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### **Special Track**

Corporate Social Responsibility, Ethics, and Sustainability in Business Networks

ROMESTANT Fanny

[romestantf@esc-larochelle.fr](mailto:romestantf@esc-larochelle.fr)

0033.6.67.68.81.66

Address: 102, rue de Coureilles, Les Minimes, 17000 La Rochelle

### **Stakeholder focus from the perspective of sustainable development: continuity or an alternative for industrial projects marketing?**

#### Summary:

This work questions the very purpose of marketing that is focused on 'customer value' to propose, in line with the work of Deshayes and Lecoivre-Soudain (2011) in industrial marketing and projects marketing, the concept of 'social value'. In sustainable development mining, this involves discussing the link between the primary stakeholders (client, prime contracting support, companies) and others. This research was born out of a project with an industrial company in the transport sector, initiating a corporate social responsibility (CSR) process. Following an exploratory study focused on the company's clients (in-depth analysis of tender documents and interviews with key actors in the buying process), and through collaboration with company officials (business developers), it became insufficient to limit our analyses to the customer's expectations in order to understand the CSR issues of a project.

The aim of this paper is of a theoretical nature. It is about developing a framework of understanding to take stakeholders into account in industrial projects marketing. Through the concept of 'milieu' (Cova & al., 1994, 1996; Cova & Salle, 2005), this framework suggests that stakeholders can be designed from a 'continuity' perspective or as an 'alternative' in project marketing. The objectives of this paper are threefold: firstly, to place the notion of stakeholders as a specific issue in business marketing; secondly, to propose a new way to understand the concept of stakeholders; and, finally, to show how stakeholders can change the marketing process and the project itself. The issue focuses on the construction dynamics of sustainability in industrial projects, seen as a new challenge for business marketing.

Keywords: stakeholders, industrial project marketing, CSR, milieu.

## INTRODUCTION

The regulation and normative frameworks for corporate social responsibility (CSR) are evolving, and institutions have seized upon this topic. Indeed, the European Union (EU), in its 2011–2014 strategy, defines CSR as: “*The responsibility of enterprises for their impacts on society*”. Furthermore: “*Respect for applicable legislation, and for collective agreements between social partners, is a prerequisite for meeting that responsibility. To fully meet their corporate social responsibility, enterprises should have in place a process to integrate social, environmental, ethical, human rights and consumer concerns into their business operations and core strategy in close collaboration with their stakeholders, with the aim of: (1) maximizing the creation of shared value for their owners/shareholders and for their other stakeholders and society at large; (2) identifying, preventing and mitigating their possible adverse impacts*” (COM, 2011, 681, p.6). From here emerge three fundamental ideas that we wish to communicate: externalities generated by companies have to be taken into account, companies have to engage in a collaboration process with stakeholders in terms of sustainable development challenges, and this must be translated into practice, including business and commercial activities. In parallel, the EU has tried to apply to itself what it preaches to companies, while public procurement directives evolve to include a greater awareness of sustainable development. Public procurement within the EU accounted for 19% of gross domestic product in 2013 (Barnier, 2013). Not only can governments contribute, through their purchasing power, to sustainable development, but they may also have a multiplier role in encouraging actors in the supply chain to develop sustainable products and services.

A general background in line with sustainable development has set in. However, the complexity of the subject, with its interrelated impacts, the lack of empirical knowledge, the fact that challenges are contradictory, and the absence of agreement about what is ‘sustainable’ suggests the possibility of an evolving conceptual framework. On the basis of the elements above describing the context of an increasingly sustainability-friendly public contract framework, there is an implication that the field of industrial marketing is also concerned (in the case of big industrial projects, clients are often states, local authorities or public enterprises).

Our research was born out of a project with a company in the industrial transport sector initiating a sustainable development approach. In the manner of business-to-consumer (BtoC) marketing, where one tries to understand the evolution of customers’ demands in terms of responsible consumption, the same observation can be put to the purchasers of projects: the impact is enormous, the projects which one speaks of here go to several tens of millions euros. Through a preliminary study focused on the customers of the company (calls for tender analyses, interviews with key actors in the purchasing process), it appeared insufficient to limit ourselves to their spoken demands to understand project challenges. Beyond the actors taking part in the call for a tender process, it appeared essential for us to widen our vision of industrial marketing to include the project stakeholders.

