Stakeholder prioritization work: The role of stakeholder salience in stakeholder research

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**ABSTRACT** 

In this chapter we update stakeholder salience research using the new lens of stakeholder work:

the purposive processes of organization aimed at being aware of, identifying, understanding,

prioritizing, and engaging stakeholders. Specifically, we focus on stakeholder prioritization

work—primarily as represented by the stakeholder salience model—and discuss contributions,

shortcomings, and possibilities for this literature. We suggest that future research focus on

stakeholder inclusivity, the complexity of prioritization work within intra-corporate markets, the

integration of stakeholder prioritization with other forms of stakeholder work, and the

development of managerial tools for multi-objective decision making within the strategic

management context.

Keywords: Stakeholder work, stakeholder salience research, stakeholder prioritization work

Since the introduction of the stakeholder salience model into the academic and practitioner lexicon in 1997, this model has received broad attention in research, teaching, and practice. Yet many questions about stakeholder salience remain. In this chapter we update stakeholder salience research as seen through the new lens of stakeholder work (Lee & Mitchell, 2013; Lee, 2015); that is, we envision stakeholder salience assessment as one of five major activities that comprise a stakeholder-centric approach to organizing. Within this set of activities, we position stakeholder salience as an operationalization of "stakeholder prioritization work."

In the following sections we describe each type of stakeholder work in detail, summarizing the research streams that fall under each type. We then revisit the stakeholder salience model (Mitchell et al., 1997) as a tool for enacting stakeholder prioritization work.

Drawing from nearly two decades of research on stakeholder salience, we discuss strengths and weaknesses of the stakeholder salience model, illuminating directions for future research on stakeholder prioritization.

#### STAKEHOLDER WORK

The idea of interpreting the stakeholder literature through the lens of stakeholder work was proposed first by Lee and Mitchell at the 2013 International Association for Business and Society (IABS) Annual Meeting in Portland, Oregon, USA. Work is a useful lens through which to view a literature related to organizations, because ongoing patterns of action such as human work are descriptions of and templates for better understanding the structures of organizing (Barley & Kunda, 2001).

#### The Study of Work in Organizations

Situated observations of routine work in organizations began with Taylor (1911) and continued through the Hawthorne studies (Roethlisberger & Dickson, 1939) and the industrial

sociology research of the 1950s (e.g., Weber's theory of bureaucracy), before being ignored for several decades (Barley & Kunda, 2001). Recently, in their efforts to make sense of post-bureaucratic organizing, scholars have reinvigorated work as a research construct. Their new conceptualizations of work involve individuals and organizations purposefully and strategically expending effort to affect their social-symbolic context (Phillips & Lawrence, 2012). Some of the more important examples include boundary work (Gieryn, 1983; Kreiner, Hollensbe, & Sheep, 2009), identity work (Ibarra & Barbulescu, 2010; Snow & Anderson, 1987), and institutional work (Lawrence & Suddaby, 2006). Given this renewed interest in work and organizing, Lee (2015) positioned stakeholder-centric activities under the broader term stakeholder work.

## **Definition of Stakeholder Work**

Stakeholder work is defined as the purposive processes of organization aimed at being aware of, identifying, understanding, prioritizing, and engaging stakeholders (Lee, 2015). Lee included five work domains in his model: stakeholder awareness, stakeholder identification, stakeholder understanding, stakeholder prioritization, and stakeholder engagement. Together, these forms of work suggest a comprehensive and interactive system of stakeholder-centric work with respect to organizing.

By taking a stakeholder-centric view of human work, one can sort the stakeholder literature according to an underlying order; that is, research streams can be grouped according to the various work tasks associated with fostering stakeholder relationships within an interactive system of organizing. At present, each type of stakeholder work is represented within the stakeholder literature. We also see manifestations of stakeholder work in the corporate social responsibility (CSR) literature. For example, corporate social responsiveness is defined as "the

capacity of a corporation to respond to social pressures" (Frederick, 1994)—a skill that entails multiple stakeholder work domains. Various theoretical and empirical studies of CSR involve activities that fall under stakeholder work (e.g., Miles, 1986; Preston & Post, 1975; & Sonnenfeld, 1981). In this section we define each type of stakeholder work and relate it to the current literature.

#### Stakeholder Awareness Work

Stakeholder awareness work is defined as organizing activities aimed at evaluating stakeholders' action and/or potential action toward a given organization. In this respect, stakeholder awareness work is concentrated on the environment of the organization as it is shaped by its stakeholders. Two elements compose stakeholder awareness work: the first involves the strategic work of environmental scanning, or gathering information about stakeholders and the competitive landscape (e.g., Daft, Sormunen, & Parks, 1988); the second involves managerial work to understand stakeholder influence, practices, or systems. Stakeholder awareness work captures at least in part Freeman's (1984) notion that stakeholders are those who are affected by and who affect the organization—a broad-environment notion of stakeholder theory (cf. Mitchell et al., 1997).

One of the primary goals of stakeholder theory is to explain and predict how organizations function with respect to stakeholder influences (Brenner, 1993). Focusing on means whereby stakeholders act upon organizations, Frooman (1999) proposed a typology of stakeholder influences, which has been tested (Frooman & Murrell, 2005; Sharma & Henriques, 2005) and extended (Hendry, 2005) in subsequent studies. For example, Sharma and Henriques (2005) examined how managers' perceptions of Frooman's (1999) different types of stakeholder

influences in the Canadian forestry industry affect the types of sustainability practices that firms adopt. Managerial perceptions about stakeholders form the core of stakeholder awareness work.

Further, stakeholder awareness work not only involves understanding who one's direct stakeholders are, but also understanding the networks in which those stakeholders are embedded. Although the stakeholder literature traditionally has approached stakeholder influences in terms of independent, dyadic relationships (e.g., Frooman, 1999), a social network perspective argues that organizations are embedded within a complex network of intertwining relationships among stakeholders with interdependent demands, such that they become subject to the simultaneous influence of multiple stakeholders (Rowley, 1997).

Network density influences stakeholder awareness work. Rowley (1997) argued that as density in the total stakeholder network increases (i.e., the number of relationships in a network linking stakeholders together relative to the total number possible), shared behavioral expectations among all stakeholders combine to affect a focal organization's actions, thereby causing the organization to become increasingly constrained by this normative field.

