

2008

Annual Report



Center for Strategic Management:
Stakeholder View



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About the Center

Dear Reader

Welcome to the Center for Strategic Management: Stakeholder View. As one of the oldest stakeholder research groups in Europe, we are proud of our tradition of excellence in teaching and research belonging to this field.

We are very pleased to submit to your kind attention the Annual Report 2008 of the Center for Strategic Management: Stakeholder View at the University of Applied Sciences for Business Administration (HWZ), Zurich. With this booklet we aim to share our outcomes and activities of strategic stakeholder management with you.

Stakeholder management is an applied science and we are always aiming to contribute to the development of practical solutions based on an advanced theoretical foundation and on sound empirical investigations. Due to our ongoing research activities, we are in a constant and intensive exchange of demands and ideas with practitioners from various industries and with the leading international academics. This enables us to develop highly practical tools and instruments for implementation and maintenance of stakeholder management systems based on long-term stakeholder relationships in order to achieve more benefits and fewer risks.

The highlight of this year was the successful completion of the CTI-project "ICT Supported Stakeholder Management as a Success Factor in Business" and the request to propose another project to the CTI. We are also proud that HWZ, based on the quality of our research got the permission from the Federal Government to offer a Master of Science in Business Administration.

We hope that you will find this booklet interesting. If you wish to find out more about us please visit our homepage (<http://www.fh-hwz.ch>). If you would like to receive additional information or find a question unanswered please do not hesitate to contact us.

Best wishes



Prof. Dr. Sybille Sachs

Head of the Center of Strategic Management: Stakeholder View

Welcome

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content

Only by including the interests of all parties linked to the firm mutual trust can be built which enables the firm's sustainable success.

research

Research Projects 2008

CTI-Project

“ICT Supported Stakeholder Management as a Success Factor in Business”

After a period of two and a half years, the project under the leadership of Prof. Dr. Sybille Sachs (HWZ) and Prof. Dr. Ruth Schmitt (FHNW) and with the support of the Commission for Technology and Innovation was completed successfully in June 2008. We are especially pleased by the extremely positive evaluation by the peer review of CTI:

“The reviewers of CTI have studied the results of the project with great interest. They established to their satisfaction that the scientific as well as the business goals were fully achieved. The reviewers are especially pleased by the extensive international interest in the scientific results.”

We want to thank everyone in the project team, in particular the four business partners AEW Energie AG, Feller AG, Hunziker Partner AG and Pfizer Switzerland for the extremely interesting and instructive collaboration.

Research Projects 2008 (cont'd)

Project Description

“ICT Supported Stakeholder Management as a Success Factor in Business”

At the basis of the project was the idea that every corporation, which uses the benefit potential of their stakeholder relations in a professional way, will acquire a competitive advantage over their competition. Corporations underestimate the potential gains of cooperation, information, knowledge or trust, for example. In the project, tools and methods were developed in order to systematically utilize these benefit potentials, and to create value together with and for stakeholders.

Previously a concept was missing for better understanding the influence of stakeholder relations on corporate success. With the *Stakeholder Value Management System* and the appropriate tools and methods developed by the project, these relationships could be understood. The system included a continuous management process, which deliberately and comprehensively dealt with the relevant stakeholders, and which made possible measures and their effects understandable and communicable.

The more a corporation maintains the dialogue with its relevant stakeholders on a partnership basis, the more probable it is that the tensions can be resolved among the many demands corporations face today. A corporation is successful in its innovative capacity, when it can create a position in the market and society for itself and its stakeholders. With the help of the Stakeholder Value Management System, the corporation can be shown where and how a systematic stakeholder management can contribute to it being innovative, competitive and trustworthy.

Conference Attendance

European Academy of Business in Society (EABIS),

Annual Meeting 2008, Cranfield University, UK

Perrin, I. (2008), The mass media in a stakeholder perspective: What role do the mass media play for corporate legitimacy? Presentation at the EABIS PhD Conference 2008.

International Association for Business and Society (IABS),

Annual Meeting 2008, Tampere, FI

Sachs, S., Groth, H., Schmitt, R. (2008), The Strategic Impact of Stakeholders' Perceptions: A Single Case Study From the Pharmaceutical Industry. Paper presented at the Conference of the International Association for Business and Society (IABS).

Sachs, S., Schmitt, R., Perrin, I. (2008), Stakeholder Value Management System. Paper presented at the Conference of the International Association for Business and Society (IABS).

