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Enhancing sustainability in the mining industry – Stakeholder engagement between a mining company and local cities

Sustainability has risen into a significant topic in management and organization research. Mining industry has potential to heavily impact environmental, social and economic sustainability (Ranängen & Lindman, 2017), making it an interesting industry to investigate. More specifically, I aim to understand how sustainability can be enhanced through stakeholder engagement with local actors. My paper will address this by examining sustainable development in the mining industry through stakeholder engagement.

I seek to explore, how stakeholder engagement forms and evolves with a mining company and its local stakeholders in a lignite mining region in Germany. Further, I aim to identify factors hindering or promoting stakeholder engagement as well as sustainability outcomes stemming from the engagement. This qualitative case study is based on qualitative content analysis of news articles in a local newspaper in the mining region from September 2017 until August 2019. The newspaper actively reports about events related to the mining activities and their influence on the local communities. Secondary data consists of websites and other publicly available materials of the mining company and the local cities.

Stakeholder engagement in this study is based on Freeman's (1984) stakeholder theory. In this paper, stakeholder engagement is understood as constructive and positive engagement between a company and its stakeholders (Greenwood, 2007). This engagement may consist of various practices that allow stakeholder participation, for example through direct and indirect communication via various channels (Lehtimäki & Kujala, 2017). Networks are formed with collaborative relationships with all stakeholders (Kujala & Sachs, 2019). Engaging with stakeholders may lead to learning opportunities (Kujala & Sachs, 2019), allowing mining companies to address complex sustainability issues. This paper contributes to the management and organization research by shedding light on how stakeholder engagement can be used to enhance sustainability in the mining industry.

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