunig developed the situational theory of publics to explain and predict why some publics are active while others are passive. This theory is useful because it is predictive: situational theory can identify which publics will "communicate actively, passively, or not at all about organizational decisions that affect them."[10]
Those publics who do not face a problem are **nonpublics**; those who face the problem but do not recognize it as a problem are **latent publics**; those who recognize the problem are **aware publics**; and those who do something about the problem are **active publics**. He identified three variables that ex-plain why certain people become active in certain situations: level of involvement, problem recognition, and constraint recognition (see Figure 7.2).

Level of involvement is measured by the extent to which people connect themselves personally with a specific situation. However, people do not seek or process information unless they recognize the connection between them and a problem, which is the level of **problem recognition**. Whether people move beyond information processing to the information seeking behavior of active publics often depends on whether they think they can do something about the problem. **Constraint recognition** is the level of personal efficacy a person believes that he or she holds, and the extent to which he or she having an impact on the issue is possible. Those who think that nothing can be done have high constraint recognition and are less compelled to become active in the resolution of the problem. Those with low constraint recognition believe that they can accomplish

	High Involvement	Low Involvement
Problem-Facing Behavior High Problem Recognition Low Constraint Recognition	*Active Public*	*Active/Aware Public*
Constrained Behavior High Problem Recognition HighConstraint Recognition	*Aware/Active Public*	*Latent/Aware Public*
Routine Behavior LowProblem Recognition Low Constraint Recognition	*Active (Reinforcing) Public*	*None/Latent Public*
Fatalistic Behavior LowProblem Recognition High Constraint Recognition	*Latent Public*	*Non Public*

Figure 7.2 Grunig's situational theory of publics

Source: Rawlins, B.L. 2006. "Prioritizing Stakeholders for Public Relations," Institute for Public Relations. https://instituteforpr.org/prioritizing-stakeholders, (accessed November 4, 2018), adapted and used with permission from Grunig.

something by communicating. Another important consideration is a variable called the **referent criteria**: the guideline that people apply to new situations based on previous experiences with the issue or the organization. A variant, the situational theory of problem solving ("STOPS"), looks at how people's referent criteria help them face or explain problems.[11]

Active publics are likely to have high levels of involvement and problem recognition, and lower levels of constraint recognition. Because they recognize how the problem affects them, and they think they can do something about it, this public will actively seek information and act on it. Aware publics will process information and might act, but are limited by lower levels of involvement and problem recognition, or higher levels of constraint recognition. Latent publics are not cognizant of how an issue involves them or do not see the issue as a problem. Latent publics could become active or aware as information changes cognitions about the issue. The least involved public is a nonpublic: they are not connected to the organization or issue.

Grunig tested the theory using problems that would create active and passive publics to see how specific problems grouped publics. He found four kinds of general public emerge around organizational problems:

1. **All-issue publics**, which are active on all issues.
2. **Apathetic publics**, which are inattentive to all issues.
3. **Single-issue publics**, which are active on a small subset of the issue that only concerns them.
4. **Hot-issue publics**, which are active on a single issue that involves nearly everyone and which has received a lot of media attention.

To summarize this step, active publics will have more priority over aware and inactive publics because their urgency is greater. Whether stakeholders will become active publics can be predicted by: whether the problem involves them; whether they recognize the problem; and whether they think that they can do anything about it.

One dimension missing from this model is whether the public is supportive or not. Each of these groups could be supportive or threatening, and stakeholder strategies would be contingent on the level of support.

Examining linkages, stakeholder typology, and the situational theory all move us toward designing an optimal communication strategy for our stakeholders.

Communication Strategy with Stakeholders

Stakeholders who are also active publics are the top priority. Although it would be convenient if active publics were always definitive stakeholders, human nature precludes this from happening in a constant, predictable way. Therefore, an organization must develop strategies to help mediate issues with priority publics. These strategies will depend on whether the stakeholders are supportive or nonsupportive and active or inactive.

Communicators develop stakeholder strategies based on four groups: advocate stakeholders (active and supportive), dormant stakeholders (inactive and supportive), adversarial stakeholders (active and nonsupportive), and apathetic stakeholders (inactive and nonsupportive), as shown in Figure 7.3.

Figure 7.3 Stakeholder by communication strategy
Source: Reprinted or used with permission of the Institute for Public Relations.

1. **Advocate stakeholders**: This is the group that you want involved in supportive actions such as third-party endorsements, social media campaigns, donations, investments, and attendance at functions. Communication should be action and behavior oriented.
2. **Dormant stakeholders**: This is a group that is not ready to be involved. If inactivity is due to lack of knowledge, messages should focus on creating awareness and understanding of the issues that affect them. If the publics are aroused, but not active, then communication should address potential causes of apathy by reducing perceptions of constraints or using affective cues to increase emotional attachment.

3. **Adversarial stakeholders**: The initial response to this group is to be defensive. However, defensive communication will not work; it will only entrench these stakeholders in their position. Instead, organizations should use ethics, symmetrical communication, and conflict resolution strategies that involve adversarial stakeholders to seek win-win solutions.
4. **Apathetic stakeholders**: The reaction to apathetic stakeholders is often to ignore them. But, if this group faces an issue but is not aware of it, or does not yet appreciate its resonance, it may still move to become an aroused, then aware, and then active public. A better strategy is to increase awareness of the issue, with an invitation to collaborate with the organization on the issue, before it becomes a problem or crisis. Since it can be difficult to get this group involved, most of the communication effort should be focused on increasing the salience of the issue and invitations for involvement.

