Théorie des parties prenantes : revue de la littérature sur le développement historique et l'influence dans la discipline du management stratégique

Stakeholder theory: Literature review of historical development and influence in the strategic management discipline

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Abstract: Today's business operating environment is increasingly volatile and to compete successfully, organizations continually need to manage well their business.

In general, good management implies careful management of the strategic and operational environments of the company, including relations with stakeholders. According to the literature, integrating stakeholder management into strategic management process leads to better performance for the company.

Purpose : the aim of this paper is to examine the historical development of stakeholder theory and to trace it influence in the strategic management discipline, it aims also to expose the different approachs of stakeholder theory with a focus on its importance as a strategic managerial tool when it is put on practice by proposing a model based on strategic view.

Design / Methodology / Approach - the paper opts for a thorough review of the existing literature, an analysis of the main works on the theory was done, then an attempt to synthesize the relationship between theory and strategic management and finally the exhibition of theoretical proofs of its importance as managerial tool.

Finding - the paper provides theoretical insights on the emergence of stakeholder theory in the area of strategic management, it suggests that the concept of stakeholders, when it is put into practice, it serves as a benefit managerial practice that lead to corporate success

Originality/value – This paper highlights the history of stakeholder theory and its place in the field of strategy by proposing a stakeholder management model based on both: strategic management view and stakeholder management techniques

Keywords: Strategic management; Stakeholder theory; stakeholder management; Corporate performance; Corporate objectives.

Résumé

L'environnement opérationnel des entreprises d'aujourd'hui est de plus en plus instable et pour être compétitives, les organisations doivent continuellement bien gérer leurs affaires.

En général, une bonne gestion implique une gestion attentive des environnements stratégiques et opérationnels de l'entreprise, y compris les relations avec les parties prenantes. Selon la littérature, l'intégration de la gestion des parties prenantes dans le processus de gestion stratégique conduit à de meilleures performances pour l'entreprise

Mots clés : Management stratégique ; théorie des parties prenantes ; gestion des parties prenantes ; performance de l'entreprise ; objectifs de l'entreprise.

Introduction

« *Stakeholder theory is an idea about how business really work, if any business wants to be successful, it has to create value for suppliers, customers, employees and* communities « (Freeman, 2009).

In other words, in order to achieve its objectives and being successful, the firm must take into consideration all the elements that constitute its environment, in this case its stakeholders because they can influence its operations, objectives, development and even its survival (Chinio, et al., 2010; Freeman, et al., 2018).

The idea that a company has stakeholders has been developed by several researchers, these stakeholders have a share in company's success or failure.

In 1984, Freeman consolidated this idea in his landmark book "Strategic Management: A Stakeholder Approach", which since, is considered as the basic reference for stakeholder theory.

Since freeman's book publication, the stakeholder theory arouses interest of many researchers, and has been studied in several areas such as corporate governance, corporal social responsibility, business ethics (Mercier, 2001).

However, the stakeholder theory since its beginning, was introduced as a strategic management local theory, in its strategic representation, it deals with mechanisms and procedures for decisions and actions for management (Boucher & Rendtorff, 2014).

Stakeholder theory is seen as a management tool for achieving managers and companies' goals (Clarkson 1995, Hill & Jones, 1992), it helps to run the business more effectively (Freeman, 1984, Langtry, 1994).

As a strategic tool, the stakeholder theory allows to companies to optimize their performance, when the tools, and techniques that allow companies to better understand the stakeholder's interests, requirements and needs (Boatright, 1999; Varvasovszky and Brugha, 2000; Slàba, 2016) are put into practice, they constitute the management of stakeholders. But how can we optimize the efficiency of the stakeholder management in order to optimize the performance of the company?

Many researchers have tried to conceive a model for managing stakeholders on a variety of levels with a focus in its impact on corporate performance.

In this perspective, this paper addresses the issue of stakeholder management, we start with a historical passage on the theory development, its emergence in strategic management, the transition between theory and its anchoring in the strategy is not intended to be exhaustive, but to provide a context for a synthesis of the work carried out in stakeholder management, we will examine its different approaches, expose the main stakeholder management models in the literature and finally we shall propose a strategic stakeholder model.

1. History of stakeholder theory

The economic context is always characterized by stiff competition, ambiguity, speed, increasing complexity and globalization that is affecting organizations considerably. Managers have to face several challenges with the emergence of environmental regulations, media attacks, globalization, the performance criteria are no longer clear and the notion of effective management has become more and more ambiguous.

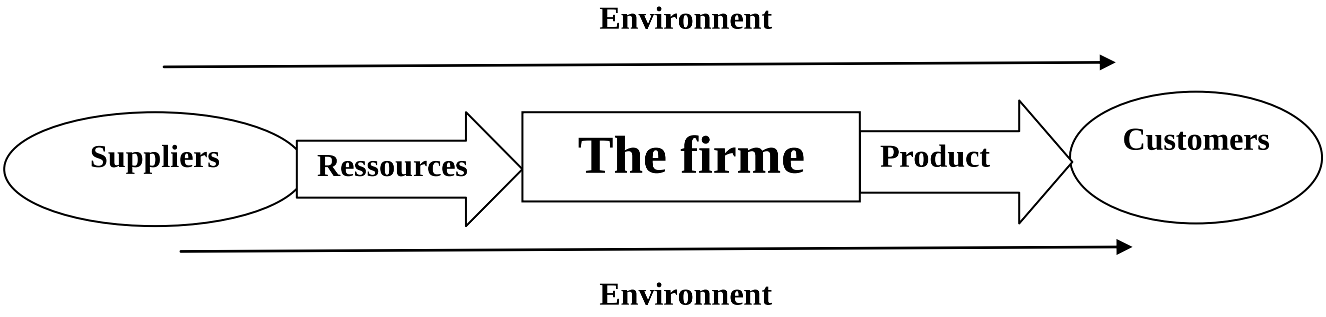
Being more competitive and present in the market is not just about getting the latest techniques and getting the manpower; it's more than that.

