Stakeholder identification in innovation projects
Going beyond classification

Janita F.J. Vos and Marjolein C. Achterkamp

*Faculty of Management and Organization,
University of Groningen, Groningen, The Netherlands*

Abstract

Purpose – The management of stakeholder involvement within innovation projects is a task of growing importance. The purpose of this paper is to present a method for the first challenge in stakeholder management: the identification of those stakeholders to be involved in innovation projects.

Design/methodology/approach – Analysis of stakeholder literature leads to the conclusion that stakeholder identification is considered a problem of classification. Although the availability of a classification model is necessary, it is argued that for a classification model to be of use in identifying stakeholders, such a model needs to be supplemented with an identification procedure for identifying real world parties. Furthermore, a classification model should fit the context the stakeholders are identified for, in this case for innovation projects. These insights have led to the development of a classification model fitting the innovation context, and to the embedding of this model, along with a matching identification procedure, in an identification method.

Findings – A partial and integral evaluation of the method on four cases showed its efficacy in the managerial practice of identifying stakeholders within innovation projects.

Originality/value – The method as proposed in the paper can be used for identifying stakeholders in innovation projects. The method can be considered a first step in managing stakeholder involvement.

Keywords Stakeholder analysis, Innovation

Paper type Research paper

Introduction

The management of stakeholder involvement in innovation projects is a task of growing importance. This paper presents a method for the first challenge in stakeholder management: the identification of those stakeholders to be involved. In innovation literature, there is a growing awareness for the relevance of stakeholders for innovation, particularly in terms of success measures (Griffin and Page, 1996; Howell and Shea, 2001; Becker, 2002). However, to our knowledge the problem of systematically identifying stakeholders has not been dealt with in the innovation literature.

In stakeholder literature, stakeholder identification is considered a classification problem. As such literature offers a variety of classification models in which Freeman's (1984) distinction between "can affect and affected" fulfills a landmark position (Wood, 1991; Clarkson, 1995; Mitchell *et al.*, 1997; Rowley, 1997; Andriof and Waddock, 2002). By now, the so-called salience model of Mitchell *et al.* (1997) has developed into one of the main classification models in literature (Wolfe and Putler, 2002; Scholl, 2004). For instance, Wolfe and Putler (2002, p. 77) consider stakeholder identification a matter of determining which stakeholders are salient.

The salience model is also used in the innovation context (Weisenfeld, 2003). However, in this paper we show that this innovation context has implications for the classification model to be used in the identification process. We argue that for classification models to be useful for stakeholder identification, they should fit the issue the stakeholders are interested in, or are affected by. Therefore, the method we have developed does not focus on identifying stakeholders in general, but focuses on identifying stakeholders in the particular context of innovation projects. What can be considered an innovation should be understood broadly; we follow West and Farr (1990, p. 9) in defining innovation as:

> ... the intentional introduction and application within a role, group or organization of ideas, processes, products or procedures, new to the relevant unit of adoption, designed to significantly benefit the individual, the group, organization or wider society.

Developing an innovation mostly takes place within projects set-up for that purpose. This implies that, whereas in literature stakeholders are often related to the entire organization (Freeman, 1984; Jawahar and McLaughlin, 2001; Friedman and Miles, 2002; Wolfe and Putler, 2002), we take the stance that stakeholders are related to an issue in which they have a certain interest, and can express a certain preference. An innovation project fits this description, and stakeholders of an innovation project are those parties that have an interest in the outcomes, of whatever kind, of that project.

However, our main point in this paper is that, even if a sound classification model (i.e. a classification model that fits the innovation context) is available, stakeholder identification is easier said than done. Although stakeholder classification is a necessary step, identifying stakeholders goes beyond this step. A classification model structures the different stakeholder groups, whereas identification means answering the question of "What specific stakeholders fit within a specific category?" (i.e. naming the persons and parties that fill a certain stakeholder category). Answering this question is a matter of making a classification model more operational to be used within managerial practice. Of course, it could be argued that this is just a matter of theory application. Setting aside the difficulties of just doing so, we think there is more to stakeholder identification than just applying a theoretical classification model. Making such a classification model more operational also raises an issue of setting boundaries. This means that applying a classification model not only entails a question of "what specific stakeholder fits within what specific category?" but also a question of "how can a specific category be bounded in a justifiable way?"

In this paper, we propose a stakeholder identification method that deals with these two questions concurrently. Besides a stakeholder classification model, the identification method makes use of an identification procedure that explains how the model is to be used. We consider this to be relevant for both the theory and the practice of stakeholder involvement. From practical point of view, the method could be used for identifying stakeholders in a particular innovation situation. In this, stakeholder involvement is viewed from managerial standpoint, rather than from the standpoint of the stakeholders (for such perspective see, e.g. Mitchell *et al.*, 1997; Frooman, 1999; Rowley and Moldoveanu, 2003). From theoretical point of view the paper deals with questions such as "what classification model would be most suitable for identifying stakeholder in an innovation context?" and "what should be the additional identification procedure necessary for the identification of real world stakeholders?"