Similarly, interactions among members of the stakeholder network influence managers' stakeholder awareness. Neville and Menguc (2006) developed a framework for understanding and measuring the effects upon the organization of competing, complementary and cooperative stakeholder interactions. Their framework, stakeholder multiplicity, argues that stakeholders form strategic alliances, or cooperate, to increase the persuasive power of their combined claim to act upon organizations. Managers must reckon with stakeholder multiplicity as part of their stakeholder awareness work.

Our research suggests a rich literature on the kinds of activities organizations undertake to become and remain aware of their stakeholder environment (Frooman, 1999; Rowley, 1997).

Thus, the notion of stakeholder awareness work captures and well represents the portion of the literature that has been perhaps most attentive to the stakeholder idea.

## **Stakeholder Identification Work**

Stakeholder identification work comprises organizing activities aimed at recognizing stakeholders that matter to a given organization. Mitchell et al. (1997) provided one of the first looks at stakeholder identification, positing that managers will identify as stakeholders those who possess some combination of (1) power, where a party to a relationship "has or can gain access to coercive, utilitarian, or normative means to impose its will in the relationship" (1997, p. 865); (2) legitimacy, "a generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions" (Suchman, 1995, p. 574).; and (3) urgency, meaning the claims are critical to a potential stakeholder and are time sensitive.

Since 1997, scholars have amassed stakeholder identification research aimed at further understanding who or what counts to the organization (see Table 1). Phillips (2003), for example, differentiated between normative and derivative stakeholders. Cragg and Greenbaum (2002) suggested that anyone with a material interest in the firm is a stakeholder. Some scholars have identified the natural environment (Driscoll & Starik, 2004; Phillips & Reichart, 2000; Starik, 1995) and even God (Schwartz, 2006) as stakeholders. Dunham, Freeman, and Liedtka (2006) argued that advocacy groups and communities of practice can be included as stakeholders, while Pajunen (2006) argued that groups with resources and network power are stakeholders. Furthermore, Fassin (2009) distinguished stakeholders from stakewatchers, who act on behalf of stakeholders, and from stakekeepers, who impose constraints on how the firm enacts its relations with the stakeholders.

Taken together, research focusing on stakeholder identification appears not to have moved beyond the identification mechanism proposed by Mitchell et al. (1997). Rather, this research stream has been preoccupied with ensuring various versions of stakeholder inclusivity, utilizing either label-focused justification or classification, or outright advocacy for the inclusion of a particular entity as an identified stakeholder. Stated diagnostically, the advancement in stakeholder identification work represented by Mitchell et al.'s (1997) "how to" approach has, in our view, neither been duplicated nor dismissed. Instead, our review suggests that stakeholder identification work to date has been enabled and extended through widespread utilization of this framework.

## **Stakeholder Understanding Work**

Stakeholder understanding work includes *organizing activities aimed at knowing the expectations of the stakeholders of a given organization*. Appearing as early as the mid-twentieth century, corporate social responsibility (CSR) studies can be construed as one stream of stakeholder understanding research (Freeman, Harrison, Wicks, Parmar, & de Colle, 2010). These studies pertain to the process through which organizations understand the social responsibilities that stakeholders expect them to fulfill. A few examples follow.

Bowen (1953) asserted that "the obligation" of managers is "to pursue those policies, to make those decisions, or to follow those lines of action which are desirable in terms of the objectives and values of our society" (p. 6). Davis (1960) defined CSR as "businessmen's decisions and actions taken for reasons at least partially beyond the firm's direct economic or technical interest" (p. 70). In particular, Davis coined a term, the "Iron Law of Responsibility," to emphasize that the "social responsibilities of businesspersons need to be commensurate with their social power" (p. 71). In 1963, McGuire noted that "the corporation bears not only

economic and legal obligations; but it also has certain responsibilities to society that extend beyond these obligations" (p. 144). Integrating previous definitions of CSR, Carroll proposed the definition of CSR that has been used most widely to date. This definition states that "the social responsibility of business encompasses the economic, legal, ethical, and discretionary expectations that society has of organizations at a given point in time" (Carroll, 1979, p. 500). Most definitions of CSR explicitly specify or implicitly imply that corporations have broader obligations than solely to stockholders, suggesting that these definitions have roots in stakeholder theory (Freeman et al., 2010).

Scholars recently have also approached stakeholder understanding from the corporate citizenship perspective. The notion of corporate citizenship entered the corporation-focused discourse in the late 1950s (e.g., Gossett, 1957; Johnson, 1958). Johnson (1958) stated that "one of the most important changes that has taken place in the current generation as a part of the American social-economic revolution is the development of a new role of *corporate citizenship* with the corporation recognizing its social and economic responsibility to the whole community" (p. 285, emphasis added). Responsibilities of the corporation to the community underlie many of the earliest definitions of corporate citizenship (see Matten & Crane, 2005; Logsdon & Wood, 2002). Both CSR and corporate citizenship-focused research imply that stakeholder understanding work requires that managers attend closely to, and manage well, the potential gap between what stakeholders expect and what the organization delivers (Deegan & Rankin, 1999).

#### **Stakeholder Prioritization Work**

Stakeholder prioritization work entails organizing activities aimed at prioritizing competing stakeholder claims with respect to a given organization. Mitchell et al.'s (1997) theory of stakeholder salience deals specifically with stakeholder prioritization. In their seminal

article on stakeholder identification, Mitchell and colleagues defined stakeholder salience as "the degree to which managers give priority to competing stakeholder claims" (p. 854) and proposed that stakeholder salience will be positively related to the cumulative number of stakeholder attributes—power, legitimacy, and urgency—that managers perceive to be present.

Subsequently, scholars have focused on examining additional stakeholder attributes related to salience, such as proximity (Driscoll & Starik, 2004, p. 63), various types of power (e.g., Eesley & Lenox, 2006), or powerlessness and illegitimacy (Weitzner & Deutsch, 2015). As the primary subject of this chapter, stakeholder prioritization work will be developed in additional detail in a section that follows.

In this regard, we recognize that it might seem unusual that two distinct types of stakeholder work (both identification work and prioritization work) would utilize the stakeholder attributes of power, legitimacy, and urgency. However, Mitchell et al. (1997) originally linked both identification and salience to these attributes, and we see a form of parallelism in this approach. The three-attribute model first provides a "how to" for identifying stakeholders, then performs a separate function for prioritizing stakeholders. In the stakeholder salience model, the cumulation logic is introduced as the mechanism whereby managers are expected to prioritize competing claims. Hence stakeholder prioritization work is related to identification work, and yet distinct.