Freeman (1984) argues that the underlying problem for managers is that they must have new concepts that allow them to see and exercise their work in a more realistic and correct way. These new concepts must allow managers to see the world as it is today not as it used to be.

The business environment has undergone profound changes, and to cope with these changes, the manager must change his vision, manage his business effectively requires a deep focused reflexion on his environment.

Some parts in the past, the organizations were quite simple, and doing business was buying raw materials from suppliers, turning them into products and selling them to consumers, this is called "the production view of the firm Freeman (1984) (figure 1).

Figure 1: the production view of the firm

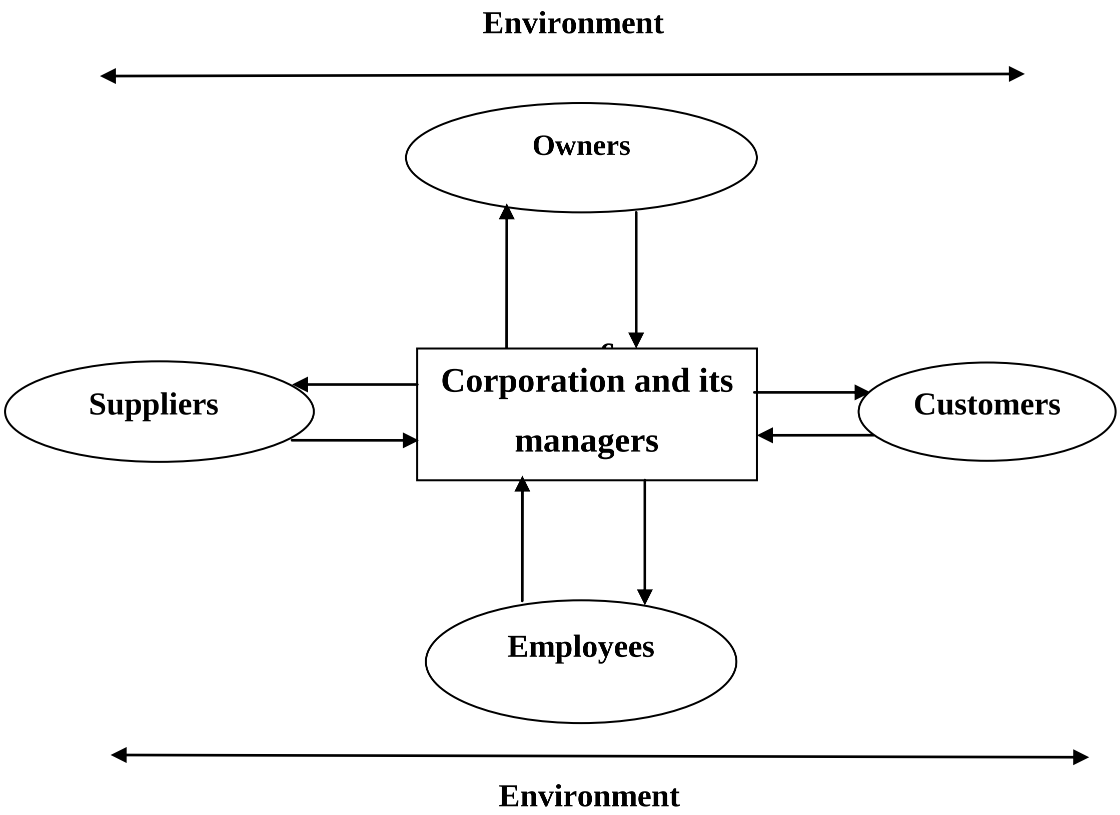


Source : Freeman (1984, p.5)

Today, many factors have been merged and made the organization more and more extensive; the widening of its environment, the separation of ownership from control, the ownership becomes more scattered and the enterprise is no longer seen and considered as a unit of production, this transformation of view is what Freeman (1984) calls " the managerial view of the firm ".

Success in an environment required a conceptual shift, it is the shift from the production view to the managerial view (figure 2) that has brought out the concept of stakeholders, paying attention not only to capital owners (shareholders), but also to any actor constituting the environment of the company.

Figure 2: Managerial view of the firm



Source : Freeman (1984, p.6)

This new view of the firm aims to no longer consider the shareholder as the sole right holder within the company, indeed the company must forge links with other stakeholders far from financial considerations (Mullenbach, 2007).

The stakeholder framework provides managers with a method for systematically understanding their environment and managing it proactively and positively.

Freeman (1984) divides the business environment into two categories; the internal and external environment, changes in these environments cause turbulence to the business. This turbulence comes from 2 main sources:

The internal change that comes from change in relationships and external change (the emergence of new groups).

"It must be admitted that groups outside the company have an interest in the company and can affect the company, we must admit the legitimacy of stakeholders" (Freeman, 1984, p.22).
"For each major strategic issue, one needs to think about the effects on a number of stakeholders" (Freeman, 1984, p.26).
The internal change of relationships must be analyzed along with the external change surrounding the enterprise (Freeman, 1984).
Similarly, Emshoff and Freeman (1978) and McCaskey (1982) assert that major strategic changes in the business environment require conceptual changes in managers minds and the emergence of new stakeholder groups and strategic issues require rethinking the traditional image of the company.
According to Dent (1999), management and strategy traditional theories have failed in an increasingly complex world, the search for a "single solution" from narrowly defined models and theories is inappropriate.
Processes, techniques, and theories that do not take into account all these changes will fail to decrypt and predict the business world as it really is.
It is the elaboration of a theory or image of the world that will manage these changes more effectively. The need for a new grading system and a new conceptual framework is needed.