The paper is structured as follows. Since stakeholder identification all the same starts with classification, the matter at hand is choosing a suitable classification model. Therefore, we begin our line of discourse with the stakeholder categorizations as discussed in literature. This analysis further explains why identification goes beyond classification and why we consider the prevailing classification models not to be appropriate for our method. We then show how Ulrich's (1983, 1993) role perspective and innovation theory have led us to the two main points of the classification model we developed, i.e. "roles of involvement" and "phasing this involvement." After this, we describe the method: the classification model along with its identification procedure. When the method has been displayed and theoretically and empirically accounted for, it is examined to what extent the method contributes to solving the stakeholder identification problem.

Literature review: in search for a classification model

Identifying stakeholders comes down to the question of "Who are they?" (Frooman, 1999). For dealing with this question stakeholder literature offers a variety of theoretical classification models (for an overview see Mitchell *et al.*, 1997; Wolfe and Putler, 2002). This section analyzes the prevailing classification models in the light of their prospects for actually identifying stakeholders in innovation projects. From our perspective on stakeholder identification as explained in the introduction, we consider the following three points relevant for this analysis:

(1) The efficacy of a classification model for a stakeholder identification method to be used in management practice (i.e. whether the model works as a means for identifying stakeholders[1]).

(2) The normative implications of using a particular classification (i.e. whether the classification leads to justifiable boundary setting).

(3) The context of innovation for which the classification is to be used.

An – obvious – starting point for analyzing classifications is the definition of Freeman (1984, p. 46): ". . . a stakeholder in an organization is (by definition) any group or individual who can affect or is affected by the achievement of the organization's objectives . . ." Regarding the efficacy of a classification, the "Freeman definition" clearly represents a very broad view on stakeholders, which is, according to Mitchell *et al.* (1997, p. 857), based on the ". . . empirical reality that companies can indeed be vitally affected by, or can vitally affect, almost anyone . . ." Particularly this observation of Mitchell *et al.* indicates the importance of setting boundaries when applying a classification. Likely, it should not be too difficult to make a list of stakeholders who fall into these two categories. However, it is difficult to bound or delineate these two categories. In literature, the "Freeman definition" is usually cited as a starting point to give a more narrow view on stakeholders, in which finer grained categorizations than "can affect" and "affected" are described. Just a few examples of these categorizations are stakeholders who have "potential for collaboration" and stakeholders who have "potential for threatening" (Blair and Whitehead, 1988), "fiduciary and non-fiduciary" stakeholders (Goodpaster, 1991), "primary and secondary" stakeholders (Clarkson, 1995) or "voluntary and involuntary" stakeholders (Clarkson, in Mitchell *et al.*, 1997). Rowley (1997, p. 889) points out that, "although debate continues over whether to broaden or narrow the definition,

most researchers have utilized a variation of Freeman's concept." More importantly, however, is that these classifications, just as Freeman's definition, leave the actual identification issue, particularly in terms of delineation, unresolved. For an organization, dealing with the problem of identification, it still is a matter of drawing boundaries. Usually, boundaries can be drawn differently.

Let us now turn to one of the main classification models in literature, that is, the salience model of Mitchell *et al.* (1997). Salience is described as the degree to which managers give priority to competing stakeholder claims; Mitchell *et al.* try to answer the question of how managers choose their stakeholders and how they prioritize between competing stakeholder claims. Managers, they argue, perceive various stakeholder groups; these managers give a high priority to a stakeholder if they believe that this stakeholder has a legitimate claim, which calls for immediate action (i.e. urgent), and possesses the power to influence the organization's activities. The stakeholder, who is believed to possess three attributes (i.e. legitimacy, urgency and power) is called a definitive stakeholder. Likewise, a classification of seven stakeholder groups is developed, depending on the presence of one, two or three attributes in varying combinations. The salience classification is a theoretical framework that explains why (and when) managers give attention to certain stakeholders. The framework provides, in terms of Mitchell *et al.* (1997, p. 868), insights for understanding how stakeholders can gain or lose salience to the managers of an organization and who are, for that reason, able to influence organization's activities. The efficacy of the salience classification for an identification method seems high in this respect. However, the availability of these insights does not mean that the argument can be turned around (Wolfe and Putler, 2002), that is to say: the stakeholders managers do perceive are not automatically the stakeholders managers should perceive. It still remains a question of whether the managers' choices are sensible or even legitimate. For the latter reason, Agle *et al.* (1999) conclude that a normative discourse remains an indispensable aspect in stakeholder thinking. This leads to our second point of analysis, namely the normative implications of using a particular classification.