Once strategies have been developed that address the stakeholders, there is one last prioritization step. There are three types of publics involved in communication strategies: key publics, intervening publics, and influentials.[12] **Key publics** are those whose participation and cooperation are *required* to accomplish organizational goals. They are the stakeholders who have the highest priority according to their power/dependency/influence attributes, the urgency of the issue, and their level of active involvement in the issue. In Grunig's model, the key publics are called **priority publics**. To communicate effectively with these stakeholders, an organization must understand them as much as possible. Priority publics can be profiled by their demographics, lifestyles, values, media preferences, cooperative networks, and self-interests. Effective strategies appeal to the self-interests of the priority publics and reach them through the most appropriate channels[13].

The **intervening publics** pass information on to the priority publics and act as opinion leaders. Sometimes these publics, such as the media, are erroneously identified as priority publics, but intervening publics are somewhat like ambassadors. If the expectation is that the message will be disseminated to others, it is an *intervening* public. *In most cases the media are intervening publics*. Others can also be important intervening publics, such as teachers who pass information on to students. The success of many campaigns is determined by the strength of relationships with intervening publics.

Influentials can be intervening publics, but they also affect the success of public relations efforts in other ways. Influentials can either support an organization's efforts or work against them. Members of some publics will turn to opinion leaders to verify or refute messages coming from organizations (i.e., third-party endorsers). The opinion of these personal sources is much more influential than the public relations messages alone. Influentials are independent opinion leaders who often lend *third-party credibility* to public relations efforts. Therefore, successful campaigns must also consider how messages will be interpreted by influentials that act as intervening publics, adversaries, or advocates.

In summary, communication strategies should place *priority* on stakeholders that become active publics and can influence the success of an organization or can appeal to the other stakeholders with influence. Publics that are critical to getting the information to the priority publics, such as the media, need to be recognized as *intervening* publics and critical to the success of the communication strategy. *Influential* groups or individuals may not be stakeholders in the organization, but may be important in framing the way the message is interpreted by the priority public, and therefore must be a part of the communication strategy.

Notes

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Part Two – Guide to Implementing Stakeholder Prioritization Models

The public relations and professional communication industry has myriad ways of describing the people and groups which are essential to attaining key organizational objectives. These people and groups are often called publics, constituencies, or stakeholders. Of these, the authors have selected the term stakeholders, which seems to best encompass the full range of interested parties.

Stakeholders allow organizations to operate and meet strategic goals. They drive an organization's reputation. Different stakeholders influence and are affected by different corporate behaviors. Though message platforms require consistency, not all messages apply to all stakeholders.

Stakeholders have tiered structures; important subgroups may require new understanding and prioritization based on objectives, situations and organizational priorities. Stakeholders can be passive or active, involved or disinterested, and can comprise multiple and overlapping groups, each requiring their own strategies. Accounting for this pool of stakeholders is one of the most essential steps in strategic communication planning.

This paper seeks to build on the shoulders of the outstanding work of Professor Rawlins by providing more detailed information on who key stakeholders are and how they can be helpful or harmful to the reputation of organizations. In addition, the authors have created a case study and applied the four models put forward in the original paper.

Who are potential stakeholders?

When prioritizing stakeholders, it is important to be aware of the entire pool of potential stakeholders. Many may be obvious, but the breadth and depth of potential stakeholders is vast. This section identifies potential stakeholders in the Corporate Sector and in the Not-for-Profit Sector. Not surprisingly there is some overlap. Below is a guide to help in the assessment process.

I. Corporate Stakeholders can include:

- A. Customers/Prospects/Distributors/Specifiers
- B. Media
- C. Employees
- D. Government
- F. Investment Community
- G. Industry Associations/Professional Associations
- H. Citizens

A. Customers/Prospects/Distributors/Specifiers

Corporations produce revenue by providing products and services to the marketplace. The individuals who buy these products and services are customers or clients, depending on the industry.

In the products arena, most companies market to their end customers, but sell through wholesalers and retailers e.g., Sony Electronics, Procter & Gamble, Coca Cola, Nike, etc. (Look around your home and see if there are any products that you have bought directly from the manufacturer or producer.)

In the services arena, there is more direct selling - e.g., banks sell financial services through their branches and websites to end customers; mutual funds are often produced by one company and sold through brokers and financial advisors.

Key stakeholders in the distribution chain are:

- End customers – either businesses or consumers/households or both
- Retailers who have a direct relationship with end customers
- Wholesalers who distribute the company's products to retailers
- Prospects – businesses and consumers who are potential customers for a company's products and services, but are not currently customers

In some industries, there is another link in the distribution chain – namely, specifiers. For example, architects design buildings and specify which materials will be used. Building products manufacturers market to architects to encourage the specification of their products. Other examples of specifiers are interior designers, building owners and consulting engineers.

Industry analysts who assess and track trends, review and rate products and services in specific sectors, such as information technology (IT), insurance, healthcare, financial services, independent of the manufacturer or provider can also be important stakeholders. Examples include Consumer Reports, Edmunds, Forrester, Gartner, etc.

Communications professionals focusing on these customer/prospect/retailer/wholesaler/specifier/insiustry analyst stakeholders include marketing, sales, public relations and industry/analyst relations professionals working.