# **Stakeholder Engagement Work**

Stakeholder engagement work is defined as *organizing activities aimed at taking action* with respect to the stakeholders of a given organization. Examples of this literature include theorizing about how firms gain stakeholder support though stakeholder engagement. For example, Jones (1995) argued that organizations can gain stakeholder support through building trust and not

treating stakeholders opportunistically (see also Calton & Lad, 1995; Heugens, van den Bosch, & van Riel, 2002; Hosmer & Kiewitz, 2005; Husted, 1998). Others encouraged charitable contributions as a way to gain stakeholder support (Adams & Hardwick, 1998; Brammer & Millington, 2003a, 2003b; Godfrey, 2005). Still other scholars emphasized employee stock option programs (Marens & Wicks, 1999), reputation management, impression management, rhetoric, and the strategic use of images (Carter, 2006; Snider, Hill, & Martin, 2003; Ulmer & Sellnow, 2000). Notably, Scott and Lane (2000) proposed that organizations gain stakeholder support by utilizing tactics to increase identification of stakeholders by the organization.

Even more recently, Lee (2015) reintroduced and tested the concept of value creation stakeholder engagement, which was part of stakeholder theory from its inception (Freeman, 1984, 1994; Freeman, Harrison, & Wicks, 2007; Freeman, Wicks, & Parma, 2004; Freeman et al., 2010; Harrison, Bosse, & Phillips, 2010; Mitchell, Van Buren, Greenwood, & Freeman, 2015), but had not been operationalized in the strategic context. This recent work is important, we think, because the stakeholder engagement literature implicitly aligns with the strategic management literature on corporate performance.

The bridge between these literatures is becoming ever more explicit. For example, the Strategic Management Society (SMS) established the Stakeholder Strategy Interest Group and hosted "Stakeholder Extensions" at the SMS Conferences in 2015 ("Stakeholder Theory at the Crossroads") and 2016 ("Tensions in Stakeholder Research"). Under consideration at these conferences were such questions as the following:

- Is stakeholder theory ready for use in decision making?
- Is the primary role of stakeholder management one of satisfying stakeholders or is it seeing them as joint partners in co-production?

- Is stakeholder theory primarily aimed at creating value for all involved or at creating value for the firm?
- Can firms find common ground among stakeholders with competing interests or do such competing interests make finding common ground unlikely?

Further, in a presentation at the 2016 International Association for Business and Society Annual Meeting, Jay Barney argued that the field of strategy *must* adopt the stakeholder perspective to properly recognize those persons or entities contributing to the residual of the firm. These developments suggest that stakeholder engagement work is becoming more central to management research, and that the body of research concerning stakeholder engagement work is likely to increase.

#### **An Interactive Framework**

In sum, the concept of stakeholder work incorporates five distinct types of stakeholder-related activities, all represented within the stakeholder literature. We suggest that these types of stakeholder work are inter-supportive within a larger work system. Viewed in this way, the underlying order of stakeholder work exhibits a striking parallel with the diamond model of organizational structure developed by Leavitt in 1965 and expanded by Scott in 1987. Often used as a guide for organizational change efforts, the Leavitt–Scott diamond model includes five variables that interact to determine the success of an organization: environment, participants, social structure, technology, and goals.

As illustrated in Figure 1, Lee's (2015) conceptualization of stakeholder work maps well with the Leavitt–Scott diamond model. First, the work of stakeholder awareness parallels Scott's (1987) element of "environment," in that awareness work requires attention to and understanding of the broad array of stakeholders that constitute the organizational environment. Next, the work

of stakeholder identification parallels the element of "participants"; that is, managers need to find out which participants are critical to meeting organizational goals—including internal and external stakeholders. Continuing our comparison, the work of stakeholder understanding maps onto the diamond model's element of "social structure," because social structure gives rise to the stakeholder needs and expectations managers must work to understand. Going a step further, stakeholder prioritization work requires managerial skills and processes that we consider "technology" according to the Leavitt–Scott conceptualization. And, finally, stakeholder engagement work aligns with the element of "goals" in the diamond model, given that in order to accomplish the goals of an organization, stakeholders must be engaged. Considered together, the Leavitt–Scott elements represent the interactive system of organizing in general, while Lee's (2015) five elements suggest an interactive system of organizing with respect to stakeholders, specifically.

# {Insert Figure 1 about here}

Among the implications of Lee's (2015) model is the possibility of expanding Mitchell et al.'s (1997) conceptualization of stakeholder salience. Specifically, the interplay among the various types of stakeholder work, as suggested by Lee (2015), implies opportunities to refine further and to contextualize the process of stakeholder salience assessment. In the remainder of this chapter we delve more deeply into the stakeholder salience literature, positioning salience research as an important instance of research concerning stakeholder prioritization work. We then critique this literature and suggest its links to the larger dialogue surrounding stakeholder work.

<sup>&</sup>lt;sup>1</sup> In this interpretation of technology, we utilize the term consistent with its Greek root, téchnē: "art" or "skill."

## STAKEHOLDER SALIENCE AND STAKEHOLDER PRIORITIZATION WORK

As previously noted, the stakeholder prioritization work branch of stakeholder scholarship has its early roots in an article by Mitchell et al. (1997). Their theory of stakeholder salience (which entails a cumulating assessment of stakeholders' power, urgency, and legitimacy) helps managers to employ skill and judgement in the task of prioritizing stakeholders. Since that time, a number of studies have built upon the idea of stakeholder salience to further illuminate stakeholder prioritization work (see chronology in Table 1).<sup>2</sup> We note several themes within this chronology.

{Insert Table 1 about here}

## **Research on Salience Attributes**

Many scholars have focused on examining stakeholder attributes related to stakeholder salience—either by introducing new attributes or by refining the original conceptualizations. For example, Driscoll and Starik (2004) explored the exhaustiveness of Mitchell et al.'s (1997) dimensions by arguing that the three attributes do not reflect "the near and the far, the short- and the long-term, and the actual and potential" (Driscoll & Starik, 2004, p. 57). They suggested adding the proximity dimension to incorporate eco-sustainability into stakeholder salience theory. Proximity means "the state, quality, or fact of being near or next" in "space, time, or order" (Soukhanov, 1984, p. 948). Adopting this definition of proximity, Driscoll and Starik (2004) theorized that "the greater the proximity, the greater the likelihood of the development of stakeholder relationships, ceteris paribus" (p. 63). That is, managers are more likely to pay attention to more proximate stakeholders.

<sup>&</sup>lt;sup>2</sup> A more general review of the stakeholder literature between 1997 and 2007 can be found in Agle, Donaldson, Freeman, Jensen, Mitchell, and Wood (2008).