Whereas the basic distinction of Freeman between "can affect" and "affected" is inadequate for identifying stakeholders, it surely is an important distinction. Our position should be considered a normative perspective (Goodpaster, 1991; Goodpaster and Holloran, 1994; Donaldson and Preston, 1995; Quinn and Jones, 1995; Phillips, 2003) on stakeholder identification, which means that organizations owe obligations to those whose freedom and well-being is affected by their activities. That is precisely the point of the stakeholder category of the "affected" as defined by Freeman (1984). This category consists of persons and parties who are involuntary involved; they possess interests in aspects of organizational activity and are, for that reason, legitimate stakeholders (Goodpaster, 1991). Acknowledging this particularly complicates the stakeholder identification problem because, for instance, present knowledge about potential side effects or long-term risks is usually insufficient. The salience classification deals with the affected by distinguishing stakeholders who possess (as perceived by the manager) the attribute legitimacy, with or without the power attribute and with or without the urgency attribute. However, again, this is in the eyes of a manager. In actually identifying stakeholders, such perception should at least be a matter for debate.

The third point refers to the context of innovation for which stakeholders need to be identified. This context entails two aspects that are relevant for the identification of stakeholders and the contribution of a classification therein. First, our perspective does not only start from the idea that stakeholders are connected with issues, projects or "items on the agenda" (recognized also by Mitchell *et al.*, 1997), but we also consider it helpful and even necessary in the process of identifying stakeholders. For that reason it is important to make use of a classification model that is more closely based on the activity or issue at hand. The activities within innovation projects (performed or experienced by stakeholders) should be leading in the classification of these stakeholders. This also means that the different phases of innovation processes need to be articulated. What distinguishes innovation processes from day-to-day routines like production or logistics is that innovations are often developed within projects, with a starting-up phase, development phases, and a – clear or fuzzy – end point. Likely, stakeholder involvement differs over these phases. Therefore, the second aspect that should be part of a classification model is the dynamics of the process under consideration, which is relevant particularly in case of an innovation process. In this paper, we follow the idea that there are varying relationships between stakeholder groups and an organization in time. Although other authors also acknowledge the importance of dynamics (Mitchell *et al.*, 1997; Jawahar and McLaughlin, 2001; Friedman and Miles, 2002; Weisenfeld, 2003), it is, to our knowledge, not an integral part of a classification model.

In conclusion, this analysis of stakeholder literature has resulted in two main conclusions regarding a classification model to be used for making the actual identification of stakeholders an attainable goal in innovation projects. Although in the literature it is claimed that the stakeholder identification problem is solved – for instance, by applying the salience model (Wolfe and Putler, 2002; Weisenfeld, 2003; Scholl, 2004) – we argue that the prevailing classification models as such are insufficient for identifying stakeholders in a specific case, that is, without an additional identification procedure. The classification models are, of course, suitable for classifying a (unordered) list of already identified stakeholders. However, providing an as complete as possible list requires this additional identification procedure. Such a procedure should particularly enable discussion in the light of the identification of stakeholders. Indeed, to obtain a structured stakeholder list, the identification procedure should make use of a stakeholder classification model, that is, a classification model that fits the identification context. This brings us to the second conclusion: the prevailing classification models are also not appropriate for the innovation context, because these models do not sufficiently take into account the activities within an innovation project and the dynamic circumstances of innovation.

Making a classification model fit for the innovation context
In this section, we discuss the two underlying pillars of the classification model within our method. The first sub-section explains the stakeholder role pillar, the second the innovation pillar. Jointly, these parts make the model ready for embedding within the identification method and fit for the context of innovation projects.

Dealing with boundaries: a role perspective
The main ground for choosing a systems perspective comes from the boundary drawing issues stakeholder identification entails. As discussed, identifying stakeholders can be

considered drawing a line between the parties to be involved and the parties not to be involved (Midgley, 2000; Vos, 2003). Dealing with boundary-drawing issues is typical for a critical system approach. In critical systems thinking (CST) the prevailing idea is that drawing boundaries is not only a matter of subjectivity, but also, because of this subjectivity, an ethical issue (Churchman, 1971; Ulrich, 1983, 2003; Midgley, 1996, 2000). The ethical issue emerges because setting boundaries causes some finding benefit in a particular systems intervention – for them it is considered to be an improvement – whereas others are excluded from this intervention or even harmed by it.

Particularly the work of Ulrich (1983, 2001, 2003) has been important for the development of the method and the classification model therein. Ulrich not only deals with drawing boundaries in a critical way, but also introduces a role perspective on stakeholders. A key point in the method is that it relates stakeholders to projects within the organization. A role perspective matches our demand that the classification model within the method should be based on the activities in the project. At this point, it should be noted that stakeholder literature also presents various examples of stakeholder classifications based on roles (Wolfe and Putler, 2002). However, in most cases, these roles are merely descriptions of stakeholder groups, or in other words, of stakeholders with a comparable "stake." This is different from Ulrich's role perspective; here, a role is related to certain activities or tasks within a project.