B. Media

Defining the media as a stakeholder is not an easy task. Over the years, media enterprises have become more fractured, more highly targeted, more democratized and less accountable. Certain classes of media (traditional and online) bear attention:

- General business media – outlets that cover the gamut of business news and opinion. Perhaps the best known of these are *The Wall Street Journal* and CNBC, but also included are:

    - The business sections on newspapers and regional/local business publications.
    - The business segments on television or radio broadcasts.
    - Business-focused online sites, like Yahoo! Finance,
    - Bloggers and podcasts that focus on financial news and analysis.
- Industry/trade media/newsletters – vertical industries typically have their own media infrastructure with a variety of magazines, association publications, newsletters, social media channels and web sites.
- Mass media – national newspapers, magazines and networks that target a wide consumer audience.
- Niche media – cable, print and online sources that target very narrow consumer audiences with very specific interests like public/private partnerships, herbs, archery, antique windows, bungee jumping, etc.
- Special interest media – cable, print and online sources that target consumer audiences with specific interests like politics, food, sports, home improvement, travel, etc.
- Social media – interactive online platforms such as Twitter, Facebook, YouTube, Instagram, TikTok, etc., allow the creation/sharing/exchange of information and ideas via virtual communities and networks. Social media are critical channels for individual influencers who are looked to by readers, viewers, followers, subscribers as arbiters of taste, brands, opinions, etc. Influencers, ranging from international celebrities or experts to bloggers with a loyal and substantial number of followers, can be critical stakeholders.

The media relations team and social media specialists handle communications and relationships with the media, including social media influencers, to ensure they have accurate and timely information, appropriate access to executives and product experiences so as to inform the public about products and services, policies, practices and mission in a credible and consistent manner. If the content is heavily product oriented, marketing may also be involved.

C. Employees

Most corporate annual reports say at some point that the key to the company's success is the dedication and hard work of its employees. Research has shown that engaged employees are advocates for their companies, ambassadors for their companies, and willing to expend discretionary effort to make their companies successful.

Accordingly, employees are an important corporate stakeholder group. But like other stakeholder groups, the employee population is not monolithic. Some distinctions that need to be recognized are:

- Board of Directors (BoD)
- C-Suite

- Other management levels – senior management, middle management, front line management
- Union workers vs. non-union workers
- Blue collar vs. white collar
- Geographic area
- Gender
- Age
- Race and ethnicity
- Salary level

Other stakeholders in the Employee arena are:
- Retirees – they can still be corporate ambassadors and often shareholders
- Alumni – some companies cultivate their alumni because they may become customers/clients, influencers, or ambassadors.
- Prospective employees - individuals who have or are in the process of getting the necessary skills to meet the company's needs – e. g., MBAs for consulting firms, engineers for manufacturing firms.

Sample Corporate Organization Chart

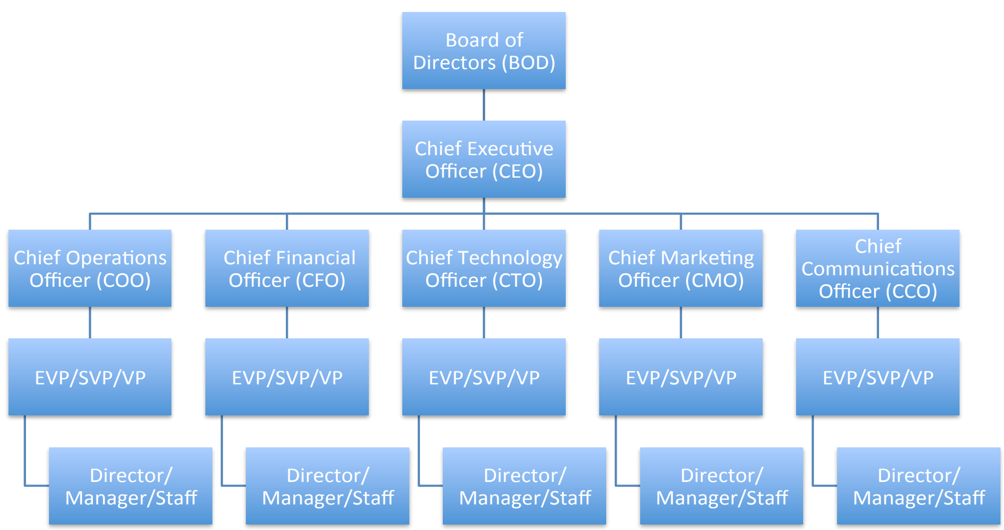

Figure 1 Sample Organization Chart. There are many options for organizational structure - hierarchical, flat, functional, and matrix.

Board of Directors made up of internal officers – CEO, CFO, e.g., and outside/independent directors. A board of directors is an elected group of individuals who represent shareholders. The board is a governing body that typically meets at regular intervals and is responsible for setting policies for corporate management and oversight. Every public company must have a board of directors. C-Suite executives are the top officers of the corporation as a whole and of key functional areas. Titles typically include: Chief Executive Officer (CEO), Chief Operating Officer (COO), Chief Financial Officer (CFO), Chief Communications Officer (CCO), Chief Marketing Officer (CMO), and Chief Technology Officer (CTO).

Internal communications, typically under either the corporate communications function or the human resources function, manages outreach to employees through multiple channels in order to achieve the organization's goals. This includes top-down and lateral communications, engaging employees at different locations and professional levels, and being attentive to employee feedback.