1.1 The roots of the stakeholder concept (1916-1950)

Clark (1916) notes in society at the beginning of the twentieth century, the shift from the responsibility of the individual character to the collective character, while stating that "the collective responsibility is none other than an individual responsibility which is reflected in the social mirror "(Quoted by Mercier, 2010). This change is caused in particular by a growing interdependence of actors in society.
The pioneering work of Mary Parker Follett (1918) also discusses the importance of cooperation between the company and its employees, customers, the community in which it operates. The latter forges the notion of interpenetration, which will be taken up by Preston and Post (1975) through the expression of interpenetrating social systems.
It was in the 1930s that the term stakeholder was implicitly addressed by Berle & Means (1932). These authors can be considered as the pioneers of the stakeholder approach. Although they obviously never use the term stakeholder but their reflections evoke the concept in an irresistible way.

They note the growing separation between ownership and control in large firms (Freeman, 1994 later calls this "separation thesis"), this thesis questions the traditional view of the firm (view production produced by Freeman, 1984). Shareholders are no longer the only ones entitled to ownership. However, they are entitled to keep or sell their holdings if they are not satisfied with the decisions of the company or its results. Their role is therefore limited to a passive property.

However, Berle says it is inconceivable to abandon the company's shareholder vision until there is a clear and reasonable alternative. The power of the officers must therefore be exercised exclusively for the benefit of the shareholders.

Dodd (1932) responded by stating that shareholders are "mail order owners" whose interests may be subject to the interests of other groups in the company and society in general. He states that the responsibilities of leaders must take into account all other groups, which he calls "constituencies"
In this sense, Dodd designates 3 interest groups:

A first group is made up of all those who have invested capital in the company, that is shareholders. The leader must commit to secure their investment.

A second group includes those who have invested their work and their life in the business. Fair wages, job security and recognition of their rights.

The third concerns customers and the general public. This last group asks that the company be a good citizen; they expect the products to meet their expectations.

Dodd (1932) argues that managers have the right and even the obligation to consider (and support) the interests of all those connected with the organization. Companies should voluntarily, without even waiting for the existence of a legal constraint, assume such responsibilities. In the same way, it ensures the ability of leaders to assume their broader responsibilities while exercising their traditional role of maximizing shareholder profit. In response, Berle (1932) insists that the primacy owes the shareholders to consent or not to take into account the interests of the other parties.

The result of this debate was a development in favor of Dodd's thesis. Businesses have grown in size and their power has increased, which has redefined their responsibilities. In addition to

General Electric, cited by Dodd, other large companies formalize their responsibilities as Sears or Johnson & Johnson. Similarly, in 1946, Franck Abrams, leader of the Standard Oil Company of New Jersey (US firm) insists on the role of the modern manager to maintain a balance between the rights of different interest groups (cited by Blair, 1995 p. 230).

A few years later (1960), Berle admits his defeat in his debate with Dodd and writes in his foreword, that the management of the company goes beyond the maximization of profit for shareholders.

The main goal of stakeholder theory is therefore to review the organizations leader's role and responsibilities, a role that goes beyond profit maximization.

1.2: Stakeholder Theory: Origins and Beginnings (1930-1970)

Historically, there has been a growing interest in the role of the company and its managers and their obligations to their environment.

The very term "stakeholder" in English first appeared in the management literature in an internal memorandum of the Stanford Research Institute (now SRI International, Inc.), in 1963 ". This term was intended to generalize the notion of shareholder as the only group to which management must respond. Thus, the concept of stakeholder was originally defined as "groups without the support of which the organization would cease to exist[1]". This is where the legitimacy of non-property claims has been recognized for the first time and companies have been forced to consider the interests of groups such as employees, customers, suppliers or the local community (Laplume, et al., 2008). Moreover, as Crane and Matten (2004) point out, the general idea of managing for more components than just shareholders already existed in other management concepts, such as "Systems Thinking" (Ackoff, 1974), "Organizational Theory" (Goodman & Pennings, 1977) or "Corporate Social Responsibility" (Jones 1980)

The invention of the stakeholder concept was inspired by the word "stockholder" (which represents the shareholder). The creation of this concept aims to show that actors other than capital owners have a "Stake" interest in the organization (Mercier, 2001). The stakeholder theory therefore seeks to replace the traditional vision of the company "the production view of the firm"

[1] Stanford Research institute

However, its origins go back to the ideas of Adam Smith (1759) and the works of Berl, Dodd & Means (1932) and Barnard (1938) who note the development of a social pressure exerted on managers to recognize their responsibility to all those whose well-being may be affected by the company's decisions (Mercier, 2005).

Similarly, Dodd (1932) and Barnard (1938) argue that the company must balance the competing interests of the various participants in order to maintain their necessary cooperation. The company is apprehended as a crossroads where different types of relationships between its stakeholders intersect.

In a more utilitarian way, from the thirties, four groups of stakeholders were admitted by the managers of large American firms such as General Electric or Johnson & Johnson; these groups are customers, employees, community and shareholders (Hummels, 1998; Mercier, 2001).

These companies since the 1940s have developed reflections concerning the identification of the main groups involved in the exercise of their activities.

Since that time, the concept of stakeholders has received increasing attention in the managerial literature and is at the center of discussions that discuss the role of the company in societies.

The following years marked the researches in this theory with the works of Penrose (1959) which considers the company as a coherent institution contributing to the creation, the preservation and the development of the learning, enriched the knowledge on the nature of the company and the role of the managers., Ansoff (1965) consider that the responsibility of leader is to reconcile the contradictory interests of the groups which are in direct relation with his company: managers, employees, shareholders, suppliers, distributors [2]. Rhenman & Stymne (1965) describe the enterprise as a social and technical system in which different stakeholders play a determining role. (Cyert & March, 1963), ... and others

In the 1970s, the concept of stakeholders resurfaced in a number of places in the strategic planning literature, in a review article on business strategy (cited by Freeman 1984). Taylor (1971) argued that the importance of shareholders would decrease. Haselhoff (1976) explored

[2] reconciling the interests of different stakeholders is always considered among the stakeholder theory recurring problems. (Freeman et al 2018).

the implications for formulating organizational goals. Rothschild (1976) used this concept to explain a planning process developed by General Electric, while Hussey and Langham (1978) presented a model of the organization and its environment in which stakeholders differentiate themselves from the firm and its consumers. Derkinderen & Crum (1979) used the concept of stakeholder in their analysis of overall project strategies.