Work relating to CSR in industrial marketing is still underdeveloped, as attested by the low number of academic articles on the subject. It seems that sustainable development issues are still little apprehended in these complex systems. If the problem is the general marketing-oriented work in the line of responsible consumers (Binniger & Robert, 2008), new concepts for integrating long-term objectives in the design of the product–consumer relationship (Abela & Murphy, 2008) or on the marketing contribution to sustainable development (Loupe, 2006), these questions remain scarcely addressed in the industrial marketing area,

business-to-business (BtoB) marketing, and the marketing of industrial projects. Even Malaval and Bénaroya (2009, p.3) speak of the “need to take account of ethics, the environment and sustainable development” in these markets, whose specificities do not allow ‘duplication’ of the research cited above.

This paper addresses the question of operationalizing sustainable development in a company's function that is upstream of projects; that is to say, at the time of the development of business opportunities, when these issues arise.

The aim of this paper has a theoretical nature: it is to propose a framework for understanding perspectives to take stakeholders into account in industrial projects marketing. This framework of understanding suggests that stakeholders in project marketing can be designed from the perspective of ‘continuity’ or as an ‘alternative’. The objectives of this paper are firstly to put the notion of stakeholders as a specific issue within business marketing; secondly, to propose a new way of understanding the stakeholder concept; and, finally, to show how stakeholders change an industrial project. The issue focuses on the construction dynamic of sustainability in industrial projects, seen as a new challenge for business marketing.

In the first part, we will try to position/set up the stakeholder debate, showing the main perspectives for taking them into account, and then the urgency of this problem in terms of sustainable development. In the second part, we will move to the “gravity center” (Lecoeuvre-Soudain, 2005) of stakeholder analysis as understood in a company's mind regarding stakeholder analysis in terms of projects. The third part will highlight the two dimensions for taking stakeholders into account in industrial projects marketing.

## **TO PLACE THE STAKEHOLDER CONCEPT IN CSR DEBATES : THE APPROACH TO BUSINESS IN SOCIETY**

The stakeholder concept, including that within the field of project marketing that will occupy us later, is not always understood in relation to the fields of sustainable development and CSR. A brief review of the theory origins allows us to understand that it was first designed in a managerial approach, out of the so-called sustainable development problematic itself. The first evocations of the stakeholder concept date from 1930 with the work of Bearle and Means as well as Doff (1932, in Mercier, 2010), Ansoff was the first to explain it (1965, in Freeman, 1984, p.49), and the stakeholder neologism appears in the work of the Stanford Research Institute, but Freeman (1984) is most often cited as the founding father of the theory. The term ‘stakeholder’ (or stake-holder) is defined by Freeman (1984, p.46) as “*any group or individual who can affect or is affected by the achievement of the organization*”. In its original sense, Freeman wanted to put stakeholders at the center of strategic thinking, changing the unit of analysis to support a more relational point of view of business. The goal was to rethink the capitalist system and optimize company operations: we need to hold dialogue with threatening stakeholders for the survival of the firm (Freeman, 1984).

Since Freeman's works, stakeholder theory became widely popularized in the years 1995–2000, and became suitable for research in the sustainable development and CSR<sup>1</sup> field. Stakeholders are no longer uniquely designed with a risk management point of view —

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<sup>1</sup> It is important to note that, in parallel, some authors still referred to the concept of the stakeholder, but not necessarily in the field of sustainable development or CSR (Lecoeuvre-Soudain, 2005).

mainly legal and reputational— but also for their contribution to business and towards ethical goals. This theory allows us, according to Mullenbach-Servayre (2007), to produce a CSR conceptualization. Freeman also mentioned, in his new preface in 2010 upon the reissue of his 1984 book, the evolution of stakeholder theory in a conception related to sustainable development: “*it is ironic that the scholars who have used and developed the idea the most were those in corporate social responsibility*” (Freeman, 2010). Furthermore: “*This new narrative about business must also be one of ‘business in society’. It needs to place a concern with ethics, responsibility, and sustainability on a par with profits*”, and thus that “*the stakeholder concept has become pervasive throughout the literature on CSR*” (Capron-Quairel, 2004, p.37, in Casal, 2006, p.7).