Of course, a role perspective on stakeholders does not resolve the identification on its own. Still, it facilitates the identification because the search for stakeholders can be accomplished in a more directed way. This role perspective means that stakeholders can be classified on the basis of the role(s) they are playing within an innovation project; a role has to be specified in a concrete case in order to decide what individuals or groups of individuals stand for what roles. This is precisely what the method has been designed for, namely to support this aspect of decision making.

Ulrich (1983, p. 248) acknowledges two reasons anyone can claim belonging to a system, that is to say being a stakeholder. The first reason is that they have some kind of resource (expertise, political or financial, etc.) to contribute to the system. The second reason is that they are actually or potentially affected by the outcome of the system. Although we use this distinction within the method, the labels of these two primary categories are different, i.e. actively involved and passively involved; we come back to this alteration further down. The distinction comes from two types of circumscriptions of an innovation project. Within a narrow circumscription those parties are situated who actively contribute to the outcome of the innovation project. Within the broader circumscription the parties are situated, in addition to the actively involved, who are affected by its outcome, i.e. the passively involved (Figure 1).
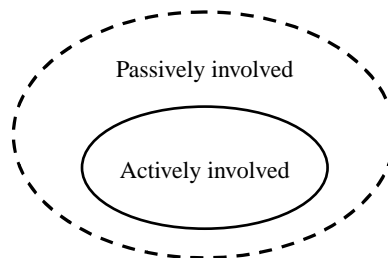

Figure 1.
Two types of involvement

At first sight the similarity between Freeman's distinction of "can affect" and "affected" and Ulrich's distinction of "involved" and "affected" is striking. Yet, when considering the two basic groups in more detail, differences come to the fore. Let us begin with reflecting on the "involved." On the basis of three sources of influence Ulrich distinguishes three roles an – in our terms – actively involved can play:

(1) client (whose purposes are being served);

(2) decision maker (who has the power to decide); and

(3) designer (who contributes necessary expertise).

Table I shows the more precise role definitions, which – again – differ from those of Ulrich (1987, pp. 279ff, 1993, p. 597). It is relevant that the circumscription of the actively involved is unambiguous, which is not to say that the actual identification of for instance all of the clients is an easy matter.

Regarding the identification of the second basic group – the passively involved – there is a more fundamental problem. It remains a question of whether this group has been identified completely. For that reason, Ulrich (1983) states that this group, in his terms the affected, can only be bounded by means of representation. Furthermore, he argues that only the affected themselves should determine who is to represent them. Although our method does support the identification of this particular group of involved – that is to say: from the perspective of the organization – the representation notion is also important. Examples are a union that represents future employees, or a local council that represents a group of neighboring citizens. In any case, the circumscription of the passively involved is more ambiguous compared to the actively involved, which is, for that reason, reflected by the broken line in Figure 1.

Role	Definition
Party involved, actively and passively	A party involved is any group or individual who can affect: (1) the achievement of the innovation's objectives; or (2) who is affected by the achievement of these objectives. The first category is labeled the actively involved; the second category is labeled the passively involved
Client	A client is the party whose purposes are being served through the innovation
Decision maker	A decision maker sets requirements regarding the innovation and evaluates whether the innovation meets these requirements
Designer	A designer contributes expertise to the innovation process and is responsible for the (interim) deliverables
Passively involved; representative	A passively involved is affected by the outcomes of the innovation project without being able to influence these outcomes. A representative is a person who has been selected to act on behalf of another, i.e. the passively involved

Table I.
Definitions of the roles of involvement

Phasing involvement within an innovation project
Now the various roles of involvement are defined, the question arises when these roles ought to be played. This takes us to the second pillar underlying the model, the different phases of an innovation project. In innovation literature, as early as in the 1950s of last century, Johnson and Jones (1957) describe (product) innovation as a stage-gate process. The stages are phases in which the evolution of "new things" takes place. The gates can be considered decision points, at which the results of the preceding stage are evaluated, and where it is decided how to go further in the following stage(s). Several authors use this idea of product development as a sequential step-by-step process, thus coming to a discursive approach (Cooper and Kleinschmidt, 1990; Pahl and Beitz, 1995). More recently, the non-linearity of innovation is underlined (Van de Ven *et al.*, 1999; Janszen, 2000). Van de Ven *et al.* (1999) state that the innovation process is neither sequential nor orderly, nor is it a matter of random trial-and-error, rather it is best characterized as a non-linear dynamic system. But still, they too recognize three major phases in the innovation cycle, i.e. initiation phase, development phase, and implementation or termination phase.

This notion of different, distinguishable phases within innovation processes has been used in developing the identification model. The model not only enables dealing with the question of "which parties should be involved?" but also with the question of "in which phase of the innovation process should this involvement take place?" Table II gives an overview of the phases and their definitions that are used in the classification model.