Beyond suggesting additional stakeholder attributes, scholars have developed and refined some of the original stakeholder attributes. In particular, several studies are noteworthy. First, after Mitchell et al. (1997) described stakeholder urgency as a two-element construct encompassing time sensitivity and criticality, Driscoll and Starik (2004) introduced probability of the claim's occurrence as a third element of urgency. They argued that managers are more likely to pay attention to stakeholders whose claims are more time-sensitive, critical, and have a higher probability of occurrence.

Second, Eesley and Lenox (2006) drew upon resource dependence theory to propose an alternative definition of power. Resource dependence theory argues that firms act to gain access to the resources necessary for operation and survival (Pfeffer & Salancik, 1997). Translating this insight into the power attribute, Eesley and Lenox (2006) defined stakeholder power as "the relative access to resources for the stakeholder group with respect to the firm targeted" (p. 767). In other words, stakeholders have power to the extent they have the resources to sustain costly actions against the focal firm (see Neville, Bell, & Whitwell, 2011). This definition is narrower than the definition of power we previously quoted from Mitchell et al. (1997). Power, in the original conceptualization, was said to occur when one party "has or can gain access to coercive, utilitarian, or normative means to impose its will in the relationship" (1997, p. 865).

Eesley and Lenox (2006) also emphasized the importance of distinguishing between the stakeholder and the claim, clarifying the stakeholder legitimacy and urgency attributes. For example, they argued that stakeholder salience will be separately affected by the legitimacy of the stakeholder and the content of the claim. They reasoned that it is the urgency of the claim, not the urgency of the stakeholder, that matters. Clarifying the relationship between stakeholder power

and urgency, they argued that stakeholder urgency is characterized by their willingness to exercise their power, and thus stakeholder urgency should be subsumed within the power attribute.

Third, Phillips (2003) elaborated the concept of stakeholder legitimacy by distinguishing derivative and normative stakeholders, drawing upon "the normative component of stakeholder theory" (p. 26). As summarized earlier, Phillips explained that "stakeholders who retain the ability to affect the organization are managerially legitimate (derivatively), but ... this legitimacy is derived from the moral obligation owed to their (normative) stakeholders" (p. 26). Distinct from the more socially-constructed interpretation of legitimacy by Mitchell et al. (1997), Phillips' distinction argued for legitimacy criteria that rely upon norms to signal salience (i.e. based more upon standards of correctness than on general acceptance).

In another study of note, Parent and Deephouse (2007) measured stakeholder power along three established dimensions: utilitarian, coercive, and normative. Based on their analysis of the organizing committees for two mega sporting events, they reported that the more types of power a stakeholder accumulated, the more salient it became to managers—with utilitarian power having the greatest effect. They also compared the relative influence of power, legitimacy, and urgency and found power to be the most important attribute in determining managers' perceptions of stakeholder salience.

#### **Research on Salience Assumptions**

Subsequent studies have explored the epistemological assumptions of Mitchell et al.'s (1997) stakeholder salience framework. Varying explanations about the source of stakeholder power provide one example. To explain the theoretical basis of stakeholder power, Mitchell et al. (1997, p. 865) relied on Etzioni (1964, p. 59), who suggested that power in the organizational setting may be based upon the type of resource used to exercise it, namely: *coercive* power, based on physical

resources such as the use of force, violence, or physical restraint; *utilitarian* power, based on the use of material or financial resources; and *normative* power, based on the use of symbolic resources. A few subsequent scholars have used social network theory to provide an alternative theoretical background for the stakeholder power attribute (Driscoll & Starik, 2004; Neville & Menguc, 2006; Pajunen, 2006). Social network theory posits that as network density increases, an organization receives increased attention from multiple stakeholders, and that as a stakeholder's centrality within the network increases, the stakeholder gains increased access to other stakeholders within the network (Rowley, 1997). In other words, network theorists replace the assumption that power flows from the application of resources with the assumption that power flows from social position.

Another assumption of the stakeholder salience model involves the unit of analysis, as seen through the eyes of the manager. Mitchell et al. (1997) addressed managers' assessment of the salience of stakeholders based upon the attributes of each stakeholder. Neville and Menguc (2006) have argued that coalitions of stakeholders bound by interest, instead of individual stakeholders identified by attribute, could be the focus of stakeholder salience assessment (e.g., Hoffman, 1999; Wolfe & Putler, 2002), as stakeholders also interact, cooperate, and form alliances with other stakeholders (Frooman, 1999).

#### **Research on Salience in Context**

Finally, researchers have recognized that stakeholder salience will be influenced by context—including such variables as industry type, organizational culture, organizational life cycle, stakeholder-related crises, and even the characteristics of the managers who are making decisions for the organization. Delving deeper into contextual differences, scholars also have examined stakeholder salience within family firms and in firms with ethnic ties.

In the case of the industry context of the stakeholders and of the focal company, Harvey and Schaefer (2001) observed the important role that managers' intuition played in assessing the salience of green stakeholders. Also, Henriques and Sadorsky (1999) and Buysse and Verbeke (2003) both found that more environmentally proactive firms perceive increasing numbers of stakeholders as salient.

In another case of context, Jones, Felps, and Bigley (2007) discussed the role of the organization's ethical culture, which they term stakeholder culture, in assessments of the attributes of salience. They argued that power will have a greater influence on salience in more self-regarding stakeholder cultures, while moral legitimacy will have a greater influence on salience in stakeholder cultures that are more other-regarding.

Introducing context-based moderators of salience, Jawahar and McLaughlin (2001) argued that salience will vary depending upon the stage of the organizational life cycle. For example, investors are crucial at start-up and customers are at their most salient at the mature stage. Mitchell et al. (1997), in theorizing specifically about individual-level contextual variables, suggested that managers' own characteristics will moderate the attribute-salience relationships. When this theorizing was tested, however, Agle, Mitchell, and Sonnenfeld (1999) found that managers' personal values had only a minor moderating influence on these relationships. By contrast, Parent and Deephouse (2007) found that managers' role and hierarchical level affected both the number of stakeholders they identified and the attribute-salience relationship.

Yet another assertion suggests that salience will vary with the stage of reintegration, or resolution of an organizational crisis. Pfarrer, Decelles, Smith and Taylor (2008) argued that salience will vary when organizational transgressions give rise to particular stakeholder claims.

They suggested, for example, that activist groups and the local community increase in salience during environmental crises.