Meanwhile, it is recognized that a company generates externalities which are supported by stakeholders. The link between CSR and stakeholders is not always explicit in the literature; it becomes clear, however, through authors such as Crouch, who proposes defining CSR as follows: “*firms voluntarily assuming responsibility for their externalities, thereby setting the puzzle of how this can be reconciled with the maximization of shareholder value as the central challenge of the subject*” (Crouch, 2006, p.1533) and that “*CSR will be addressed via the following: [...] The operation of this analytical frame in the firm’s relations with key groups with whom it has market relations (customers, investors, employees), and with those to whom it relates solely through externalities*” (Crouch, 2006, p.1534). Externalities, or an external effect, are defined by Guerrien (2012) as “*activities of one [or more] economic[s] agent[s] having impacts on the well-being (broadly defined) of other agents, without exchanges or transactions between them*” (cited in Daudigeos & Valiorgue, 2010, p.64).

A company can certainly seek to reduce its negative externalities itself, in which case one takes a normative perspective of CSR (Donaldson & Preston, 1995, p.67). That is to say that stakeholders have legitimate interests in business activities and these interests carry an intrinsic value; each stakeholder group deserves attention, without necessarily contributing to the direct interests of other groups (such as shareholders, for example). This moral dimension is strongly present in the work of Rawls (1987, 1988, 1991, in Casal, 2006, p.10). From another perspective, “*economists speak of internalization process of external effects in order to designate all the pressures and institutional processes that contribute to reduce ‘collateral damage’ incurred by stakeholders and in order to align business activity*” (Cornes & Sandler, 1999, in Daudigeos & Valiorgue, 2010, p.67). Thus, from a so-called instrumental perspective, companies seek to reduce their external effects because of the stakeholder pressure on which the company’s performance depends (Donaldson & Preston, 1995, p.77). The guidance of company activities and the internalization of external effects operate either through pressure groups (such as non-governmental organizations) or through regulation: normative (International Organization for Standardization, the European Committee for Standardization, other national initiatives, etc.), laws (EU, state and local laws) or incentives (taxes and subsidies).

According to some authors, if the CSR literature has developed at all, it is because we are witnessing in our contemporary society a real “*social appeal [...] due to an acceleration of the unveiling of negative externalities*” (Daudigeos & Valiorgue, 2010, p.70). According to these authors, globalization and the dispersal of production processes involve stretching value chains. Externalities endured by stakeholders are thus themselves dispersed and it is difficult to trace their origin. Daudigeos and Valiorgue (2010, p.70) then speak of “*composite externalities*”. It therefore becomes imperative that companies develop processes to decrypt and track these external effects and stakeholders who suffer (and counter attack).

If one refers to the definition of stakeholders (Freeman, 1984), the reduction of externalities generated by a company comes to be associated with the idea of the 'impacted stakeholder'. The CSR goal is to meet stakeholder expectations through the internalization of external effects. The question is to know how a company tries not to leave the responsibility for its negative externalities to its stakeholders and, in parallel, tries to optimize positive external effects and understand how the company changes its process to do so. However, only a few researchers are dealing with the operationalization of the concept of stakeholders in its 'impacted' dimension (Aggeri & Acquier, 2005). Our paper is positioned within project marketing; we will show later that these activities are at the center of these issues.

Conversely, the dimension of the 'impact' of stakeholders on a company is further developed in the literature. Frooman (1999) developed a descriptive model of the different types of stakeholder influence strategies on a company according to their power and their dependence on it. Rowley's work (1997) also shows that a company lives in a 'network': stakeholders have multiple and interrelated demands and not all stakeholders are necessarily directly related to the company (dyadic relationships) but can also have an influence among themselves (triadic relations), moving the demand scope and having an indirect impact. For example, "*It suggests that the influence of stakeholders over firms is the temporary outcome of processes of action, reaction, and interaction among various parties*" (De Bakker & Den Hond, 2008, p.8).

Steurer (2006) argues that stakeholder theory has evolved from a theory of the firm in a more comprehensive field called 'theory of business-society relations'. In this view, stakeholders are perceived as "*subjects to be managed towards more of a network-based, relational and process-oriented view of company-stakeholder engagement*" (Andriof & Waddock, 2002, p.19, in Steurer, 2006, p.56). Thus, the stakeholder notion, impacted upon and impacting, upsets business perspectives and their processes.