The passage between the various theoreticians who have approached the concept of stakeholders in their work shows the increasing attention given to the stakeholder concept in the managerial literature which since; is at the heart of debates about the role of business in our societies.

However, this concept of stakeholder did not really get into the management literature until the publication of Freeman's book: Strategic Management: A Stakeholder Approach (1984). Who since is considered as the father of the thought of contemporary stakeholders? (Laplume et al. 2008)

1.3: Stakeholder Theory: Foundations (1980-2000)

During the 20th century, the concern with the external environment was generic and seen only in economic terms, the use of stakeholder concept was limited and mainly concerned the collection of rather general information about traditional external groups, given that the major concern was to predict the future environment and not change the behavior of specific stakeholders, the stakeholder environment was considered static and only a generic analysis is needed. (Freeman, 1984).

According to Freeman (1984), the use of the stakeholder concept was to provide strategists, at the generic level, with information about the traditional "partners" of shareholders, such as employees, managers, suppliers, consumers and the public. This interpretation of the notion of stakeholder was sufficient.

In the mid-1970s, systems theory researchers, led by Russell Ackoff and Churchman, rediscovered stakeholder analysis, Ackoff (1974) based on Ansoff's arguments for a method of analyzing organizational systems by stakeholders, proposed essentially an "open systems vision" of organizations (Barnard 1938). Ackoff argued that many societal problems could be solved by redesigning fundamental institutions with the support and interaction of system stakeholders.

Ackoff (1974) argues that the design of the system can only be achieved through stakeholder participation and therefore advocates for the inclusion of stakeholder groups in the resolution of systemic issues. Davis & Freeman (1978) propose a specific method involving stakeholder participation and involvement.

The stakeholder system model with a focus on participation is a broad-based vision of the nature of organizations and society

Pffefer and Salancik (1978) constructed a model of interaction between the organization and the environment that depends on the organization's resource analysis and organizational dependence on these resources; *"Organizations survive to the extent that they are effective, their effectiveness comes from managing the demands of stakeholder groups upon which organizations depend for their resources and support[3]"* .P.42

The concern of managers in the business environment should be the management of those stakeholder groups on which the company depends and which make the difference.

In light of these developments, Freeman (1984) has argued that stakeholder theory, with its broad and comprehensive perspective, can provide valuable new information. On the one hand, it tries to cope with an increasingly complex business environment and can potentially offer another way of seeing businesses. On the other hand, it seeks to satisfy the interests of a multitude of constituencies instead of simply helping managers to generate profits.

Thus, he founded the concept of stakeholder on two fundamental premises. The first assumes that to succeed, managers need to pay attention to a wide range of stakeholders. The second postulates that executives have obligations to stakeholders, which include, but go beyond shareholders. However, the notion of responsibilities going beyond simple profit maximization already shows that Freeman has positioned stakeholder theory as an explicit counterpart to the orthodoxy of shareholder management that has prevailed so far. In fact, he challenged the validity of this approach and went so far as to claim that, as a result of numerous bankruptcies, scandals and other business failures, any justification for shareholder theory had ceased to exist.

2: Stakeholder theory and strategic management

Stakeholder Theory is a strategic management tool, Freeman et al. (2010) confirm this idea by arguing that the stakeholder perspective is an alternative to improve strategic management.

[3] Quoted by Sobolewski (2011) in his memory Master's degree in Applied Science

They attest that stakeholder theory is consistent with the strategy and its theories such as Porter's industrial economics and Williamson's transaction cost theory.

In parallel with other theories, the Stakeholder Theory is now considered by several authors (Freeman et al. 2010) as a solid foundation for strategic management in value creation.

Indeed, the strategy was defined by Chandler (1962) as *"the determination of the long-term goals and objectives of a business, the adoption of action plans and the allocation of resources needed to achieve these goals and objectives "*. This definition has focused on the company's goals and actions to achieve them without addressing the role of strategy in connecting the company to its environment

Not long after, learned et al. (1965) identified four components of the strategy:

1) Market opportunities;
2) The resources of the company;
3) Personal values and aspirations;
4) Recognized obligations to segments of the company other than shareholders.

In the same vein, MacMillan (1978) argued that organizations should not focus exclusively on customers, markets and products when formulating their strategies, but should also include an analysis of "symbionts[4]" such as shareholders, employee groups, unions, competitors and suppliers.

McMillan’s vision, along with stakeholder theory, was focused on stakeholder engagement and collaboration to achieve the organization's goals.

Indeed, at the Pittsburgh meeting (1977) where the strategic management path was really opened, Newman (1979) presented a map of stakeholders without mentioning the term stakeholder, this map contained several external groups whose business needed.

He suggested that the key to successful management is to establish a mutually acceptable relationship with other groups. (Freeman, et al., 2010).

[4] McMillan has defined symbionts as "the elements of the environment upon which the organization depends for its entrants" (1978: 66).

Later in 1980, Porter marked the strategic management literature with his work on competitive strategy that relies on an insightful understanding of sectors and competitors through a detailed collection of competitive information.

Porter's approach aims to understand and analyze the competitive environment in order to benefit from it to enhance economic performance, his work includes the analysis of 3 groups of key stakeholders on the basis of their power: customers, suppliers and competitors. Freeman et al. (2010).

If one notes, until the 1980s most of the modern strategic management work did not use the stakeholder concept, but their ideas were favorable to a stakeholder approach.