As Table II shows, we have added a fourth phase in the method, i.e. the maintenance phase. Most of the innovation models do not distinguish the maintenance phase, although there are models, like the curriculum innovation models of Mennin and Kalishman (1998) and Mowat and Mowat (2001) that explicitly refer to this phase. This phase has been added because, in testing the concepts of the model, the significance of this phase became visible for certain innovation projects.

The stakeholder identification method: classification model and its accompanying identification procedure
The essence of the method is that it not only classifies the parties involved in an innovation project, but also actually identifies these parties, designates roles to these parties, and deals with the question of "at what point the identified parties should play their role." In the previous section we proposed a model appropriate for classifying stakeholders in the context of innovation projects. Since we consider a stakeholder

Phase	Definition
Initiation phase	This phase focuses on generating ideas
Development phase	This phase focuses on developing the innovation based on these ideas
Implementation- or termination-phase	This phase focuses on implementing the innovation (or terminating the project)
Maintenance phase	This phase focuses on applying and evaluating the innovation

Table II.
Definitions of the four phases in an innovation project

classification model a starting point for the identification of real world stakeholders, the method provides a procedure for applying the model. This procedure uses the roles and phases to reach an as complete as possible overview of the parties involved. Furthermore, the procedure consists of four steps (Figure 2), which, together, facilitate a brainstorm session aiming for identifying the parties involved in a specific innovation project. The four steps will be discussed successively. Each of these steps involves one or two individuals who chair the discussion between some participants. These participants need to understand the innovation project at hand, preferably from different angles. Together, the four steps take approximately three hours to be performed.

Step 1 concerns defining and delimiting the project. The method is based on the idea that identifying the parties involved is only useful if it is clearly stated what the parties are involved in. This means that the method is applied on an innovation project or a certain activity therein.

In step 2, the participants are asked to write down all of the possible parties involved (people, groups of people, organizations) in the project. This exercise partly serves as a "warming-up," but also offers the possibility to compare these results with the results of the group brainstorm.

Between steps 2 and 3 an intermezzo takes place, in which the stakeholder classification model is presented and explained to the participants.
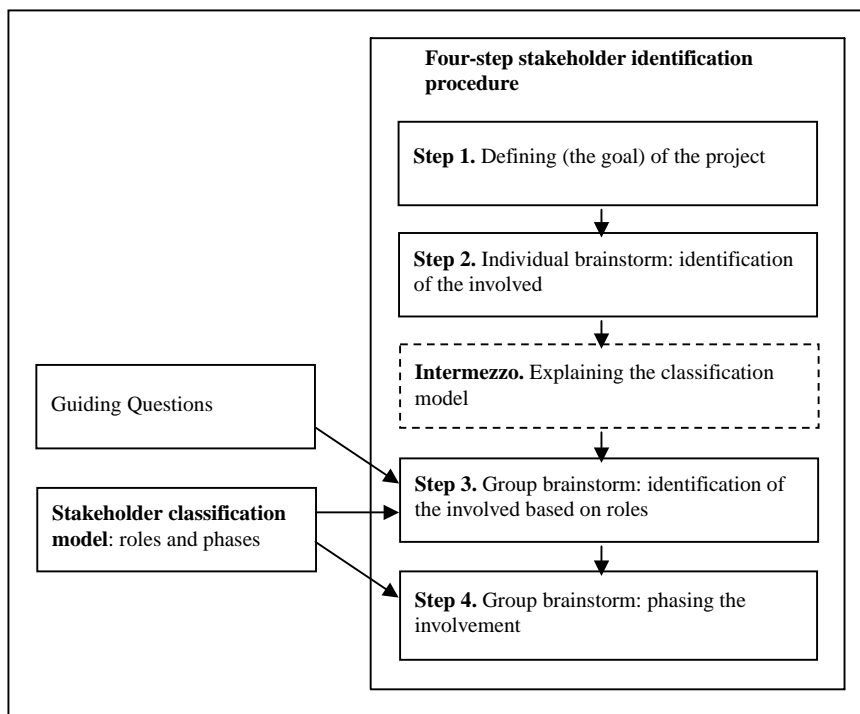

Figure 2.
The stakeholder
identification method

In step 3, the participants are asked, as a group, to come up with all the parties who can, will, or ought to fulfill the various roles in the project (i.e. client, decision maker, designer, and passively involved). This is the first part of the classification model is used in the identification method. In this, it holds that a party may play different roles. The chairing persons try to obtain an overview that is as complete as possible by posing specifically selected guiding questions (Table III). These questions have been designed for opening up new directions in the discussion. In designing these questions, we made use of Ulrich's (1983, 1993) sources of influence, as discussed in a previous section (Vos, 2003). Furthermore, the questions are related to the salience classification, particularly regarding the power and legitimacy attribute (Mitchell *et al.*, 1997).