Organizations, both private enterprises and public enterprises or institutions, are evolving more and more towards project organizations; in parallel, it seems that the field suffers from a low conceptualization level (Royer, 2005). This is, again, precisely the case with regard to the stakeholder notion, and even more if we search for works in fields combining project management, stakeholders and CSR. For this reason, we direct the next part of this paper towards these points.

## **WHEN A COMPANY IS NO LONGER AT THE CENTER OF THE ANALYSIS: THE STAKEHOLDER CONCEPT IN PROJECTS**

Cleland (1986, in Aaltonen & Kujala, 2010) is at the root of the notion of importing the concept of stakeholders into the field of project management. This field, *project stakeholder management*, has known significant growth since the late 2000s (for a literature review, see Achterkamp and Vos, 2008; and other authors such as: Aaltonen et al., 2008, Aaltonen and Kujala, 2010, Assudani and Kloppenborg, 2010, and Jepsen and Eskerod, 2009).

In the same logic as the theory developed by Freeman in 1984, stakeholders can influence the success of a project and companies should be concerned about this (McElroy & Mills, 2003, in Assudani & Kloppenborg, 2010, p.70). Stakeholders are defined as "*any person or group that either impacts the project or is impacted by the project*" (Assudani & Kloppenborg, 2010, p.70; Aaltonen & Kujala, 2010, p.382).

Aaltonen and Kujala define the primary stakeholders of a project as “organizations that are in a contractual relationship with the project such as customers or suppliers or have direct legal authority over the project such as governmental organizations” (adapted from Eesley & Lenox, 2006). Secondary stakeholders comprise the following groups: “community groups, lobbyists, environmentalists and other non-governmental organizations” (Aaltonen & Kujala, 2010, p.382). They have no contractual relationship with the focal organization (Eesley & Lenox, 2006). Others distinguish internal and external project stakeholders (Aaltonen & Kujala, 2010). Internal stakeholders are formal members of a coalition and generally support a project. These are the primary stakeholders and ‘business actors’ (referring to Cova & Salle, 2005). External stakeholders have no formal relations but may affect or be affected by a project. These are ‘non-business actors’ (ibid.).

What has changed, in the view of so-called classical stakeholder theory, is that the focus is no longer the whole company, but a specific project in or through which it operates. The company is then the project leader or a participant in the project.

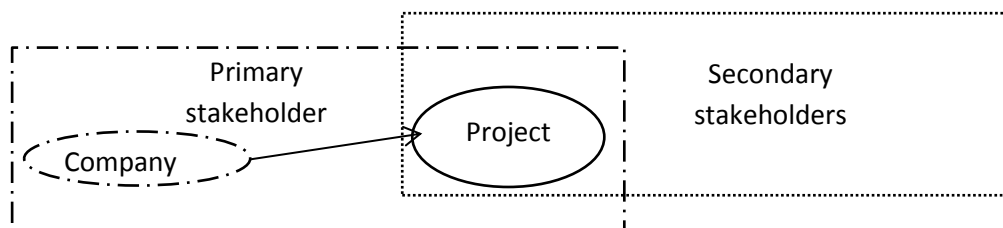


Figure 1: Stakeholders of a project (scheme by the author)

Lecoeuvre-Soudain (2005) emphasizes the duality between different involvement levels of players in a project:

| Intra-company players   | Extra-company players   |
|---|---|
| <ul style="list-style-type: none"> <li>- Intra-project players (project team)</li> <li>- Extra-project players (management and other services)</li> </ul> | <ul style="list-style-type: none"> <li>- Intra-project players (clients, suppliers, external decision makers, stakeholders)</li> <li>- Extra-project players (banks, funding bodies, consultants, competitors)</li> </ul> |

Table 1: Position of players in a business project situation in the BtoB sector (Lecoeuvre-Soudain, 2005, p.32)