D. Government

A corporation's ability to do business depends on government policies. How these policies are formed varies widely in countries around the globe. In the U.S., there are essentially three tiers of government:

The federal government is composed of three branches:

- Executive. Headed by the President of the Unites States, the Executive Branch contains all the departments and agencies that are responsible for enforcing the laws of the country that have been enacted by Congress. Departments and agencies also establish regulations, which are the official rules to control conduct.
- Legislative. The Legislative Branch is composed of the two houses of Congress: the Senate (100 members – two from each state) and the House of Representatives (435 members – at least one from each state. Members represent on average 700,000 constituents.)
- Judicial. "Federal courts hear cases involving the constitutionality of a law, cases involving the laws and treaties of the U.S. ambassadors and public ministers, disputes between two or more states, admiralty law, also known as maritime law, and bankruptcy cases…The Supreme Court is the highest Court of the land." (www.uscourts.gov)

The Legislative and Executive Branches are the most important stakeholders for corporations.

- Legislation can have an immense positive or negative impact on a corporation's ability to do business. Accordingly, corporations try to influence legislation so that it is favorable to their interests. This commonly is known as lobbying.
- Lobbyists also keep in close touch with the parts of the executive branch that oversee their operations. For example, a manufacturing company would want to keep close tabs on regulations being developed in the areas of clean air and water, worker safety, carbon footprints, unions, etc.

- The Executive branch enforces laws enacted by Congress and signed into law by the President. The President appoints the heads of the federal departments and agencies, some of whom make up the Cabinet. The Cabinet and independent federal agencies are responsible for day-to-day enforcement and administration of federal laws. These can be important stakeholders to engage in order to understand their priorities and thresholds as they interpret regulations and monitor compliance.

Depending on an organization's industry category, mission, and geographic footprint, state and local governments can also be important stakeholders.

Modeled after the federal government, all state governments consist of three branches: Executive, Legislative and Judicial. As long as their laws do not contradict national laws, state government can make and enforce laws and prescribe policies on commerce, taxation, healthcare, education, charter banks, money lending, zoning regulations, licensing professions, and arranging elections.

Local government must be granted power by the state and generally includes two tiers: counties and municipalities (cities or towns). Municipalities generally take responsibility for parks and recreation services, police and fire departments, housing services, emergency medical services, municipal courts, public transportation, and public works (streets, signage, sewers, etc.).

The government relations team focuses on these stakeholders, bringing strategic priority to managing relationships at the local, national, and international level to foster appropriate policy, oversight and regulation.

E. Investment Community

Institutional Side – Investors or advisors who are investing on behalf of an institution. Institutions include banks, insurance companies, pension/retirement plans, mutual funds, hedge funds, foundations, etc. Key stakeholders are

- Buy-side securities analysts (working for the institutions).
- Sell-side securities analysts (working for institutional brokerage firms).
- Portfolio managers who own the corporation's stock or are potential owners because their investment objectives fit the characteristics of the corporation's stock profile.

Most of these stakeholders are located in key U.S. and global financial centers. But some could be in smaller cities and towns.

Individual Side – Investors who are investing on their own behalf and advisors who assist them. Key stakeholders are:

- Sell-side securities analysts (working for brokerage firms).

- Retail Registered Representatives or stockbrokers who work for retail brokerage firms and are paid commissions for trades – usually dealing with lower net worth investors.
- Wealth advisors/managers (Registered Independent Advisors (RIAs), advisors/managers at banks, brokerage firms, etc., dealing with high net worth investors.
- Individual shareholders of a specific corporation.
- Other individual investors who are potential stakeholders.

Media focused on Investment Community Stakeholders

- Newspapers: Wall Street Journal, business sections of New York Times, Chicago Tribune, Los Angeles Times, etc.
- Niche publications: Barron's, IBD, Kiplinger, etc.
- Ratings services: Moody's, Standard & Poor's, Fitch, Morningstar, etc.
- Newsletters, blogs and podcasts produced by investment advisors big and small and other experts in the field: e.g., Market Mondays, Stock Club, Let's Talk Stocks, Women and Money

The investor relations department (typically reporting to the CFO and coordinating with the corporate communications department, manages communications between the executive team and the financial community keeping them informed about activities, and in the case of publicly-held companies, handling communications with investors and shareholders to ensure they have a full understanding of the prospects and strategies which underpin the corporations value.

F. Industry Associations/Professional Associations

Trade associations - membership organizations, usually nonprofit, made up of a collection of companies and firms with common interests or who work in a common industry. The purpose of trade associations typically is to promote and develop commercial opportunities be the voice of the members to lawmakers or communities and, in some cases set ethical and measurement standards. (e.g., National Association of Homebuilders, National Restaurant Association, Jewelers of America.)

Professional Associations – nonprofit membership organizations formed to further a specific profession and the interests of people engaged in that profession and the public interest by facilitating connection, communications, education, innovation, mentoring, ethical standards and certification/licensing. (e.g., American Society of Civil Engineers, American Nurses Association, American Bar Association.)

The distinction is not uniform; some professional associations also accept certain corporate members, and, conversely, trade associations may allow individual members. The activities of both trade and professional associations are similar and the ultimate goal is to promote, through cooperation, the economic activities of the members while maintaining ethical practices.

Typically the marketing team and product managers, supported by corporate communications, would lead communications to build relations with these stakeholders, but senior management could be involved, particularly in setting industry standards or policy development.

G. Citizens

Ordinary people are stakeholders because they also can assist or impede a corporation's ability to do business. In their daily lives, people act in different roles that are important to corporations.