At this point, the critique of Wolfe and Putler (2002) on stakeholder categorizing is worth mentioning. They state that the primacy of roles at defining stakeholder groups is based on a presupposed homogeneity within groups, which is, according to them, clearly not always present. In the method, we consider the role classification a starting point for the actual identification. What is more, we use and even stress the lack of homogeneity within groups to come to a more embracing overview of the stakeholders. Therefore, the guiding questions in the brainstorm sessions should indeed bring forward the different preferences (or activities) within roles.

Role	Guiding question
Client	What are the benefits of the innovation for the clients mentioned so far?
	Are there any others who also benefit from these effects?
	Are there any other benefits leading to different clients?
Decision maker	What are the power resources of the decision makers mentioned so far?
	Are there any other decision makers with similar power resources?
	Are there any other relevant resources; which decision makers use these?
	What are the topics these decision makers can decide on?
	What are the topics these decision makers cannot decide on; what decision makers do have this ability?
Designer	What is the relevant knowledge or expertise of the designers mentioned so far?
	Are there any other designers with similar knowledge or expertise?
	What are relevant problem areas and topics?
	Which designers might contribute to these problem areas and topics?
Passively involved; representative	What are the effects of the innovation project on the passively involved mentioned so far?
	Are there any other (negative) effects, and who are affected?
	Are the interests of passively affected taken into account in the innovation project? Why (not)?

Table III.
Identifying questions
within the method

In step 4, the second part of the classification model (i.e. phasing the involvement) is used in the identification method. The participants are asked to indicate – for all of the identified parties from step 4, for each phase in the project – whether this party should be involved in this phase. In doing so, a distinction is made between:

- the party should be involved for certain;
- the party should possibly be involved; or
- the party should not be involved in this phase of the project.

Developing and analyzing the identification method: research method and results

Introduction

In general terms, the stakeholder identification method can be considered the main result of the research described in this paper. In justifying this outcome we have concentrated, up to this point, on the theoretical embedding of the method. However, in developing the method we were not only aiming for a theoretical sound method, but primarily for making a worthwhile tool for the practice of stakeholder identification within innovation projects. For that reason, we considered its efficacy for this practice (i.e. "does the means work" see Checkland and Scholes, 1990, p. 39; see also note [1]) an important criterion in analyzing the method. This analysis has been accomplished in two ways, namely by a partial and an integral empirical evaluation of the method. For both ways four organizations were involved in the research (Table IV). In this section, we discuss the method of both ways as well as their results. Perhaps needless to say, as far as the analyzes led to changes in the method, they have been adopted in the method as described in the previous sections.

Partial analysis of the concepts used in the classification model: method and results
Regarding the partial analysis, particularly the concepts (i.e. the definitions of the roles and the phases) of the classification model were under consideration. For this purpose, seven interviews were held in two of the four organizations, namely the firm of consulting engineers and the academic hospital. The main goal of these interviews was to test the applicability of the concepts, that is to say: were the interviewees able to identify stakeholders by means of the definitions? Although the interviews were focused on parts of the classification model, the application of the identification method as a whole was still kept in mind. This means that testing the concepts was done in

Organization	Concept testing, number of respondents	Concept testing, number of projects	Number of participants in integral test	Type of innovation project
Firm of consulting engineers	5	3	3	Part of core process
Knowledge centre for mental health care	–	–	4	Focus on improving core process
Academic hospital	2	2	2	Focus on improving core process
Soil-cleaning firm	–	–	5	Part of core process

Table IV.
Details on the empirical tests within four cases

applying them on specific innovation projects within the two organizations. In the firm of consulting engineers five persons were interviewed; together, they discussed three different innovation projects. In the academic hospital two persons were interviewed, discussing two innovation projects.

As a result of these interviews some of the definitions (i.e. roles and phases) in the classification model were adjusted. There are two changes worth mentioning. First, a fourth phase (i.e. the maintenance phase) was added to the model, because of its focus on applying and evaluating the innovation outcome. This was considered particularly relevant in managing innovation. The second notable change is the usage of different labels for the two primary categories of stakeholders. A language problem gave cause for changing these labels: "actively involved" and "passively involved" instead of Ulrich's distinction of "involved" and "affected." As the method had to be used within Dutch organizations, a Dutch translation for the word "affected" was needed. However, it is by no means an easy matter to translate this term. The Dutch words which come close to the English word "affected" (i.e. "*geraakte*" or "*getroffene*"), both have a very negative connotation. They approach the words "injured," "impaired" or "victimized" rather than the word "affected." These difficulties were confirmed in the interviews with both the consulting engineers and the respondents at the academic hospital. Indeed, our initial concern was even a more serious problem. The term "affected" turned out to be counterproductive for identifying this type of stakeholder; it provoked resistance against the relevance of this stakeholder. Therefore, we wanted to use a more neutral term and decided for the label "passively involved." We maintained this term in English, because it also reflects that a stakeholder can make a transition from the role of the "passively involved" to the "actively involved."