Some works in the field of *stakeholder project management* have a prescriptive intent for business management (Assudani & Kloppenborg, 2010, p.70): (1) project leaders have first to identify project stakeholders (Fageha & Aibinu, 2013) and determine the most important; (2) they have then to build a relationship with stakeholders and manage the expectations of the most important ones; and (3) finally, they have to communicate effectively with stakeholders. Assudani and Kloppenborg (2010) highlight a more difficult reality insofar as project managers must first understand the stakeholder ‘cacophony’ and then do their best to meet different needs. On the other hand, a common criticism of stakeholder theory is that it conceives of stakeholders as being static (Gond & Mercier, 2004; Mercier, 2010, p.11). This criticism is echoed even more in the literature on project management. The difficulty is that

the parties involved can change during the phases of a project's life due to unpredictable events (Jepsen & Eskerod, 2009). The question then is how to manage the relationship with stakeholders during the project, taking into account that priorities may change. Assudani and Kloppenborg (2010) propose a number of questions for a project leader and project team to reassess, periodically and iteratively, project stakeholders and their expectations.

Kolltveit and Gronhaug (2004) demonstrate the importance of the inclusion of stakeholders in the early stages of a project, because of the level of uncertainty and the complexity of projects. These preliminary phases are defined as "*The process and activities that lead to, and immediately follow, the decision to undertake feasibility studies and to execute the main project*" (ibid., p.547). In line with Frooman's work (1999), Aaltonen and Kujala (2010) have examined the behavior of so-called secondary stakeholders that influence projects. They also highlight that "*the salience of secondary stakeholders is highest during the investment preparation phase*" (ibid., p.386). Aaltonen and Kujala's study (2010) shows a striking paradox in a study on a pulp mill construction project in Uruguay: while in the early stages of a project the project managers would at best be able to integrate stakeholder expectations, stakeholders were not ready to mobilize. Some authors refer to the argument of information asymmetry between a project leader and the secondary stakeholders: "*which is an important factor to take into account during project planning and contract negotiations*" (Kujala & al., 2007, in Aaltonen & Kujala, 2010, p.384). This asymmetry is particularly strong in the preliminary phases of a project. On the other hand, stakeholders sometimes only emerge later, when external effects are felt (ibid., p.387). Moreover, the low urgency level felt by stakeholders in the upstream phase implies that they do not have time to become aware of the critical nature of their complaints (ibid.). Given the uniqueness of projects, they do not have the experience that would allow them to regroup and to influence the project. In this phase, in which influence on the decision makers of a project could be more acceptable from the viewpoint of project management, action possibilities for secondary stakeholders are low (ibid., p.392).

These arguments led us to treat this subject in terms of business opportunity development, as in project marketing.

### **STAKEHOLDERS IN PROJECT MARKETING: HOW TO TAKE THEIR EXPECTATIONS INTO ACCOUNT AT THE BUSINESS OPPORTUNITY DEVELOPMENT STAGE**

Project marketing is characterized by "*significant financial issues, a generally unique service, purchasing procedures established in advance, a discontinuous relationship with the client*" (Malaval & Benaroya, 2009, p.100). This type of marketing concerns large-scale projects such as the construction of an airport, bridges or tramway lines in cities.

Industrial projects are marked by the involvement of a large number of players. Thus, the focal company is not necessarily the project leader, depending on its position in the project. The company is thus embedded in a set of transactions and relationships; it can be positioned in each place as a canonical triptych (Terrin, 2005), as shown below:

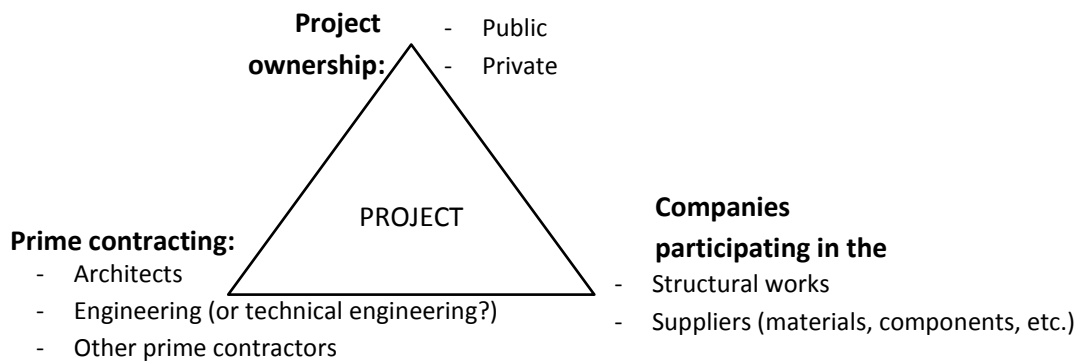


Figure 2: Project actors, adapted from Deshayes and Lecoeuvre-Soudain (2011, p.221)