In 1984, Freeman developed another approach to strategic management, this stakeholder approach has made environmental scanning a tool to assist businesses in understanding and analyzing the components of this environment, a way to recognize the demands of actors other than shareholders, stakeholder theory is considered to be in line with Newman's (1979) 'contributor groups' approach and complementary to that of 'resource-based'.

Freeman et al. (2010) state "Business competitiveness requires effective management of organizational resources and stakeholder relations. In other words, a business depends on its network of stakeholders for most of the resources it acquires[5]. "

Next, Chakravarthy (1986) suggested strategic performance measures that go beyond traditional profitability measures[6]. Specifically, he suggested that companies measure performance based on their ability to satisfy all relevant stakeholders rather than just shareholders. Similarly, Vincent (1988) suggested that the key to achieving a strategic advantage is to reconcile the interests of stakeholders so that all parties benefit.

Although Freeman has advanced the stakeholder approach into strategic management, the theory has made significant advances only in the area of corporate social responsibility (e.g., Aupperle, et al., 1985, McGuire, et al., 1988, O'Neill, 1989, Ullman, 1985, Wokutch & Spencer, 1987, cited by Freeman, et al., 2010).

[5] Stakeholder theory the State of the Art (Freeman et al. 2010, p. 95)
[6] Prior to the 1980s, the foremost and for some specialists, the single most important dependent variable was economic performance, usually measured in terms of profitability or shareholder return. (Freeman et al., 2010).

The debate between the social and strategic view of stakeholder theory has continued, and it is in this perspective that Clarkson et al. (1995) developed 3 approaches to stakeholder theory, approaches considered distinct in their orientation but complementary in their objective.

2.1. Stakeholder theory approachs

Stakeholder theory frames the company's relationship with its environment in a strategic and ethical order (Freeman, 1984); strategic because taking into account the environment of the company grows and reinforces its performance and ethic as the company's activity has an impact on society, hence the need to take into account his interest.

One of the central problems of stakeholder theory is confusion as to its nature and purpose; it has been used for descriptive purposes (Brenner & Cochran, 1991), instrumental purposes, or normative purposes as shown in (figure 3).

Donaldson and Preston (1995) argue:

"Stakeholder theory has been advanced and justified in the management literature on the basis of descriptive accuracy, instrumental power and normative validity. These three aspects of the theory, although interrelated, are quite distinct.[7] *"*

This difference in the use of stakeholder theory involves very different methodologies, types of evidence, and evaluation criteria, from which a distinction between the approachs of theory is required:

-the descriptive approach to stakeholder theory presents a model that describes what a business is by presenting it as a constellation of cooperative and competitive interests with intrinsic value (Donaldson & Preston, 1995).

-the instrumental approach establishes a framework that examines the links between stakeholder management practice and the achievement of organizational objectives and therefore performance.

According to Donaldson and Preston (1995), the approach supports the thesis that stakeholder practitioners are relatively more efficient

[7] Donaldson and Preston « the stakeholder theory of the corporation: concepts, evidence, and implications » (1995, p.1)

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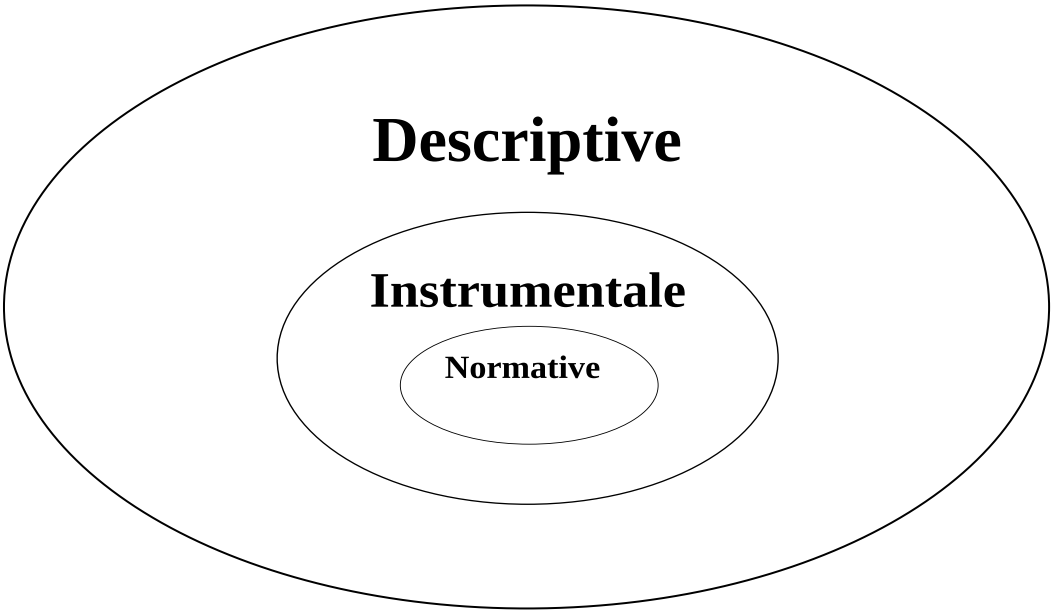
-the normative approach supports the idea that stakeholders are people who have a legitimate interest in the company and that it must take into account this interest far from financial considerations alone.

- The managerial approach defends the idea that when stakeholder theory is put into practice, it recommends ideas, tools, attitudes and techniques that come together, constitutes the management of stakeholders. (Donaldson & Preston, 1995).

Figure 3: stakeholder approachs



Source: Donaldson et Preston (1995, p.74)

2.1.1. The descriptive approach

From a descriptive perspective, the stakeholder theory is used to describe and explain the relationship between the organization and its environment, the characteristics and behaviors of a company in terms of management and effective consideration of stakeholder interests. More specifically, it captures the behavior of managers (Brenner & Cochran, 1991) and their management (Brenner & Molander, 1991, cited by Donaldson & Preston, 1995).

