

SUMMARY REPORT

Stakeholder Engagement: Meaningful, Manageable or Misplaced?

This LSE IDEAS / Human Impact Pathway webinar explored what makes stakeholder engagement truly meaningful, manageable, and effective in practice, particularly in fragile and volatile contexts. The event was chaired by **Dr Mary Martin**, Director of the Human Impact Pathway and Senior Policy Fellow at LSE IDEAS, and moderated by **Mark van Dorp**, Lead Field Researcher at Human Impact Pathway and Research Associate at LSE IDEAS. Speakers included **Suzanne Giele**, Head of Social Impact at Lipton Teas & Infusions; **Ruth Venza**, Strategic Management Consultant and Lecturer at Jomo Kenyatta University of Agriculture and Technology; and **Lieselotte Callebaut**, Senior Policy Officer Responsible Business Conduct at the Social and Economic Council of the Netherlands.

What Does “Meaningful” Actually Mean?

From consultation to trust

The discussion made clear that MSE only becomes meaningful when it moves beyond consultation and becomes a relationship of trust, responsiveness, and shared accountability. There is no single model for how companies should engage. The right approach depends on the sector, geography, business model, and level of local presence. A company with direct operations in a community will face different expectations than one working mainly through suppliers. Yet in both cases, meaningful engagement requires companies to understand local realities and stay connected over time.

Who Needs to Be in the Room?

Those most affected, not only those easiest to reach

A major theme was the need to look beyond the most visible stakeholders. Companies often engage first with local authorities, formal leaders, or organised groups. But the people most affected by business activity are not always the easiest to reach, or most formally represented.

Meaningful engagement starts by asking who is actually experiencing the impact. This means paying particular attention to women, youth, informal workers, smallholder farmers, migrant workers, people with disabilities, and other groups who may have limited influence but high exposure to harm. Accessibility should not decide whose voice matters.

Why Do Engagement Processes Fail?

When communities are heard, but nothing changes

The discussion highlighted a common source of frustration: communities are often consulted repeatedly but rarely see what happens next. This creates engagement fatigue and can deepen mistrust, especially where communities have already had negative experiences with companies.

For MSE to work, companies must close the feedback loop. Communities need to know how their input shaped decisions, what action will follow, and what limits remain. Without this, engagement risks becoming a box-ticking exercise rather than a meaningful process.

What Changes in Fragile Contexts?

Engagement must become conflict-sensitive

In conflict-affected settings, stakeholder engagement becomes more difficult but also more necessary. Poorly designed engagement can unintentionally worsen mistrust or conflict.

The webinar emphasized the value of conflict-sensitive approaches that take the conflict context into account and create safe spaces for dialogue. This may involve separate conversations where needed, trusted local intermediaries, and neutral facilitators. In these contexts, intermediaries do more than translate language. They help companies understand culture, power, history, fear, and local expectations.

How Can MSE Strengthen Human Rights Due Diligence?

By turning local insight into better business decisions

MSE should not sit separately from human rights due diligence. It is one of the ways companies identify risks, understand lived experiences, test whether responses are working, and adapt their actions over time. The strongest engagement happens across the full business cycle: before decisions are made, during implementation, and throughout monitoring and evaluation. Stakeholder engagement is about listening, and bringing affected people's perspectives into business decisions.

Why Does This Matter Now?

Because trust is part of business resilience

The webinar concluded that stakeholder engagement is becoming more important in today's geopolitical instability. In moments of crisis, companies often discover whether the relationships they have built are strong enough to support dialogue and problem-solving. The key takeaway was clear: MSE is not just a sustainability tool. Done well, it is a foundation for trust, resilience, and responsible business conduct.

Key Lessons

- **Meaningful engagement depends on long-term relationships.** One-off consultations are not enough; companies need consistent, responsive relationships with communities over time.
- **The right stakeholders are not always the most visible ones.** Companies must look beyond authorities and formal representatives to identify who is actually affected, especially women, youth, informal workers, smallholder farmers, migrant workers, and other vulnerable groups.
- **Communities must move from being consulted to shaping outcomes.** Engagement becomes meaningful when affected people can influence the process, validate decisions, and see their voices reflected in action.
- **Feedback loops are essential to avoid engagement fatigue.** Communities often lose trust when they are repeatedly consulted but cannot trace their input to any concrete outcome or response.
- **Fragile contexts require conflict-sensitive engagement.** Where tensions already exist, companies need to take into account the conflict context, create safe spaces for dialogue, and use separate conversations, trusted local intermediaries, or neutral facilitators where needed.
- **Trusted local intermediaries can make dialogue possible.** Local NGOs, trade unions, community representatives, and independent third parties can help companies understand cultural dynamics, translate concerns, and build trust with groups that may not feel safe speaking directly.
- **MSE must be embedded into human rights due diligence, not treated as an add-on.** Stakeholder engagement should inform risk identification, impact assessment, decision-making, monitoring, and evaluation throughout the full business cycle.