The objective of this section is to show that a company that wants to develop business opportunities, in accordance with its position in the triptych, has an interest in taking into account the stakeholders' project. This primarily involves those that affect the project ownership, but, beyond that, those that are affected by the project through the various activities of the actors involved. The company needs to understand how the primary and secondary stakeholders emerge in order to take them into account as soon as the business opportunity development stage is reached: *"The position (and the point of view) of the protagonists in relation to the project can evolve according to the project advance and [...] corresponding phases of marketing efforts associated with the project. Thus, their identification, their management, to pay attention to them to better understand and anticipate the influences and decisions, therefore require special attention especially related to the field of marketing (watches, studies and analyzes, communication actions, relational, negotiations ... ). In other words, as long as the company does not understand what are the key stakeholders and what is their influence and impact potential, it is impossible to effectively progress in the project"* (Pinto & Rouhiainen, 2001, p.143, in Lecoeuvre-Soudain, 2005, p.31).

The field of industrial marketing has largely evolved from a 'winning proposals' dynamic in the 1950s–1970s (where the focus was placed on finding the best prices) to analysis and dialogue systems with customers focused on anticipating tenders (Cova & al., 1992, 1993, 1994), restoring some power to bidders in a relationship. The conclusion at that time was that one must go beyond so-called 'reactive' bidding. According to Cova & al. (1994, 1996), this requires investment by a company in territorial networks called '*milieus*'. The term '*milieu*' is defined as *"a socio-spatial configuration that can be characterized by four elements: a territory, a network of heterogeneous actors related to each other on this territory, a representation constructed and shared by these actors, a set of rules regulating the interactions between these actors"* (Cova & al., 1996, p.654).

The medium is composed of business–actors (consulting, financial partners, agents, engineering firms, subcontractors, etc.) and non-business stakeholders (governments, unions, lobbyists, pressure groups, activists, etc.) that form the social context embedded in a project (ibid., p.650). As we begin to see through non-business stakeholders, the concept of secondary stakeholders (as mentioned above with reference to Aaltonen and Kujala's work, 2010), the term 'stakeholder' was explicitly used in industrial project marketing until the mid-2000s (Cova & Salle, 2003, p.13; Cova & Salle, 2005, p.357). However, this involves the

idea of common values and cultures more from a territorial perspective, which prevails; in this case, the concept of stakeholders is seen as a *continuity* in project marketing by bringing together business-actors and non-business ones. They can influence the project and should, therefore, be associated with the milieu. We propose to go beyond this with an *alternative* posture to previous work, by reconstructing the notion of 'milieu' to associate the 'impacting-impacted' principle, specific to the concept of the stakeholder. Here it is a question of going beyond the territorial nature of the notion of milieu to integrate the idea that the 'rules of the milieu' are also the result of interrelations with composite primary and secondary stakeholders which are subjected to external effects (Daudigeos & Valiorgue, 2010).

The relational dimension in industrial marketing has emerged sharply in parallel since the 1980s with major work on the interaction of phenomena in networks from the IMP Group (Ford et al., 2008, 2011; Hakansson, 1982). The industrial marketing field of the IMP Group has intensified its work on many long-term relationships. It seems, however, that project marketing has encountered one of its own specificities, which is the management of discontinuity in client-supplier relationships (Cova & Salle, 2005, p.355) because of the uniqueness of projects and non-repeating transactions. In this context, there are more likely to develop ongoing relationships with intermediate actors than direct relationships with customers themselves; it is the creation of *continuity poles* (Cova & al., 1992, p.99).

Engineering elements are, for example, considered as first-choice intermediate players since (1) they support the project owner in the design of the works, (2) they do not operate on the same project phases as suppliers, and (3) they also recommend various customers of the same kind and can, therefore, afford to maintain contact with these milieus. As an extension of this idea, stakeholders, including secondary stakeholders, can be understood as other types of continuity poles, to maintain a bond with the terrain and possible future projects.

