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Problematising stakeholder engagement: Insights from a circular economy case

Stakeholder engagement is commonly viewed as an inherently positive process that creates multiple types of value for all involved parties (e.g., Greenwood, 2007) and leads to desirable organizational and relational outcomes. Recent studies have explored harmful stakeholder strategies (Harrison & Wicks, 2021) or focused on other 'negative' aspects of stakeholder engagement, such as involuntary participation, stakeholder distrust, or negative reciprocity (Bundy et al., 2018; Passetti et al., 2019; Weibel et al., 2020).

It is arguable that even when stakeholder engagement is organised with positive intentions and without any intention to harm, stakeholder engagement processes contain what we call a 'grey area'. In other words, we argue that stakeholder engagement includes a wide spectrum of processes that are political and messy by nature. This is prevalent, if not inevitable, when stakeholders jointly seek to address complex challenges.

Our purpose is to analyze the political and messy processes of stakeholder engagement. Our empirical context is Finland's nation-wide, multi-stakeholder effort to accelerate a circular economy (CE). This is a fruitful setting since the stakeholders share a unified interest in enhancing a CE. The data consists of 26 CE stakeholder interviews at local, regional and national levels. By revealing the often overlooked, darker shades of stakeholder engagement, this paper complements the current literature focusing on the positive sides of stakeholder engagement.

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