Academy of Management (AoM),

Annual Meeting 2008, Anaheim, CA

Sachs, S., Rühli, E., Kern, I. (2008), The Globalization as Challenge for the Stakeholder Management. Paper accepted and presented at the Annual Meeting 2008 of the Academy of Management (AoM).

Conference Attendance (cont'd)

HWZ-Arena Panel Discussion

Health benefits instead of health costs

Discussions about health costs are ubiquitous in the media. On April 9th 2008, three exponents of the Swiss health care system (Prof. Dr. med. Felix Gutzwiller, Dr. Petra Danielsohn-Weil, Manfred Manser) participated in a panel discussion about this topic, moderated by Prof. Dr. Sybille Sachs. More transparency and quality in the health care system was called for by all three of them. They agreed on the importance of a new incentive scheme to foster a healthy and responsible lifestyle. It was suggested that the actors in the health care system establish some common criteria for quality that should be controlled. A new, independent institution could enhance and monitor quality and focus not only on costs, but also on benefits.

In addition to our conference attendance 2008 we published and submitted the following book sections and papers for publication or conference attendance:

Sachs, S., Rühli, E. (in press), The Stakeholder View - A Concept that Introduces CSR in Strategic Management. In: Louche C., O'Idowu, S., Leal Filho, W. (upcoming), Innovative Corporate Social Responsibility: From risk management to value creation. To be published by Greenleaf Publishing in Fall, 2009.

Sachs, S., Rühli, E. (in review), The Stakeholder View of Strategy (SHV) - A Comprehensive Approach to Harmonize Public and Entrepreneurial Interaction. In: Pechlaner, H. (upcoming), Unternehmertum und Public Private Partnership.

Sachs, S. (2008), Wirtschaftswachstum dank Stakeholdern. Published in „Handelszeitung“, Nr. 28, 9. – 15. Juli 2008, Zurich.

Meier, C., Sachs, S. (2008), Einkommens- und Vermögensungleichheiten: Motor oder Bremse eines nachhaltigen Wirtschaftswachstums in der Schweiz? Published in “Schweizer Arbeitgeber“, Nr. 17, 28. August 2008, Zurich.

Various Working Papers, short notices in News Papers and periodical publication of a column in the “Neue Aargauer Zeitung” by Prof. Dr. Sybille Sachs.

Books

Sustainable Success with Stakeholders - The Untapped Potential

by Sybille Sachs, Edwin Rühli, Isabelle Kern

In spring 2009, the English version of the book "Lizenz zum Managen", written by Sybille Sachs, Edwin Rühli and Isabelle Kern will be published by Palgrave. The book shows managers in a very hands-on manner how they can identify their stakeholders and cooperate with them in a mutually successful and satisfying way. It includes numerous examples from the case studies and from international firms, illustrating the stepping stones to a comprehensive stakeholder management. This makes it an indispensable companion for managers of small and large firms and for business students interested in seeing how the theoretical concepts of the Stakeholder View can be applied in practice.

Stakeholders Matter - A Stakeholder Based Theory of Strategy

by Sybille Sachs, Edwin Rühli, Isabelle Kern

In 2008, Sybille Sachs, Edwin Rühli and Isabelle Kern prepared a proposal for a theory-book. The authors' aim is to create a state-of-the-art book on stakeholder-oriented strategic management that calls for a new understanding in strategic management to overcome the obvious shortage of existing business models that the current financial crisis has clearly revealed.

The shareholder value model has led to mismanagement, to managers taking excessive risks and a market failure which not only endangers the affected firms but whole industries and in the end the global economy.

The new book will further advance the strategic approach "Stakeholder View of Strategy" (SHV) developed and published in the book "Redefining the Corporation" by Post, Preston & Sachs (2002) by understanding stakeholder relations as partnerships to draw on benefit potentials in an economic as well as societal sense. The upcoming paradigm regards stakeholders and a corporation as partners in a network can work together to exploit their common grounds to create new innovative solutions.

We want to provide insights to academics as well as management practitioners who wish to have a comprehensive view of strategic management.

education

Teaching Activities

University of Applied Sciences (HWZ)

Bachelor Business Administration
Strategic Management, spring semester 2008

Lecturer: E. Rühli,
V. Mittnacht

Bachelor Business Administration
Strategic Management / Corporate Governance
Autumn semester 2008/2009

Lecturer: E. Rühli, G. Ulrich,
D. Käslin, T. Ruther,
M. Moser

Bachelor Business Administration
Stakeholder Management / Corporate Governance
Autumn semester 2008/2009

Lecturer: S. Sachs, I. Kern,
I. Perrin, C. Meier,
A. Gäumann

MAS Health Care
Strategic Management, autumn semester 2008/2009

Lecturer: S. Sachs

MAS Business Communications
Strategic Management, spring semester 2008

Lecturer: S. Sachs

MBA - USQ
Strategic Management, autumn semester 2008/2009

Lecturer: E. Rühli

In 2008 all these courses have been revised, extended and adapted to the newest international publications. These activities led to a time consuming effort which reduced our time for research and publications. Further we made significant contribution to the preparation of the "Master of Science in Business Administration" which will be launched in FS 2009.