Integral analysis: method
After the partial analysis of the concepts of the classification model, the identification method as presented in the previous sections was considered operational. This method was then integrally evaluated by comparing the summarized stakeholder list resulting from the individual brainstorms (i.e. step 2 of the identification method) with the lists obtained in the collective brainstorm (i.e. step 3 of the identification method). In the individual brainstorms, the classification model is not yet explained, whereas the collective brainstorm is based on the classification model. Furthermore, in the collective brainstorm, the chairing persons try to widen the respondents' ideas on stakeholders by asking the guiding questions.

For this comparison, the identification method was applied in four innovation projects in four organizations. Two of these organizations already participated in the concept evaluation phase (Table IV), but the projects used in the overall analysis were different from those used before, and the participants also differed. It should be noted that the participating organizations as well as the innovation projects were very dissimilar in nature. One particular aspect regarding the type of projects is worth mentioning. The projects within the academic hospital and the knowledge center were focused on improving their own core process. Because of their key role in the field in which they operate, these projects affected other players in this field as well; this influenced the identification of stakeholders. The two other projects, i.e. the projects within the firm of consulting engineers and the soil-cleaning firm, were cases in point

of their core processes. Additionally, the four organizations all considered involving stakeholders important.

In the four brainstorm sessions 2-5 members of the organizations participated, which were all selected for their knowledge on the project at hand. The two authors of this paper acted as chairpersons and discussion leaders.

Integral analysis: results
In Table V, the results of the individual brainstorms (step 2 of the method; the classification model has not yet been explained) are compared with the results of the collective brainstorms (step 3 of the method; based on classification model and guiding questions). Note that regarding the stakeholders who are only mentioned in the collective brainstorm, the number of new clients, new decision makers, new designers and new passively involved, do not add up to the total of stakeholders only mentioned in the collective brainstorm. This is caused by the fact that a stakeholder can be designated to more than one role.

In three of the four cases, the number of stakeholders only mentioned in the collective brainstorm exceeds the number of stakeholders only mentioned by at least one of the respondents in the individual brainstorms. In the fourth case, these numbers are equal. This indicates that the collective brainstorms provide more embracing stakeholder lists. It is remarkable that a large number of the stakeholders mentioned only in the collective brainstorm are designated the role of passively involved.

Next to the results presented in Table V, the four brainstorms sessions showed some more qualitative outcomes regarding the efficacy of the identification method. In the identification method, we made a distinction between two fundamentally different categories, namely the actively involved and the passively involved. The brainstorm sessions showed that a number of participants regarded it difficult to identify the category of the passively involved. Some of them considered it hard to let go of the improvement perspective they had on the innovation. To some extent, they expected that the outcome of the innovation project would lead to improvements for everybody,

| | Organizations (+number of participants in brainstorm) | | | |
| | | Knowledge | | |
Stakeholders identified	Firm of consulting engineers (3)	centre for mental health care (4)	Academic hospital (2)	Soil-cleaning firm (5)
Stakeholders mentioned both in the individual brainstorm (by at least one participant) as in the collective brainstorm	16	25	18	21
Stakeholders only mentioned in individual brainstorm (by at least one participant)	2	5	6	5
Stakeholders only mentioned in collective brainstorm	10	13	6	15
New clients	0	4	1	4
New designers	3	5	2	3
New decision makers	2	3	2	3
New passively involved	7	2	3	7

Table V.
Stakeholders identified by applying the method

if necessary after some adaptations. However, after thinking it through, it became visible that in case of conflicting interests, improvements for some can or will mean deterioration for others. The notion of representation proved to be helpful for identifying this stakeholder category. Additionally, during the brainstorm sessions, it appeared in a number of cases that the role of the passively involved was a temporary or a transitional role. This turned out to be useful for becoming aware of this type of stakeholders. When parties had been identified as passively involved, management was more inclined to chose for involving these parties in the innovation process; this way allowing them to strive for their interests. In fact, parties are then designated a new role: that of a client if their wishes are now taken into account, or that of a decision maker if they are given some sort of a veto-right on (parts of) the project design, or that of a designer if their knowledge and expertise actually contributes to the innovation project.

Regarding the innovation context, we considered the dynamic circumstances for identifying stakeholders crucial. To give these dynamics a place in the method, the role classification has been connected to a four-phase model of innovation projects. A few notes can be made on this. In each of the brainstorm sessions, phasing the roles over the project proved also to be a test of the preceding identification. Some of the identified parties were shifted to another role, or added to a second role. Furthermore, phasing the roles led to an ordering of the identified parties involved. Parties who should, according to the participants, play a role in all four phases, apparently seemed to be of more importance than parties who were assigned no, or only a possible role in most of the phases.