- Citizens are consumers. They buy companies' products and services or they are prospective buyers.
- Citizens are influencers. By word of mouth and through social networks, they pass along positive or negative information about corporations, brands, products, and services.
- Citizens can vote for officeholders and policies that may be favorable or unfavorable to the corporation's interests.
- Citizens are in communities that host corporate operations. As such, they have a say in whether a plant or a superstore will be built in their communities. NIMBY (Not in My Back Yard) conflicts can be expensive for corporations.
- Citizens are employees, prospective employees, former employees, and retirees. As noted before, they can be advocates and ambassadors for the corporation – or not.
- NGO's or other independent activist group or grassroots organizations representing the collective interests of some/all citizens around a specific issue, can be allies or adversaries. Either way, they give citizens power and can influence decision-making. Examples are numerous on both local and international levels, but include American Red Cross, Amnesty International, Consumer Watchdog, Greenpeace International, U.S. PIRG and, World Wildlife Fund (WWF).
    - Some advocacy groups are funded by special interest groups, corporations or others e.g. AstroTurf groups

Under the corporate communications function overseeing all external and internal communications, many public relations specialties engage with citizens including media relations, social media specialists, community relations, and internal communications.

II. Not-for-Profit Stakeholders can include:

A. Donors
B. Clients/Members
C. Community
D. Partners
E. Media
F. Government
G. Employees

A. Donors

The lifeblood of non-profit organizations is money and money comes from donors, grants, and revenue-producing products and services. How non-profits raise money varies from one organization to another, but generally there are:

- Big donors – foundations, corporations, government, wealthy individuals. These donors need to be cultivated all year long. Some may sit on the organization's board.
- Small donors – individuals and companies who give small amounts of money, time, or goods to help the cause.
- Event participants – many non-profits have events (10K runs/walks, bikeathons, dinners, silent auctions, etc.) to raise money. Events require coordination of many stakeholders – participants, sponsors, local traffic authorities, etc., to make the events worthwhile.
- Grants are awarded by foundations, government agencies and other entities based on the quality of applications and fit with their mission. Writing successful grant applications is a skill much needed in the non-profit world. The people who award grants are key stakeholders for some non-profits.
- Revenue-producing goods and services can range from sales of merchandise with the organization's name (e.g., golf umbrellas) to partnerships with product/service services providers (e.g., AARP's partnership with United Healthcare to provider Medicare Advantage coverage.) The buyers of these products/services are key stakeholders.

Executives from many functional areas will be involved in managing relations with donors depending on the extent of their support. Large donors and grant makers will have the attention of the board of directors, executive director, development director and even program managers. Communications and public relations teams, and event and program managers will handle relationships with other, smaller donors.

B. Clients/Members

Clients are the individuals for whom the non-profit has been established to help (comparable to Customers in the corporate world). For example:

- In the health field, non-profits help people with particular medical conditions – cancer, diabetes, heart disease, MS, etc., and their caregivers.
- In the public policy realm, there are non-profits with very broad charters (like the ACLU and AARP) to very narrow purposes (like Save the Sound – a non-profit dedicated to the well-being of the Long Island Sound.)
- In academia, clients include students, parents, alumni and prospective students.
- In the art world, clients include members/subscribers and ticket-buyers.
- Clients do not have to be people. They can be animals (World Wildlife Fund) or various aspects of the environment (Sierra Club)
- Sometimes clients and members are synonymous: MS Society (people with MS and their caretakers), American Medical Association (doctors), American Bar Association (lawyers.)

There is such a wide range of non-profits that even the above generalities do not cover all the possibilities. "The Encyclopedia of Associations is a comprehensive source of detailed information on over 135,000 nonprofit membership organizations in the United States [and] provides addresses and descriptions of professional societies, trade associations, labor unions, cultural and religious organizations, support groups, fan clubs, and other groups of all types." (Encyclopedia of Associations 2015)

Depending on the organizational mission and structure, client/member relationships could be managed by program managers, community relations or local affiliates, membership managers, student affairs, and more.

C. Community

Non-profits often rely on local communities for fundraising and advocacy.

- Fundraising events like bikeathons, 5K or 10K runs, walkathons, awards dinners, silent auctions and other activities rely on local community involvement to be successful.
- Stakeholders go beyond participants. They include police and other safety personnel, volunteer helpers, celebrity endorsers/speakers, local businesses and others who make the event happen.

The community is also important for advocacy. Consider the 2020 Black Lives Matter marches for which the communities showed up in unprecedented numbers over the course of months.

- There are other smaller examples – e.g., community support for building ADA-compliant ramps or embracing a new college campus building.

Community relations teams, program managers, and volunteer coordinators are typically responsible for community stakeholders.

D. Partners

Many non-profits form partnerships to advance the cause for which they are advocates,

- For example, a patient advocacy group may form partnerships with pharmaceutical or medical device companies who make products for people with the condition they are most concerned with.
- As mentioned previously, partnerships can embrace major commercial ventures – e.g., AARP's partnership with United Healthcare to provide Medicare Advantage coverage.

Depending on the scope and purpose of the partnership, relationships could be handled on many levels ranging from executive director to program manager, membership director, or community relations director.

E. Media

Strong relationships with the media are always helpful and this is especially true in the non-profit world where free media coverage and social media content/conversation can stretch limited communications budgets and deliver messages to stakeholders. Media coverage can cover many bases including:

- Fund raising events – 5K runs, bikeathons, etc.
- New medical breakthroughs
- Notices about meetings
- Advocacy messages
- Warnings about possible perils

Media stakeholders for non-profits include the same outlets as corporate: mass media, local media, niche and social media channels.

The media relations team and social media specialists handle communications and relationships with the media, including social media influencers, to deliver messages about organizational mission and programs.

F. Government

Government bodies at the federal, state and local level give non-profits permission to operate in myriad ways.