Investment in these milieus is (1) a prerequisite to *understanding* the rules of the milieu. For example, stakeholders do not have the same cultural background (Aaltonen & Kujala, 2010, p.382) and thus in marketing this means facing new types of actors and relationships. In the instrumental sense of the concept of stakeholders, it can help to understand their main issues in order to anticipate their actions and potential claims. Stakeholders are, therefore, a 'medium' for understanding the rules of a milieu. In the normative sense of the stakeholder concept, milieu analysis will identify stakeholders in order to anticipate the externalities of a future project and its potential impacts on stakeholders. Stakeholders are taken into account because they form in themselves a 'purpose' (to increase their well-being or at least avoid damaging it). (2) In an instrumental interpretation of the stakeholder concept, investment in communities consists of *actions* such as seeking information from stakeholders to anticipate future business. As 'local' intermediaries (Cova & Salle, 2005), they have valuable information. On the other hand, investment consists of lobbying actions to try to influence the milieu members (Cova & al., 1994, p.41); stakeholders can until then play the role of prescribers (in focus with the project, or in focus with the company). In the normative sense of the concept of stakeholders, investment in the milieu consists of identifying stakeholders in order to prepare for 'project co-construction'. Depending on the business opportunity advance, initiating partnerships with stakeholders (Ramonjy, 2007) may be considered for the preparation of a possible collaboration.

In marketing, value proposition is traditionally defined as "*the total experience felt by the customer*" (Kotler, 2005, in Loizeau & Mariaccia 2006, p.35). In industrial markets, value

'recognized' by the customer is defined as *"the result of an equilibrium between the operational, social and economic benefits received with the offer. [...] The notion of value [...] is close to that of quality, or rather on that of perceived quality [...]: customer judgment about the company proposition compared to competitors' offerings, and of course, about proposed price"* (Michel & al., 2000, p.14). The notion of value here concerns only the client. That is to say, it is composed of an attribute value (operating benefits, the project itself) and procedural values (e.g., the atmosphere during the relationship). The objective of business marketing is to construct a *"differentiating value offer"* (Loizeau & Mariaccia, 2006, p.35). From the instrumental perspective, investment in the milieu, including with stakeholders, creates value for the customer. When Cova & al. (1996) discuss non-business stakeholders, they consider them as non-(direct) value creators: *"This milieu of a network structure, has its central actors and its peripheral actors characterized by their business and non-business nature, and by their value-creating or non-value-creating links"* (p.658).

In an alternative posture, the question of value creation, including vis-à-vis stakeholders, arises. This is from the normative perspective and argues that the reduction of externalities allows the creation of 'shared value', as proposed by Porter and Kramer (2011). Shared value is characterized as the *"connections between societal and economic progress"* (Porter & Kramer, 2011, p.65). Stakeholders are often seen in academic literature as constraints because they carry conflict situations, but they can also contribute to the success of a project: *"The top management of these companies should take actions and change the industrial culture. They should establish and maintain a new industrial culture that stimulates the parties to exploit the opportunities inherent in the early project phase"* (Kolltveit & Gronhaug, 2004, p.551). Porter and Kramer (2011, p.67) have established a link between competitive advantage and social issues: *"Consider, for example, what happens when a firm invests in a wellness program. Society benefits because employees and their families become healthier, and the firm minimizes employee absences and lost productivity"*. This is to merge the idea of profit and non-profit business, because Porter and Kramer speak about values (plural). A posture is taken to design stakeholders beyond identifying their influence on the success of a project, and to consider them as values co-creators and the project as a social values creator: *"There is nothing soft about the concept of shared value. These proposed changes [...] represent the next stage in our understanding of markets, competition, and business management"* (ibid., p.77). Deshayes and Lecoeuvre-Soudain (2011) speak of moving the 'gravity center',<sup>2</sup> not only *"In terms of values ('client value' to 'social values' that the client would agree with)"*, but also *"in terms of 'client' itself in a context of redeployment of the client-individual to 'groups' or 'communities'"* (Deshayes & Lecoeuvre-Soudain, 2011, p.246). Deshayes and Lecoeuvre-Soudain's work marks a conceptual leap, as they offer a change of marketing mind (Levitt, 1972, in Deshayes & Lecoeuvre-Soudain, 2011, p.246) in considering stakeholders as the project purpose, by smoothing the difference in use between 'paying' clients and 'social' customers. The purpose of marketing is no longer to seek unique customer value, but to improve the societal value of work in progress. Table 2 summarizes the above discussion.