Phasing the roles of involvement, as part of the method, can be considered a direct way of coping with dynamics. However, indirectly, the fact that the category passively involved is perceived stimulates the awareness that stakeholder roles might change during a project, particularly the role of this category. It is helpful for having, at an early stage, an eye for signals that a number of parties are becoming more important for an organization.

In conclusion, as result of the integral evaluation we may conclude that the method is to be regarded efficacious: lists of stakeholders were obtained, although as said it is never certain whether they are complete; attention was drawn to the category of "the affected," or as we call them "passively involved"; and the dynamics of the projects were dealt with. In this, we consider the method, in addition to its practical relevance, also relevant for its new insights to stakeholder theory.

Conclusion and discussion

This paper presents a method for identifying stakeholders in innovation projects. This method is based on two insights regarding stakeholder identification. First and foremost, we argue that classifying stakeholders is not equal to identifying stakeholders. For a classification model to be useful for identifying stakeholders, the model needs to be supplemented with a matching identification procedure (i.e. for naming real world players within the classes distinguished in the model). As such, the identification method presented here facilitates actual identification through a brainstorm session with experts on the innovation project at hand. This way, we have brought closer some theoretical insights on classifying stakeholders to the management practice of identifying stakeholders.

Second, we argue that the classification model that is used as a foundation of a stakeholder identification method should fit the situation the stakeholders are identified for, in this case innovation projects. This means that the classification model used within the method should be closely linked to the dynamic activities and tasks of the parties involved. Since we considered the prevailing stakeholder classification models not to be suitable in that respect, we used a model primarily based on two pillars, namely Ulrich's stakeholder roles, and Van der Ven *et al.*'s definitions on different phases in innovation projects. In this, we hope not only to have added to stakeholder theory by arguing that classification models should fit the identification context, but also to innovation theory by supplying a stakeholder classification model that indeed fits this particular context.

Although the method is primarily directed at identifying stakeholders within an innovation context, we believe it is wider applicable. However, whereas the identification procedure can be considered a general model, the classification model described here addresses the innovation context in particular. This means that to apply the method in other contexts, the identification procedure can remain unchanged, but the role classification might be reconsidered.

The results in the previous section illustrated that, in terms of efficacy, the method indeed is successful in identifying stakeholders in the innovation context, including the problematic category of the passively involved. For discussion, we conclude this paper with two notes concerning the effectiveness of the method for management practice, thus going beyond the efficacy criterion. First, in innovation projects stakeholders either have to help to determine the goals of the innovation (clients), perform tasks or set boundaries in the innovation projects (designers and decision makers), or they are affected by the innovation outcomes or by the process of innovation (passively involved). Therefore, stakeholder identification is always a means to a broader goal: stakeholder management or in terms of the identification method, managing "roles of involvement." Management of an organization has to decide when and how to engage stakeholders within the innovation process, for improving the innovation outcomes or the process of innovation. Who these stakeholders are, is only the first question. Subsequent management questions are, among others: "what will be the actual activities of the actively involved?" and "which of the identified passively involved should indeed become involved in the project, when should this involvement take place, and how should this involvement look like?" We consider the outcomes of the stakeholder identification method to be a promising starting point of dealing with stakeholder management including these questions. The method not only leads to a structured list of stakeholders assigned to roles and innovation phases, but the discussion on stakeholder identification also raises awareness for various types of stakeholders, including the "passively involved."

Second and finally, besides the contribution to stakeholder management, the applications of the identification method showed an unexpected merit: the method revealed itself as a diagnostic tool for the innovation project. Questions like "are all roles fulfilled?" "is the division of roles over the different parties clear?" or "is there a party that fulfills too many roles?" gave insights in the overall effectiveness of the project.

Note

1. We follow Checkland and Scholes (1990, p. 39) in distinguishing between the criteria efficacy and effectiveness. The criterion efficacy refers to the question of "does it (i.e. as a means) work?" effectiveness refers to the question of "does it meet the longer term aim(s)?" When applying these criteria on the method for stakeholder identification, efficacy should be read as "does the method work in actually identifying stakeholders?" effectiveness for instance as "does the method improve stakeholder involvement?" This paper focuses on analyzing the identification method, and thus also the classification model therein, in the light of efficacy.

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About the authors
Janita F.J. Vos and Marjolein C. Achterkamp are both Assistant Professors at the Faculty of Management and Organization, University of Groningen, the Netherlands. Since September 2002 they have been involved in a research project called "Knowledge creation for sustainable innovation." Their research focuses on the way(s) sustainability is becoming a relevant attribute in a variety of innovation processes and the role of stakeholders therein. Janita Vos is the corresponding author and can be contacted at: j.f.j.vos@rug.nl