The descriptive approach to stakeholder theory examines the past, present and future state of the company and its stakeholders, serves as an analytical tool, and allows companies to predict and therefore be proactive in their strategic orientation (Donaldson & Preston, 1995). it builds a business model based on interactions with its stakeholders.

The justification of the descriptive perspective is found in the literature, indeed several researchers have tried to justify empirically the validity of this approach, many studies conducted by (Baumhart, 1968 ; Brenner & Molander, 1977 ; Shmidt, 1984, Clarkson, 1991 ; Jawahar & McLaughlin, 2001; Zandén & sandberg, 2010; Ackerman & Eden, 2011) Attempted to detect the existence of stakeholder-oriented behavior on the part of managers. The results showed that most managers displayed stakeholder management in their behavior, although they do not explicitly refer to the stakeholder concept but adhere to the practice of their management.

2.1.2. The instrumental approach:

The purpose of this approach is to identify the existence or absence of a link between the management of the stakeholders and the achievement of the objectives of the organization.

In this context, the stakeholders are considered as factors allowing the company to reach its objectives and to optimize its performance, the stakeholder management stakeholders is thus only a means of achieving the organizational objectives

According to Freeman (1984), the instrumental perspective of stakeholder theory is a tool for assisting managers in strategically understanding and managing stakeholders. Langtry (1994) argues that stakeholder theory helps to manage the business more effectively.

According to landmark studies by (Aupperle, Carroll & Hatfield, 1985, Barton, Hill & Sundaram, 1989, Cochran & Wood, 1984, Cornell & Shapiro, 1987, McGuire, Sundgren & Schneeweis, 1988, Preston & Sapienza, 1990, Preston , Sapienza & Miller, 1991, OToole, 1985 ; see also O'Toole, 1991 cited by Donaldson & Preston, 1995; Berman, et al., 1999; Ogden & Watson 1999, Kassinis & Vafeas, 2006; Henisz, et al., 2014; Rizki, et al., 2019), adherence to practices and principles of stakeholder management achieves organizational performance goals.

Donaldson and Preston (1995) state:

An instrumental approach is essentially hypothetical; "If you want to get (avoid) the results X, Y or Z, then adopt (do not adopt) the principles and practices A, B or C."

In the same vein, the study by Kotter & Heskett (1992) on the evolution of 200 companies showed that satisfaction and taking into account the interests of stakeholders contribute to guaranty the performance and longevity of the company

In this perspective, Mercier (2001) states:
"Stakeholder management is not compatible with profit; it can even become a strategy to maximize it"
In 2011, Ackerman and Eden conducted a study that justifies and empirically validates the instrumental approach of stakeholder theory, the purpose of their work was to clarify the management of stakeholders and its influence on objectives achievement.

The results generated reinforce the hypothesis underlying the instrumental approach and have made it possible to establish new tools and techniques for managing stakeholders.

2.1.3. The ethical or normative version

According to Donaldson and Preston (1995), the normative approach is the heart and foundation of stakeholder theory without which the other two approaches lose their meaning.

From this perspective, the company is understood as a vehicle for coordinating the interests of different stakeholders, stakeholders recognize the existence of this entity on the condition that it serves their interests (Evan & Freeman, 1993).

Contrary to the instrumental version "The normative approach is not hypothetical, but categorical; he says, "Do it {Do not do that" because it's the right thing to do. "" (Donaldson & Preston, 1995, p.72).

Overall, stakeholder theory through its 3 approaches, try to show that the concepts incorporated in the theory correspond to the observed reality (descriptive), to highlight the link between stakeholder management and corporate performance (instrumental) and justify the legitimacy of stakeholder interests by using concepts such as "right" or "social contract" (Donaldson & Preston, 1995).

3: Stakeholder theory: put on practice

From a practical point of view, much of the time and attention of a manager will (and should) be focused on the stakeholders who contribute the most to the value created by the company, their management and their taken into account allow the company to achieve a strategic advantage over its competitors.

When stakeholder theory is put into practice, it is transformed into stakeholder management or a strategic management approach by stakeholders or stakeholder-based strategic management tool (as it's called by Freeman, and al., 2010).

So many researchers have tried to establish a model for managing stakeholders.
Following (table 1), are some indicative, but not exhaustive models of stakeholder management:

Table 1 : stakeholder management models

Author/Year	Model/Process
Freeman (1984)	model of the strategic management the model process begins with an evaluation of stakeholders, a set of tools and techniques to manage them, and ended with a satisfaction measure of stakeholders with organisational outcomes.
Harisson and St. John (1994)	They used the stakeholder approach as a global framework in which traditional approachs such as industrial organization economics, the resource-based view, cognitive theory, institutional theory, organization theory, transactions cost economics, and agency theory, worked as strategic tools.
Karlsen (2002)	The karlsen's model is based on 6 major steps (leclair 2015)[8] : 1. Plan 2. Identify the stakeholders; 3. Analyze the stakeholders; 4. Communicate and share information about stakeholders; 5. Develop strategies ; 6. Follow up.
Ackerman and Eden (2011)	-Identify which stakeholders are actually in the specific situation. -Recognize the singularity of an organizational context and its

8 quoted by leclair (2015) in his thesis ''Managing stakeholders in inter-industrial technology transfer project '', quebec

	objectives allowing managers to identify specific stakeholders and be clear about their significance for the future of the organization; -Explore the impact of party dynamics stakeholders; -Recognition of multi-sided and interdependent interactions between stakeholders (and potential stakeholders); -Develop the management strategies of the parties stakeholders; - To determine how and when it is appropriate to intervene to alter or develop the basis of the stakeholder 's individual importance, which is itself determined through deep considerations of the stakeholder' s Quest to interest and influence the direction of the organization.
Bourne and Walker (2008)	- Identify the stakeholders; - gather information on stakeholders; - Analyze the influence of stakeholders.
Preble (2005)	-Stakeholder identification (primary, public and secondary); -stakeholder demands evaluation according to their power (equity, economic, and influence); - Determine the performance needs; - Prioritize stakeholder requests; - Develop organizational relations; - Monitoring and control.
Newcomb (2003)	- Stakeholder classification - Stakeholder analysis

Source : Self produced

4: Toward a strategic stakeholder management model: An Instrumental Approach

In general, good management involves careful management of the strategic and operational environments of the company, including relationships with stakeholders.