- Tax-exemptions
- Grants for research and other initiatives
- Legislation to support their mission – e.g., the Americans with Disabilities Act (ADA) has provided access to most of the United States to people with mobility and other issues
- Permission to hold fund-raising events that entail use of public spaces

Depending on the nature of the task, the executive director and government relations team will manage initiatives relevant to the organizations advocacy and policy strategy. Development directors and program managers may handle other activities.

G. Employees

Employees of non-profits, like many public service employees, have often foregone more lucrative private sector jobs to support a cause in which they believe – be it a medical cause, political advocacy, or spreading the joy of model trains,

- Accordingly, non-profits as employers need to tap into the dedication of employees beyond wages and benefits.
- Emphasis must also be placed on the worth of the goals of the organization, the progress that is being made, and the challenges and problems that need to be overcome.
- As in all organizations, employees in not-for-profits are powerful advocates. For non-profits, employee advocacy is important in getting the message out in a credible manner.
- Engagement is also important in ensuring that employees are motivated to give maximum effort to their tasks – especially important due to tight budgets.

Depending on the size and structure of the organization, employee relations (and sometimes volunteer relations) is managed by the human resources function with larger organizations having an internal communications function as part of HR or communications department.

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Case Study

Introductory Note: This case history is entirely fictional. The bank cited does not exist and literary license has been taken with the story line. The three problems cited, however, are based on real events.

Third National Bank of Springfield

In 2008, there was a financial meltdown as mortgage-backed securities (MBS) lost much of their value because the underlying mortgages were not sound. Too many of these mortgages had been given to subprime applicants – that is, applicants whose credit histories traditionally would have made them ineligible to borrow money to buy a home. Easy-to-obtain mortgages led to a housing boom and buyers were plentiful. The meltdown caused housing prices to drop. As a consequence, many buyers who bought at the peak of the housing market had mortgages that were bigger than the worth of their houses. The term used for this was "being underwater."

The Third National Bank of Springfield – commonly referred to as ThirdNat – had aggressively issued subprime mortgages and then sold them so the assets could be bundled into MBS and then sold to institutional investors as part of highly complex securities known as derivatives. ThirdNat continued to service the mortgages it had issued – that is, to collect interest and principal payments and to take action if payments were missed -up to and including foreclosure. ThirdNat also collected payments for real estate taxes and held this money in escrow until it needed to be paid to the town or city.

Since ThirdNat had already made its money and sold the mortgages, servicing them was not very profitable. Accordingly, ThirdNat did not place much priority on this operation. It was thinly staffed, overworked, and seen by employees as a dead-end job. In fact, the section of headquarters occupied by the mortgage services department was known as Siberia.

Eventually, problems arose in Siberia.

- Molly and Aaron had bought a house in Kent before the crash and were underwater. While distressing, this was not an immediate issue because they had no plans to move, so the issue was moot. Both were employed and they were able to make their monthly principal, interest, and tax payments to ThirdNat. But, ThirdNat neglected to pay the taxes Molly and Aaron owed to the town. This led to a drawn-out dispute with the town's tax officials. The town wanted Molly and Aaron to pay. Molly and Aaron demanded that ThirdNat pay the town. ThirdNat, for its part, was not sure what was wrong and took months to fix the problem.

- Cathy and Bill bought their first house in Smithville. They were not sub-prime mortgagees – she was an executive at an international not-for-profit and he was employed by the government. ThirdNat claimed that Cathy and Bill had not made their mortgage payments for three months running and began to take action, including freezing their accounts and beginning foreclosure proceedings. Cathy and Bill hired a lawyer to straighten out the situation. Meanwhile, they had no credit and had to pay cash for essentials like heating oil. Their lawyer got Third Nat to admit that there was an error, but Third Nat could not correct the error in a timely manner. Two months later ThirdNat foreclosed, and Cathy and Bill lost their home.

- Mary and Joe were looking forward to being mortgage free. After 30 years of never missing a mortgage payment to ThirdNat, they were ready write the last check. But the instructions for how to make the final payment were confusing. Mary and Joe tried everything including calling, visiting a ThirdNat branch bank, and trying to decipher instructions on the website. Finally, they decided to pick the most logical way and sent in the check and hope they did it right. They did not. They continued to receive notices that the payment was due and could not find a way to dispute this. In the end, they sent another check – essentially, paying the last month's mortgage twice. What should have been a happy occasion turned out to be an expensive hassle.

These and other problems began to surface with increasing regularity. Tens of thousands of ThirdNat mortgage holders were affected and began to talk.
They posted on social media, they contacted government officials, they spoke to the media. ThirdNat was soon in crisis mode.

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Case Study Exercise

Using the models outlined in *Prioritizing Stakeholders for Public Relations* (Rawlins 2006), we have applied the following typologies to the ThirdNat case history:

- Linkage Model
- Attribution Model
- The Situational Theory of Publics (Grunig Model)
- Communications Strategy Model

Readers will likely observe that prioritizing stakeholders is not an exact science. While high and low priority stakeholders may be obvious, categorizing those in the middle can be muddled. This is why it is important for practitioners to build relationships with their stakeholders and know them well enough to anticipate their reactions to specific situations. No organization has unlimited resources for stakeholder engagement which is why the prioritization exercise is so important. And, in some cases, prioritization should be done by function - e.g., investor relations, government relations, community relations, public relations, etc.

In a practice setting, stakeholder prioritization may require approval by senior managers and/or across functional areas. The models provide a theoretical foundation to underpin the process and facilitate alignment within an organization, assuring that the assessment is based on more than "gut feel" and will lead to design of an optimal communications strategy.