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<sup>2</sup> Literally : 'barycentre' in French.

Table 2: Stakeholders: two approaches for industrial projects marketing

|   | <b>Continuity</b>  | <b>Alternative</b>  |
|---|--|---|
| Theoretical perspective                       | Instrumental perspective of the stakeholder concept  | Normative perspective of the stakeholder concept.   |
| Stakeholder recognition                       | Stakeholders as a ‘client–suppliers’ continuity pole.  | Stakeholders as a ‘company–society’ continuity pole.  |
| Milieu analysis                               | Broadening the concept of milieu:<br>- Understanding the rules of the milieu, including stakeholder influences on a project, in accordance with a territorial logic. | Recomposition of the milieu concept:<br>- Integration of the ‘impacting–impacted’ principle.<br>- Analysis of composite external effects. |
| Actions on the milieu                         | - Identifying information for anticipating business opportunities.<br>- Lobbying to influence stakeholders favorably towards a project.                              | Partnership initiation and co-construction of a project with stakeholders.  |
| Objective of considering stakeholders         | Medium   | Purpose   |
| Purpose of the project vis-à-vis stakeholders | - Anticipation of stakeholder claims.<br>- Stakeholders as prescribers of a project (and company).   | Reduction of project-negative externalities and increased positive externalities.   |
| Type of value creation                        | Client value   | Social value  |

## CONCLUSION

Through this research, we first positioned the issue of stakeholders in the CSR debate. Two (main) perspectives were presented: one instrumental and one normative (Donaldson & Preston, 1995). We emphasized the concept of externalities (Crouch, 2006; Daudigeos & Valiorgue, 2010; Guerrien, 2012), which connects the notion of stakeholders and business practices in the CSR field. Works have so far mainly examined company stakeholders, but few have focused on project stakeholders. In this case, the focal point from the stakeholder view is no longer the whole company, but a specific project in or through which a company operates. This work, fairly new in this field (Aaltonen & Kujala, 2010; Kolltveit & Gronhaug, 2004) shows the importance of stakeholder inclusion in the preliminary phases of a project: “*a more effective execution of the early phase has positive influence on the potential for increased project value generation*” (Kolltveit & Gronhaug, 2004, p.550). It is, therefore, necessary for project marketing to seize upon the issue of stakeholder focus from the business opportunity phase. Therefore, based on the concept of milieu, we interrogated the operationalization of the concept of stakeholders. In the first part, we showed that

stakeholders are understood in a continuity of the work developed so far in project marketing. There is no profound change in practice and we are working within an instrumental perspective of CSR. In the second part, the stakeholder design, connected to the concept of sustainable development, leads to a transformation of the very purpose of marketing focused on customer value, to offer, in line with Deshayes and Leconte-Soudains's work (2011), a new direction centered on 'social value'. There is then a significant change in practices because this then concerns the co-construction of a project with stakeholders.

Sustainable development should not remain a satellite strategy of a company, but has to be integrated across its activities; marketing is a tool, which is of relevant assistance in this process (Gabriel, 2003). We therefore affirm that marketing has a key role to play in CSR and stakeholders are a way to implement projects which generate fewer and fewer negative externalities, with the aim of conducting sustainable development.

Of course, we have presented a conceptual framework that has to be detailed further. Given the exploratory nature of our research, illustration by empirical data would represent a significant contribution to solidifying our argument. Four case studies of sustainable development requirements in urban transport system projects, embedded in a case study of a rolling stock industrial company, are currently being analyzed.

Furthermore, questions remain open, such as the opposition between instrumental and normative visions developed here. Researchers in the field of CSR clearly distinguish between these two perspectives. CSR practitioners are more accommodating: they do not place them in opposition and even sometimes associate them. ISO 26000, the international standard on Sustainable Development, published in 2010 after the development of a consensus among 140 countries, is highly illustrative of this point.

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