Finally, to extend the contexts of stakeholder salience assessment theorizing, Mitchell, Agle, Chrisman, and Spence (2011) applied stakeholder salience theory (Mitchell et al., 1997) in other, more specialized business settings. In family businesses, for example, Mitchell et al. (2011) argued that where principal institutions intersect (i.e., family and business), managerial perceptions of stakeholder salience will be different and more complex than in settings where institutions are based on a single business logic. More specifically, they proposed that normative power is more typical in family business stakeholder salience; legitimacy is based on heredity; and temporality and criticality are linked in the family business case because of family ties and family-centered non-economic goals. Similarly, Mitchell, Robinson, Marin, Lee, and Randolph (2013) applied the stakeholder salience theory (Mitchell et al., 1997) to examine the complex theoretical relationships among spiritual identity, stakeholder attributes, family business workplace spirituality behaviors, and stakeholder salience. They argued that the spiritual identity of participants in a family business influences workplace spirituality behavior, and therefore, might also be associated with family business stakeholder salience. In a third contextual extension, Marin, Mitchell, and Lee (2015) applied the stakeholder salience theory to managers in ethnic businesses. Marin and colleagues developed a cyclical model of relationships among ethnic stakeholder attributes (ethnic kinshipbased power, ethnic-moral legitimacy, and ethnic-critical urgency) and social capital. They suggested that managers should prioritize the stakeholder ties that lead to greater social capital.

#### **Interactive Salience**

Although more research is needed, scholars' efforts to test and expand the stakeholder salience model so far affirm the interactive nature of salience assessment. New and refined

salience attributes, particularly around proximity and power, hint at the influence of stakeholder identification and understanding work within the salience assessment process. Meanwhile, contextual moderators of salience, including industry and company life cycle, among others, highlight the importance of dynamic stakeholder awareness work. Even epistemic considerations, such as the inclusion of social networks and coalitions of stakeholders, assume the interaction of prioritization work with stakeholder engagement work.

In other words, prioritization of stakeholders appears to be influenced by multiple activities within and outside of the organization. This observation coincides well with Lee's (2015) interactive model of stakeholder work, as we have argued herein. In the next section we critique the stakeholder salience literature to date, focusing specifically on its strengths and contributions, its possible shortcomings, and its possibilities within the larger settings of stakeholder prioritization work, specifically, and of stakeholder work more generally.

## STAKEHOLDER SALIENCE IN REVIEW

In the foregoing two sections we situated stakeholder prioritization work (primarily analyses concerning stakeholder salience) within the larger system of the stakeholder-centric work that relates to organizations. In this section we begin with our comments on the strengths and contributions of the salience literature.

#### **Strengths and Contributions**

Stakeholder prioritization work, in our view, took a step forward with the introduction of the stakeholder attribute cumulation approach to the assessment of stakeholder salience, as proposed by Mitchell et al. (1997). The resulting typology has provided an orderly way for scholars and practitioners to view the work of stakeholder prioritization. Its use in textbooks

(e.g., Carroll & Buchholtz, 2015; Lawrence & Weber, 2016) and in many scholarly articles attests to its applicability within the Business and Society research and practitioner communities.

Of special note to us is how well the stakeholder salience model serves the "art" and "skill" enhancement meanings (see footnote on the Greek roots of technology) of Lee's (2015) stakeholder work model as a technology for theoretical as well as for managerial use. As mentioned previously, the stakeholder salience model has helped to suggest explanations for the stakeholder relationships within settings such as family business (Mitchell et al., 2011), workplaces with elements of spirituality (Mitchell et al., 2013), and ethnic business (Marin et al., 2015). In the case of its applicability to managing, the stakeholder salience model has been utilized within governmental organizations (Matty, 2011), nongovernmental organizations (Reed, Graves, & Dandy, 2009), and in businesses large and small (Kochan, & Rubinstein, 2000; Slack, & Parent, 2006).

However, despite the ubiquity and usefulness of the stakeholder salience approach to stakeholder prioritization, shortcomings and points of further discussion have emerged over the years. We take note of some of these next.

## **Shortcomings**

It is not our intention in this critique to undermine the usefulness or the viability of the stakeholder salience model. Rather, we hope in raising the points that follow to set the stage for the further exploration and development of this model, given some of the scholarship and thinking that has emerged recently. In our review of shortcomings, we found three main themes for consideration: (1) the economic assumptions of the model; (2) the inclusiveness concerns the model may raise; and (3) a paucity of research integrating stakeholder prioritization with other types of stakeholder work.

Economic assumptions. Several economic assumption concerns have surfaced in our review. Our first economic consideration is that the stakeholder salience model assumes scarcity; that is, some priority scheme is intended. In some circumstances, however, it may not be clear that meeting the expectations of stakeholders requires managers to engage in prioritization work. Arthur (1994, 1996), for example, identified "increasing returns" situations where momentum is critical. In these situations, managers can achieve a bandwagon effect (Arthur, 1994; Sherif, 1936) and create economic momentum without prioritizing stakeholders against each other. The stakeholder salience model does not specifically address these circumstances. Further, the stakeholder salience model does not account for the shared salience of stakeholders who coalesce in coproduction, say of information goods (e.g., Rumelt, 1987). The stakeholder salience model may also come into conflict with more recent ideas that the organization of stakeholders forms a nexus of contracts (Hill & Jones, 1992; Mitchell, Weaver, Agle, Bailey, & Carlson, 2016), for example, an implicit "value creation stakeholder partnership" (Mitchell et al., 2015).

Another economic consideration is that in some cases the stakeholder salience model, in assuming the need for a prioritization scheme, may inaccurately represent the roles of stakeholders and managers in the generation of economic profit. Stakeholder prioritization research in general, and stakeholder salience-related research in particular, has presumed stakeholder prioritization by managers (possibly implicitly) *after* attending to the wealth maximization of shareholders. In practice, however, many firms maintain pluralistic objectives (Mitchell et al., 2016; see also Jensen, 2002; Jones & Felps, 2013a, 2013b). When we assume multiple valued objectives, Barney (2016) has argued recently that stakeholders become residual claimants, not unlike stockholders, and thus, that "strategic management research must incorporate multiple stakeholders in its analysis of expected economic profits" (p. 1).

On economic grounds, then, the stakeholder prioritization literature has not yet accomplished all that its contributing scholars hoped. Further development of stakeholder prioritization work and the stakeholder salience model could address such concerns.