Freeman (1984) argued the instrumental value of stakeholder management as follows:

« We need to worry about enterprise level strategy for the simple fact that corporate survival depends in part on there being some "fit" between the values of the corporation and its managers, the expectation of stakeholders in the firm and the societal issues which will

determine the ability of the firm to sell its products. . . . Whether such changes are socially desirable or morally praiseworthy is an important question, but it is yet a further question which an analysis of enterprise strategy does not address. « p. 107

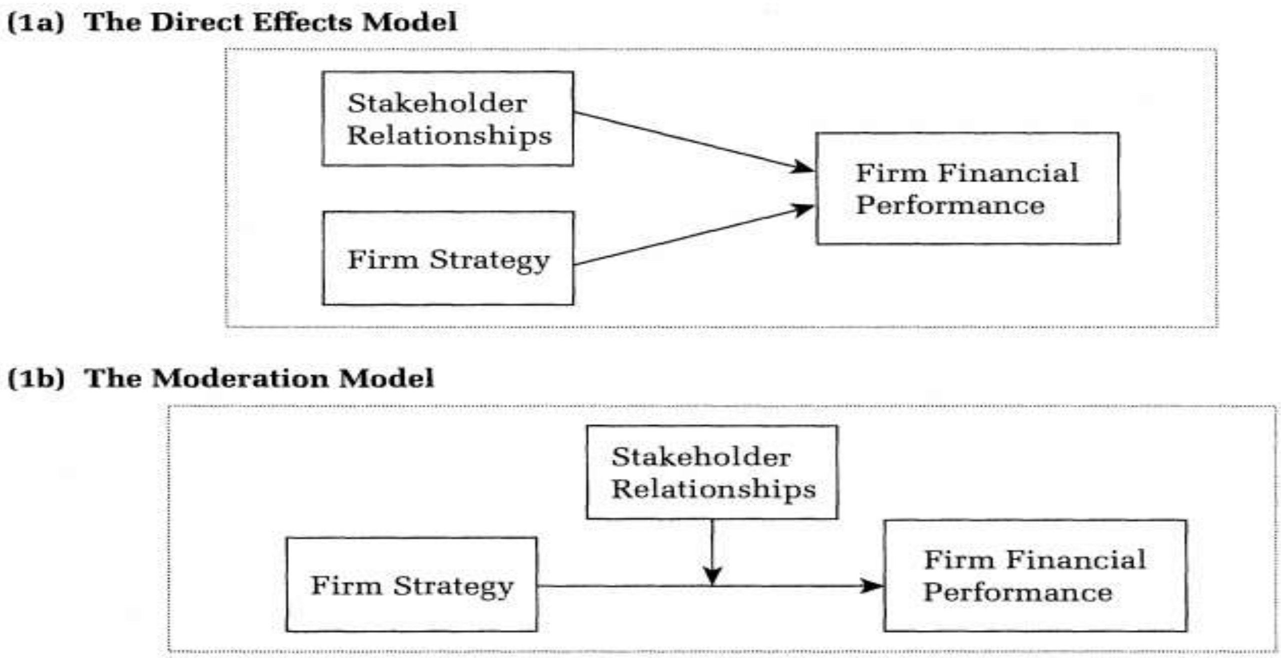
The ultimate goal of the company through stakeholder management is the marketplace success (Berman, et al., 1999),

Prudent management of the business environment including stakeholders is only a means of profit maximization, paying attention to stakeholders help the corporation to make decisions that leads to achieving its goals, taking into account that the firm depends on its stakeholders to get resources (Berman, et al., 1999; Freeman, et al., 2010).

In this perspective, stakeholder management is a part of company's strategy and stakeholder have a strategic value; stakeholder relationship inters into firm's strategic planning and orientation, and analysing stakeholders is somehow a part of environment scanning.

Berman et al. (1999) based on this perspective have designed a strategic stakeholder management model (figure 4) that link stakeholder relationships, corporate strategy, and corporate financial performance

Figure 4: Strategic stakeholder management model



Source : Berman et al. (1999, p. 493)

Berman et al. (1999) studied the impact of stakeholder management on financial performance. From this model, they tried to validate / invalidate the impact of stakeholders on the company's strategy by moderating the relationship between strategy and financial performance