A comprehensive list of the ThirdNat stakeholders is included at the end of the case study exercise as a reference.

1. Linkage Model – Identifying Stakeholders by Linkage to the Organization for Four Categories – Enabling, Functional, Normative and Diffused

The Linkage Model, the first step in the prioritization process, is useful to reveal the breadth and depth of stakeholders. It looks beyond the obvious Enabling and Functional stakeholders to an expanded group of Normative and Diffused stakeholders, who may need to be prioritized in certain scenarios, like that of ThirdNat where, as the crisis deepens, diffused stakeholders will become enabling stakeholders.

ThirdNat Stakeholder Identification Using the Linkage Model			
Enabling – Control/Authority	**Functional – Provide/Receive**	**Normative – Common Interests**	**Diffused – Infrequent Interaction**
Board of Directors Federal Regulators State Regulators Securities Analysts Portfolio Managers	Mortgage Customers Corporate Customers Personal Banking Customers Employees	Industry Associations Retirees/Alumni Trade Media Business Media Social Media/ Expert Influencers	Mass Media Federal Legislators State Legislators Citizens Ind. Investors Ind. Shareholders Social Media/Non-expert Influencers

2. Attribution Model - Prioritizing Stakeholders According to Attributes – Power, Legitimacy and Urgency.

The prioritization of core stakeholders will likely be dynamic between ordinary periods and a crisis period. The two tables below are designed to illustrate this fluidity in the case of ThirdNat. Table 1 categorizes stakeholders based on attributes during the pre-crisis period, while Table 2 provides the same analysis for the crisis period. The attributes are variable for some stakeholders when the situation changes.

Notably, during ordinary times, Dominant Stakeholders, such as media, expert influencers, and federal regulators influence decisions through the attributes of power and legitimacy. But in higher risk or crisis periods, they are likely to display the urgency attribute as well and, therefore, shift to the highest priority Definitive Stakeholder classification

Discretionary Stakeholders, such as mortgage customers and industry trade associations, possess legitimacy only during stable times. But during a crisis period, they may also demonstrate urgency and will shift to the Dependent Stakeholder category:

Other stakeholder groups that shift prioritization classification during the ordinary and crisis periods include:

- State regulators, with limited control over a national bank like ThirdNat, they are Discretionary Stakeholders during ordinary times, with legitimacy but no power or urgency. During a crisis period they can become Dependent Stakeholders as urgency may be added to their attributes and press them to take some action, such as hearings.

- Similarly, Industry Associations are Discretionary Stakeholders during normal times exhibiting only legitimacy, but during a crisis period they may add urgency to their attributes if industry-wide actions are possible, and, therefore, become Dependent Stakeholders.

- Social media channels driven by non-experts are categorized as Dormant Stakeholders in ordinary times when their potential power attribute is unused (legitimacy is not an attribute of non-experts). In a crisis period they can become Dangerous Stakeholders exhibiting both power and urgency.

For some stakeholder groups their classification remains unchanged in a crisis period:

- Portfolio Managers and Boards of Directors maintain their Definitive Stakeholder classification as they will have all three attributes – including urgency - at all times as they have an interdependent relationship and assume significant risk.

- Corporate customers and federal legislators are Dominant Stakeholders demonstrating both power and legitimacy. Even in a crisis period urgency is not a likely attribute for these stakeholders as legislation is a lengthy process impacting the industry category, not an issue driven solution. Corporate customers have different expectations from their banking relationship and, unlike mortgage customers, have power to act if required.

- Applying the Attribute Model to the case study illustrates the dynamics of stakeholder relationships within the organization based on circumstances that can cause them to acquire or lose attributes. This is a consideration when prioritizing stakeholders for communications strategy.

As mentioned in the original paper, the potential for stakeholders to be supportive or threatening could also be a relevant attribute. For example, media, and expert and non-expert influencers on social media channels, have the potential to be threatening during ordinary times or in a crisis period depending on their relationship with the organization and the issues that arise. Portfolio Managers and Federal Regulators would likely be supportive during ordinary times, but could become threatening during a crisis period.

Table 1: ThirdNat Stakeholder Prioritization by Attributes - during the pre-crisis/non-crisis period.

Stakeholder	Power	Legitimacy	Urgency
Definitive Stakeholders			
Portfolio Managers	X	X	X
Securities Analysts	X	X	X
Board of Directors	X	X	X
Expectant Stakeholders - Dominant			
Mass Media	X	X	
Business Media	X	X	
Social Media/Expert Influencers	X	X	
Federal Regulators	X	X	
Corporate Customers	X	X	
Federal Legislators	X	X	
Expectant Stakeholders – Dependent			
Expectant Stakeholders – Dangerous			
Latent Stakeholders – Demanding			
Latent Stakeholders - Discretionary			
Mortgage Customers		X	
Personal banking Customers		X	
Trade Media		X	
Employees		X	
State Regulators		X	
State Legislators		X	
Retirees/Alumni		X	
Individual Shareholders		X	
Individual Investors		X	
Industry Associations		X	
Citizens		X	
Latent Stakeholders – Dormant			
Social Media/Non-Expert Influencers	X		

Table 2: ThirdNat Stakeholder Prioritization by Attributes - during the crisis period:

Stakeholder	Power	Legitimacy	Urgency
Definitive Stakeholders			
Mass Media	X	X	X
Business Media	X	X	X
Social Media/Expert Influencers	X	X	X
Federal Regulators	X	X	X
Portfolio Managers	X	X	X
Securities Analysts	X	X	X
Board of Directors	X	X	X
Expectant Stakeholders - Dominant			
Corporate Customers	X	X	
Federal Legislators	X	X	
Expectant Stakeholders - Dependent			
Mortgage Customers		X	X
State Regulators		X	X
Industry Associations		X	X
Citizens		X	X
Expectant Stakeholders - Dangerous			
Social Media/Non-Expert Influencers	X		X
Latent Stakeholders - Demanding			
Latent Stakeholders - Discretionary			
Personal Banking Customers		X	
Trade Media		X	
Employees		X	
State Legislators		X	
Retirees/Alumni		X	
Individual Investors		X	
Individual Shareholders		X	
Latent Stakeholders – Dormant			

3. Situational Theory of Publics (Grunig Model)

This model further refines the prioritization process, predicting stakeholder behavior using the three variables of level of involvement, problem recognition and constraint recognition. In ThirdNat's crisis situation there are a large number of Active Publics who will seek information and act on it, and therefore are high priority for communications. These stakeholders are connected to the issue, recognize the problem and can have an impact. Aware Publics with higher constraint recognition, will receive information and may act on it, and therefore also need attention. Latent Publics are lower priority, but should not be ignored.

ThirdNat Stakeholder Prioritization Using Situational Theory of Publics		
	High Involvement	Low Involvement
Problem-Facing Behavior • High problem recognition • Low constraint recognition	**ACTIVE PUBLIC** Board of Directors Securities Analysts Portfolio Managers Mortgage Customers Trade Media Federal Legislators Federal Regulators Social Media/Expert Influencers Corporate Customers	**ACTIVE/AWARE PUBLIC** Business Media
Constrained Behavior • High problem recognition • High constraint recognition	**AWARE/ACTIVE PUBLIC** Employees Retirees/Alumni State Legislators State Regulators	**LATENT/AWARE PUBLIC** Individual Shareholders Industry Associations
Routine Behavior • Low problem recognition • Low constraint recognition	**ACTIVE (REINFORCING) PUBLIC**	**NONE/LATENT PUBLIC** Social Media/Non-expert Influencers
Fatalistic behavior • Low problem recognition • High constraint recognition	**LATENT PUBLIC** Personal Banking Customers Mass Media	**NON-PUBLIC** Citizens Individual Investors

4. Communications Strategy Model – Prioritizing Stakeholders Based on Active/Inactive, Supportive/Non-supportive

Communication strategies deployed by ThirdNat in this crisis scenario will be guided by which quadrant the stakeholder sits in. The categorization is analogous to a SWOT analysis (strengths, weaknesses, opportunities and threats). Advocates, a small group of Active and Supportive stakeholders in this scenario, represent a communications strength and will be deployed to participate in communications e.g. deliver messages as spokespersons or participate in meetings/press conferences. Dormant stakeholders are an opportunity to transition to Advocates, and will need communications to build knowledge and understanding of the situation. Communications strategy for Adversarial stakeholders needs to address their potential threat, avoid a defensive approach, and seek to resolve questions, fears, challenges and conflicts raised by the crisis. Apathetic stakeholders are a potential weakness and shouldn't be ignored as they may shift to another category.

ThirdNat Stakeholder Prioritization Using the Communications Strategy Model

Stakeholder by Communication Strategy

ACTIVE

	SUPPORTIVE	NON-SUPPORTIVE
ACTIVE	**ADVOCATE STAKEHOLDERS** • Board of Directors • Employees (Some) • Industry Associations	**ADVERSARIAL STAKEHOLDERS** • Mortgage Customers • Securities Analysts • Portfolio Managers • Trade media • Federal Regulators and Legislators • State Regulators and Legislators • Corporate Customers • Business Media • Social Media/Expert Influencers
INACTIVE	DORMANT STAKEHOLDERS • Individual Shareholders • Individual Investors • Employees (some) • Retirees/Alumni • Personal Banking Customers • Mass media	APATHETIC STAKEHOLDERS • Citizens • Social Media/Non-expert Influencers

INACTIVE

Master List of ThirdNat Stakeholders

For reference, here is the Master List of ThirdNat Stakeholders identified for the case study.

1. Board of Directors
2. Employees
3. Retirees/Alumni
4. Federal Legislators
5. Federal Regulators
6. State Legislators
7. State Regulators
8. Mortgage Customers
9. Corporate Customers
10. Personal Banking Customers
11. Industry Associations
12. Trade Media
13. Business Media
14. Mass Media
15. Social Media/Expert Influencers
16. Social Media/Non-expert Influencers
17. Securities Analysts
18. Portfolio Managers
19. Individual Shareholders
20. Individual Investors
21. Citizens

Applying the models to the case study is not an easy exercise. The authors debated a lot of gray areas, including the willingness of senior management to address the issues. Additional exercises could include: If you were counseling ThirdNat, what process would you follow to analyze the situation and identify stakeholders? What would you suggest they do to prioritize stakeholders?

Measuring Stakeholder Perceptions and Relationships

As the saying goes, you cannot manage what you cannot measure. Clearly, to manage stakeholder relations, there should be metrics in place to measure how different stakeholder groups – especially those who could have the most impact on the organization – view the organization.

There are myriad ways in which to do such measurement, but these are beyond the scope of this paper. The authors would refer those interested in pursuing this further to review the research papers at the Institute for Public Relations (instituteforpr.org) and the International Public Relations Research Conference (iprrc.org).

https://instituteforpr.org/measuring-relationships/

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