Inclusiveness concerns. One of the primary shortcomings of business-focused scholarship generally is its implicit or explicit dismissal of the normative standard of stakeholder inclusiveness (Agle et al., 2008; Mitchell et al., 2015). It was not Mitchell et al.'s (1997) intent that the act of "managing" stakeholders would sometimes mean dismissing them. However, due to its simplicity, the stakeholder salience model prioritization scheme may unintentionally lead managers to exclude certain stakeholders. This unintentional exclusion could be the case particularly if managers use the salience-assessment tool as provided in the theory to support a single-objective, function-based (Jensen, 2002) conceptualization of their organization, rather than a pluralistic conceptualization. Mitchell et al. (2016) strongly advocated for value pluralism in organizations: "if people—including managerial decision makers—are at their core, value pluralists ... at least in the sense of holding to values or goods among which they are unable to make trade-offs, then to dictate that they prioritize just one value starts to look unreasonable" (p. 260). But the stakeholder salience model does not explicitly call for pluralism. In fact, we wonder whether the stakeholder salience model prioritization scheme might undermine the more complex, but potentially more effective workings of the "intra-corporate marketplace" (Mitchell et al., 2016), which has been proposed as a mechanism for enabling both pluralistic-objective decision making and stakeholder inclusiveness.

In our view, little research explores the boundary conditions under which the stakeholder salience model, instead of being helpful, might lure decision makers away from the demanding task of stakeholder inclusion. In this instance, the simplicity of the stakeholder salience model—

which has been and continues to be its strength—might also be a weakness. More research is needed to better evaluate this potential shortcoming.

Integration opportunities. In addition to economic and inclusiveness considerations, we see room for more theoretical integration of stakeholder prioritization work with other kinds of stakeholder work. Earlier in this chapter we argued that the stakeholder literature might be organized into a sorted but integrated whole, through the framework of stakeholder work. It is therefore to be expected that little scholarship to date explores this integration.

In Table 2, we present as an illustration, a brief cross-check of prioritization literature for integrative indications. Because we assume stakeholder identification work as a precondition for prioritization, we focus our analysis on the remaining three elements: stakeholder awareness work, stakeholder understanding work, and stakeholder engagement work.

{Insert Table 2 about here}

As reported in the table, we have identified two articles about stakeholder awareness work and six articles about stakeholder engagement work that appear to integrate with stakeholder prioritization work. We hope that our becoming more explicit about these overlaps could eventually help scholars assess whether stakeholder salience model-based stakeholder work is useful to managers' in turn becoming more aware of and engaging stakeholders. Noticeably, we found no integrative research that incorporates stakeholder understanding work into the body of the literature.

#### **Possibilities**

Given these findings, we envision multiple future directions for studies of stakeholder salience work. First, we are struck by the opportunity for deeper analysis that will systematize the literature based on the inter-supportive nature of the stakeholder work concept. In this

endeavor, systems theory may provide a unifying rationale. As an exemplar we suggest Wood (1991), which helped scholars more easily comprehend CSR literature.

Second, we encourage application of the stakeholder salience model to contexts beyond those previously noted (see Marin et al., 2015; Mitchell et al., 2011, 2013). Some preliminary work in this regard has been done by a Think Tank on Native Economic Development (Mitchell, 2003). But this application to aboriginal First Nations in Northwest British Columbia, Canada—which helped to identify the variety of on-reserve stakeholder types—only begins to harness the stakeholder salience model's explanatory potential. In this regard, we are interested particularly in contexts that involve stakeholder dynamism, because little is known about when and how stakeholders move from one type of salience to another. From our vantage point, such extensions—despite the possible shortcomings of the model—offer hope for greater stakeholder awareness, understanding, and engagement work in theory and in practice.

Third, we laud the emerging link between stakeholder work research and strategic management research (Barney, 2016). This represents an important development within both the stakeholder and strategy research streams. However, the renewed focus on strategy may create additional problems for stakeholder inclusion. Taken too far, strategy-based exclusions of certain stakeholders may result in the same problems that attended arguments for single-objective stockholder wealth maximization (see Mitchell et al., 2016, for a review).

We especially take note of the restriction that Barney (2016) placed upon the definition of what or who is to be identified and prioritized as a stakeholder of the firm. Beginning with the Freeman (1984) definition, *anyone with an interest in how a firm is managed*, Barney (2016) paradoxically included only employees, suppliers, customers, debt-holders, and shareholders in his conceptualization. He argued that these groups provide resources to a firm in return for some

compensation, and thereby can be considered residual claimants. He therefore excludes other previously accepted or asserted primary stakeholders, such as governments, communities (e.g., Clarkson, 1995), and the natural environment (e.g., Driscoll & Starik, 2004). These groups, he reasoned, are only stakeholders as a matter of convenience.

Fourth, we see that additional theory development is needed surrounding the concept of intra-corporate markets (Mitchell et al., 2016). The stakeholder salience model provides one way to identify and to prioritize stakeholders (Mitchell et al., 1997); but as we have noted, use of the stakeholder salience model requires some sacrifice in terms of stakeholder inclusion. We thus call for theoretical roadmaps that will enable scholars to operationalize multi-objective decision making and then convey this "technology" to practicing managers. Possibly, and as suggested by Jones et al. (2016), the application of a *Pareto optimality* standard<sup>3</sup> to evaluate the relative merits of the stakeholder salience model within the intra-corporate marketplace might be useful. Or, as a follow-on to the work of Barney (1986, 2016), stakeholder identification—and possibly stakeholder salience—might systematically be conceptualized to result from intra-corporate markets for strategic factor stakeholders: those entitled to a share of the residual of a firm because they have provided resources for the creation of some portion of that residual.

In sorting out such possibilities, we view the stakeholder work lens as a promising tool. Lee's (2015) focus on the activities of stakeholder awareness, identification, understanding, prioritization, and engagement may more accurately (though at this point not as cleanly) capture those who have an interest in how a firm is managed. Within stakeholder work research, the stakeholder salience model remains a promising tool. For example, at this point in the scholarly

<sup>&</sup>lt;sup>3</sup> Pareto optimality is a neoclassical concept describing a situation where no alternative allocation of resources could make one market participant better off without making any other market participant worse off (Arrow, 1974; Jensen, 2001; Stiglitz, 1991).

conversation, the idea of salience allows Barney's arguments to retain their rigor<sup>4</sup>, while not expressly excluding viable claims from other stakeholders. According to the stakeholder salience model, resources will be allocated to those who have interests in how the firm is managed, by virtue of their power or the legitimacy and urgency of their claims—with emphasis on claims that can be traced to value creation (Mitchell et al., 2015). The stakeholder salience model has much to offer, we think, in helping theorists and managers to both make and operationalize the finer distinctions required in stakeholder prioritization work.