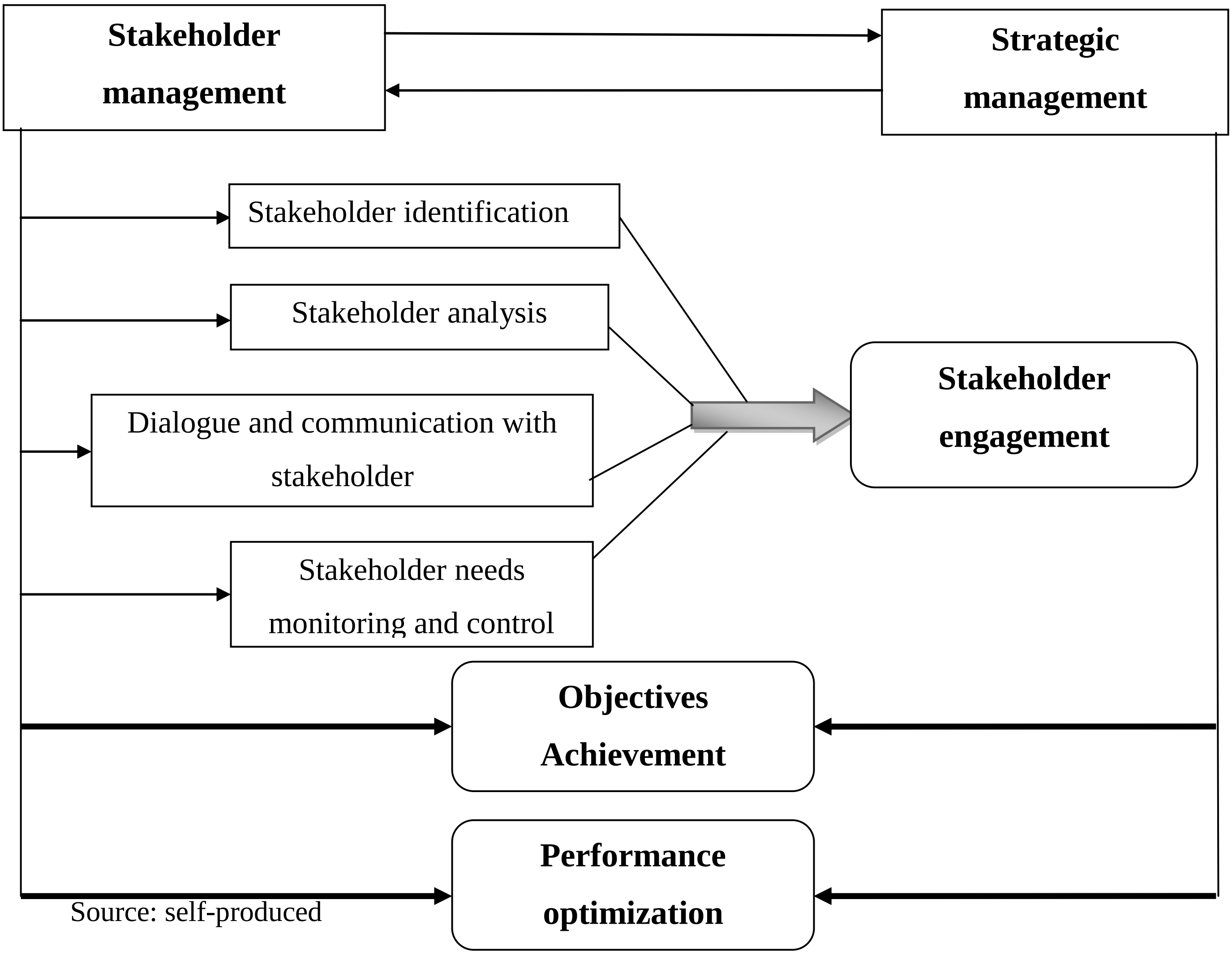
4.1. Proposal for a stakeholder strategic management model

Stakeholder theory literature abounds with studies that deal with the impact of stakeholder management.

However, there is a lack of studies on the impact of stakeholder management on managerial or strategic performance.

thus, our model (figure 5), based on instrumental and managerial views of stakeholder theory, takes the following form:

Figure 5: the strategic stakeholder management model



Source: self-produced

4.1.1. Stakeholder identification

The identification of the company's stakeholders consists of asking (who are they, what are the coalitions formed between ST, who are the potential St?).

to respond, the classification and typology of the different stakeholders must be used in order to position them according to their degree of importance and influence.

the literature offers a wide range of theologies, of which the most quoted are those of Mitchel and al. (1997) which is based on power, legitimacy and urgency, that of clarkson (1995) which divides the stakeholder parties into primary and secondary stakeholders, that of carol and nasi (1997) dividing the stakeholders internally and externally.

4.1.2. Stakeholder analysis

Stakeholder analysis is about generating information about stakeholders to understand their behavior, intentions, interrelations and interests; and to evaluate the influence and resources they exert on decision-making or implementation processes the main tool used to analyse stakeholder is freeman's interest/power matrix.

4.1.3. Dialogue and communication with stakeholder

In its relationship with its stakeholders, the company must establish and maintain a climate of trust and mutual cooperation. Stakeholders must remain informed of the decisions, actions and objectives of the company.

Moreover, dialogue with stakeholders allows the company to remain attentive to stakeholder interactions and potential coalitions.

4.1.4. Stakeholder needs monitoring and control

Monitoring the needs of stakeholders means monitoring possible changes in their needs. a stakeholder can only have an interest in the business for a certain time

controlling and monitoring stakeholder needs allows the company to maintain their involvement and their interest, they also allow it to be proactive and to review its stakeholder strategies and adapt them according to the context

4.1.5. Stakeholder engagement

The steps presented below constitute the process of managing stakeholders, and those steps brought together in a strategic way keep stakeholders engaged, which allow to company to achieve its goals.

Stakeholder management enables the company to achieve its strategic objectives and thus ensure its long-term performance. (Ackerman & Eden, 2011).

Conclusion and Further researches

The literature review allowed us to confirm the theoretical and empirical evidence of stakeholder theory, theoretically insofar as it offers a new insight into the functioning of the business world, an alternative of the view of the shareholder and empirically to the extent that stakeholder theory provides a framework for the management of this community.

The exposition of the approaches of the theory showed its different dimensions, describing its use, justifying its practice, and legitimizing its actions

An interesting general outcome of this research was that one of the most difficult aspects of stakeholder theory was its 3 different perspectives and how to effectively distinguish between them

Exploiting each of the three perspectives more thoroughly in a cyclical manner would allow to go on to develop more comprehensive strategies.

In line with its instrumental dimension, we have proposed a stakeholder management model based on strategic management, our objective through this proposal is the conception of a theoretical framework for stakeholder management which, by integrating it into the strategic management practice, will serve as a means of optimizing the overall performance of the company generally, and its managerial performance specifically.

Nevertheless, this model must be tested empirically to validate it utility and effectiveness.

In this sense, we therefore propose to conduct a study with companies showing an interest for their stakeholders. an exploratory study with the aim of detecting a managerial behavior focused on the stakeholders and another confirmatory study to test the validity of the model.

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