#### **Conclusion**

In this chapter we set out to update stakeholder salience research as seen through the new lens of stakeholder work. In doing so we outlined the rationale for a work-focused and stakeholder-centric view of the stakeholder literature; and in this context we summarized the literature to date on stakeholder prioritization work, as represented primarily by the stakeholder salience model (Mitchell et al., 1997). We then outlined contributions, shortcomings, and possibilities for future salience research. It is our hope that scholars will find the stakeholder work lens productive in its ability to consolidate and interpret a wide range of stakeholder studies.

Although the concept of stakeholder salience was first introduced by Mitchell et al. (1997), both its generation and its future development depend on interested scholarly and practitioner stakeholders.<sup>5</sup> We thank all who have labored and who continue to labor so

<sup>&</sup>lt;sup>4</sup> We take note that the stakeholder salience model as a more sociological approach nevertheless does not enable the stakeholder types that result from this analysis (e.g. definitive, dominant, dependent, etc.) to be connected readily or rigorously to claims upon the firm's residual, and therefore that additional theorizing is needed.

<sup>&</sup>lt;sup>5</sup> The concept of stakeholder salience and the three-variable Venn-diagram model were a principal outcome of the 1994 Toronto Conference on Stakeholder Theory, sponsored by Canada's SSHRC and led by the late Max Clarkson. The idea was proposed by Ron Mitchell (who was a graduating PhD student at the University of Utah at the time), immediately supported by Donna Wood (whose influence on the 1997 manuscript and the tightly-reasoned construct development [see Suddaby, 2010] is recognized and gratefully acknowledged), and further

diligently in the "stakeholder minefields" (Mitchell et al., 1997, p. 862). We look forward to a vibrant and beneficial conversation as the stakeholder salience model takes on additional tasks within the stream of stakeholder prioritization research.

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Table 1: Chronology of Stakeholder Salience Research (Representing Stakeholder Prioritization Work)

Author(s)	Year	Key Ideas	Narrative	
Mitchell et al.	1997: 853	"Our aim in this article is to contribute to a theory of stakeholder identification and salience based on stakeholder possessing one or more of three relationship attributes: power, legitimacy, and urgency. By combining these attributes, we generate a typology of stakeholders, propositions concerning their salience to managers of the firm, and research and managerial implications"  The theory of stakeholder possessing one or providing a system of the firm, and research and managerial implications organization.		
Agle et al.	1999: 507	"We examined relationships among the stakeholder attributes of power, legitimacy, urgency, and salience; CEO values; and corporate performance. We found strong support for the attribute-salience relationship and some significant relationships among CEO values, salience, and corporate social performance."	The stakeholder salience theory is empirically tested, confirming the validity of the theory.	
Ryan & Schneider	2003: 398	"We demonstrate that a novel, intragroup application of Mitchell, Agle, and Wood's stakeholder framework to heterogeneous institutional investors illuminates their varying levels of stakeholder salience."  The stakeholder sali theory is applied in the stakeholder institutional investors.		
Gago & Antolin	2004: 65	"This work has the aim of determining the main attributes of stakeholders with regards environmental issues, and how these attributes influence stakeholders' environmental salience."  The stakeholders theory is extended context of environmental salience."		

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Author(s)	Year	Key Ideas	Narrative
Driscoll & Starik	2004: 55	"The authors also critique and expand the stakeholder identification and salience model developed by Mitchell, Agle and Wood (1997) by reconceptualizing the stakeholder attributes of power, legitimacy, and urgency, as well as by developing a fourth stakeholder attribute: proximity."	Mitchell et al. (1997) theory is re-conceptualized to include proximity as a fourth stakeholder attribute.
Eesley & Lenox	2006: 765	"To this end, we build upon and advance Mitchell, Agle, and Wood's (1997) stakeholder saliency and identification framework by defining saliency in terms of actions, not perceptions"	Mitchell et al.'s (1997) concept of salience is modified in terms of actions as opposed to perceptions, extending the meaning of stakeholder salience.
Neville & Menguc	2006: 377	"We draw upon the theory of stakeholder identification and salience of Mitchell et al. (1997), which we argue provides a more relevant and significantly more illustrative explanation of the nature and effects of stakeholder interactions upon the organization than the network approach of Rowley (1997)."	Mitchell et al.'s (1997) framework was applied to explain stakeholder relationships, extending theory application scope.
Su et al.	2007: 301	"Hierarchical stakeholder model of <i>guanxi</i> dimensionalizes the notion of stakeholder salience, and distinguishes between and among internal and external <i>guanxi</i> , core, major, and peripheral <i>guanxi</i> , and primary and secondary <i>guanxi</i> stakeholders."	Mitchell et al.'s (1997) model is applied to the context of guanxi in China.

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Author(s)	Year	Key Ideas	Narrative	
Parent & Deephouse	2007:	"We support the positive relationship between number of stakeholder attributes and perceived stakeholder salience. Managers' hierarchical level and role have direct and moderating effects on stakeholder and identification and perceived salience. We also found that most stakeholders were definitive, dominant, dormant typePower has the most important impact on salience."	Mitchell et al.'s (1997) model is reconfirmed, strengthening the rigor of the theory.	
Jones et al.	2007: 137	"We describe five stakeholder cultures – and explain how these cultures lie on a continuum, ranging from individually self-interested (agency culture) to fully other-regarding (altruist culture). We demonstrate the utility of our framework by showing how it can refine stakeholder salience theory."	Mitchell et al.'s (1997) power, legitimacy, urgency vary by stakeholder culture orientation, providing a reinterpretation of the theory.	
Magness	2008: 177	"My findings support the Mitchell et al. (1997) assertion that stakeholder status is impermanent, and determined through the eyes of the decision-maker."	Stakeholder salience theory is consistently supported.	
Fassin	2009: 65	"This article clarifies how stakewatchers and stakeseekers can profoundly affect stakeholder salience, especially in crises."	Salience varies by stakewatchers and stakekeepers, suggesting a new research area.	

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Author(s)	Year	Key Ideas	Narrative
Gifford	2010: 79	"This article applies a model of stakeholder salience to the shareholder context, analyzing the attributes of power, legitimacy and urgency, to determine the factors that are likely to enhance shareholder salience."	The theory is explored in the shareholder context, expanding the scope of its application.
Myllykangas et al.	2010: 65	"The article presents an argument that the stakeholder salience model as a tool for analyzing stakeholder relationships is not sufficient for understanding business value creation."  Stakeholder salience model as unfit for understanding business value creation." value creation, sugneed for a new model.	
Neville et al.	2011: 357	"We argue, first, that urgency is not relevant for identifying stakeholders; second, that it is primarily the moral legitimacy of the stakeholder's claim that applies to stakeholder salience; and last, that the salience of stakeholders will vary as the degrees of the attributes vary."	The theory is critiqued, suggesting new areas of stakeholder salience research.
Mitchell et al.	2011: 235	"The notion of stakeholder salience based on attributes (e.g., power, legitimacy, urgency) is applied in the family business setting. We propose thatnormative power is more typical in family business stakeholder saliencelegitimacy is based on heredity temporality and criticality linked in the family business case because of family ties and family-centered non-economic goals."	The theory is applied to the family business context, suggesting context-specific, unique stakeholder power, legitimacy, and urgency attributes.

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Author(s)	Year	Key Ideas	Narrative
Santana	2012: 257	"I develop a framework of stakeholder legitimacy based on its three aspects—legitimacy of the stakeholder as an entity, legitimacy of the stakeholder's claim, and legitimacy of the stakeholder's behavior."	Stakeholder legitimacy is further articulated, suggesting three sources of legitimacy.
Tashman & Raelin	2013: 591	"(Managers) can overlook or ignore stakeholder importance because of market frictions that affect managerial perceptions or induce opportunismThus, we propose that the perceptions of organizational and societal stakeholders should also codetermine the salience of the focal stakeholder to the firm."  Managers' perceptions or determines the salie focal stakeholder, so a new stakeholder as	
Guerci & Shani	2013: 1130	"This work examines Italian HR managers' perspectives of stakeholders and their perceived salience, The Mitchell, Agle and Wood model of stakeholder salience is applied to classify the stakeholders of the HR system into four clusters: definitive, dependent, discretionary and non-stakeholders."	Mitchell et al.'s (1997) theory is applied to the HR context, suggesting a new area of research.
Marin et al.	stakeholder attributes (ethnic kinship-based power, ethnic-moral legitimacy, and ethnic-critical urgency) and social capital, as mediated by three-way (triadic) Simmelian bonding and bridging ties, which then, in turn, affects the ethnic stakeholder attributes."		Mitchell et al.'s (2011) stakeholder salience framework is extended to the ethnic business context, expanding context-specific research.

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Author(s)	Year	Key Ideas	Narrative
Hall et al.	2015: 907	"Our findings contribute to stakeholder theory by showing that the prioritization of stakeholders is not solely a managerial decision, but instead is dependent on the construction of an appropriate accounting and reporting system, as shaped by managers' epistemic beliefs and by the organization's material conditions."	A new perspective of the stakeholder salience theory is proposed, shifting the focus from managerial decision to epistemic beliefs.
Thijssens et al.	2015: 873	"differences in environmental disclosures between companies are mainly associated with differences between their environmental stakeholders' legitimacy. The effects of power and urgency are of an indirect nature, as they are mediated by legitimacy."	Stakeholder salience theory is applied in environmental disclosures, suggesting legitimacy as the strongest factor.
Weitzner & Deutsch	2015: 1337	"Our framework distinguishes itself from existing research by focusing on stakeholder prioritization, not salienceIn addition, we identify a more extensive set of stakeholder attributes that includes powerlessness and illegitimacy."  Powerlessness are illegitimacy are in new stakeholder further delimiting salience.	
Siltaoja & Lahdesmaki	2015: 837	"stakeholder salience theoryhas been criticized for overemphasizing rationality in managerial perceptionswe suggest that socially and culturally constructed emotions (such as envy) have significance in stakeholder salience analyses."  Emotions are suggest significant composite the stakeholder salience complementing the rationality-based versions	

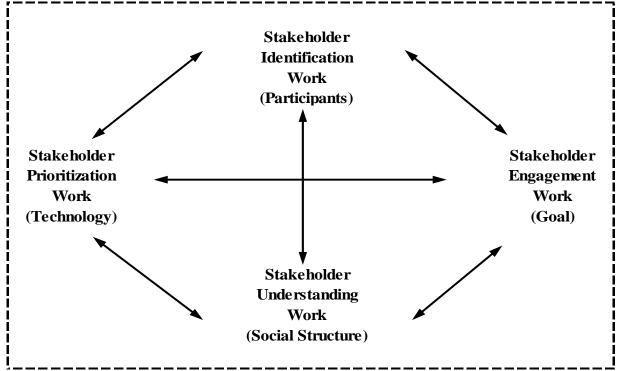
Table 2. Research Integrating Stakeholder Prioritization Work with Other Types of Stakeholder Work

Work Type	Author(s)	Main Idea
Stakeholder Awareness Work	Ryan & Schneider (2003)	Stakeholders (e.g., institutional investors) use increased power, urgency, and legitimacy to influence managers' perceptual evaluation of their claims.
	Neville & Menguc (2006)	Increased stakeholder salience is likely to influence the organization's perceptual evaluation of the stakeholder.
	Agle et al. (1999)	Paying attention to stakeholders (strong stakeholder salience) was not found to be positively related to corporate social performance.
Stakeholder	Mattingly (2004)	Salience of socio-political stakeholders was suggested as positively related to a firm's social performance.
Engagement Work	Eesley & Lenox (2006)	Firms responded more strongly to stakeholders who had more power over them and who carried more legitimacy in the eyes of the public.
	Neville & Menguc (2006)	Increased stakeholder salience is likely to lead to acts of greater corporate social responsibility.
	Knox & Gurar (2007)	Stakeholder salience was found to be positively related to marketing practices used by the nonprofit organization in its stakeholder relationship activities.
	Myllykangas et al. (2010)	The stakeholder salience model was criticized for not adequately aiding in understanding business value creation.

Note on Table 2: No sources were identified that integrate stakeholder prioritization work with stakeholder understanding work. We did not include studies of stakeholder identification work because we consider identification a precondition for prioritization.

Fig. 1 Stakeholder Work – A Comparison

# Stakeholder Awareness Work (Environment)



Adapted from Leavitt (1965): 1145 (as reprinted in Scott, 1987: 15)

Note on Figure 1: We compare Lee's (2015) conceptualization of an integrated stakeholder work model to the diamond model proposed by Leavitt (1965, p. 1145) and refined by Scott (1987, p. 15). Scott's elements appear in parentheses.