University of Zurich

Seminar on Business & Society
FS 2008

Lecturer: S. Sachs

Teaching Activities (cont'd)

PhD Workshops

PhD Seminar at the University of Applied Sciences for Business Administration (HWZ) held by Prof. Dr. Suzanne Beaulieu from the Université de Sherbrooke, Canada and Prof. Dr. Sybille Sachs in March.

PhD Colloquium at the University of Applied Sciences for Business Administration (HWZ) held by Prof. Dr. Grant Savage from the University of Missouri, USA and Prof. Dr. Sybille Sachs in September.

In Practice

Due to the publications on our research projects in the last year more and more firms, professional institutions and governmental agencies invited us to present our results in their conferences, workshops and management development courses.

One event is of special importance:

In order to test our Stakeholder View of Strategy, developed in the context of Western economies in other cultural settings, we launched a project with Universities and firms in India. Two preliminary workshops are planned in spring and autumn 2009 in India. This project is supported by the Swiss Federal Authorities.

Dissertations

Completed Dissertations 2008

Isabelle Kern: "The Suitability of Topic Maps Tools for Knowledge Creation with Stakeholders", University of Zurich.

Committee: Prof. Dr. Helmut Schauer, Prof. Dr. Sybille Sachs,
Prof. Dr. Abraham Bernstein

Veronika Mittnacht: „Corporate Governance in a Stakeholder Perspective“, University of Zurich.

Committee: Prof. Dr. Egon Franck, Prof. Dr. Sybille Sachs

Current Dissertations 2008

Dominic Käslin: "Managing Interrelated Stakeholders in the Pharmaceutical Industry", European Business School.

Committee: Prof. Dr. Jean-Paul Thommen, Prof. Dr. Sybille Sachs

Irène Perrin: "Corporate Legitimacy and the Role of the Mass Media as Stakeholders", University of Zurich.

Committee: PD Dr. Werner A. Meier, Prof. Dr. Sybille Sachs

Completed DBA Projects 2008

Georges Ulrich: „Repositioning of a Stakeholder Issue, applied at Pfizer Switzerland“, University of Southern Queensland, Australia (USQ) in cooperation with the University of Applied Sciences for Business Administration (HWZ).

Committee: Prof. Dr. Bruce Millett, Prof. Dr. Sybille Sachs

Georges Ulrich is the first Doctorate of Business Administration (DBA) alumnus at the University of Applied Sciences for Business Administration (HWZ).

The Stakeholder View Forum opens a portal between theory and practice for a modern perspective of strategic management in order to enhance a firm's sustainable success thanks to a professional organization of the relationship with all relevant stakeholders.

forum

Forum Activities 2008

Forum Stakeholder View

In 2008 the Forum Stakeholder View reviewed its activities. In addition to the support of the research on the Stakeholder View of Strategy (SHV) the Forum will offer in the future mediation in stakeholder networks as a new service to firms. This will enable firms to perceive similarities they have with their stakeholders and to cooperate with them in a partnership in which neither side will play a superior role. With this the Forum supports a goal of the CTI-project namely to transfer the research insights to firms in practice.

In this perspective the Forum Stakeholder View has broadened its board. The members are: Prof. Dr. Edwin Rühli (president), Prof. Dr. Sybille Sachs, Dr. Ulrich Gut, Prof. Dr. Ruth Schmitt, Dr. Thomas Streiff, Dr. Mark Veser and Isabelle Kern. The Forum also allocated its resources partly to this new activity.

Academic/Practical Commitment & Memberships

Academic Commitment of Prof. Dr. S. Sachs

Member of the Committee at large of the Social Issues in Management (SIM) Division of the Academy of Management (AoM)

Member of the Multi-Stakeholder Advisory Council of the European CSR Platform

Member of the Expert Advisory Committee of the MAS in Business Communications at the University of Applied Sciences (HWZ)

Elected to the Editorial Board of the Journal "Business and Society" in 2008

Member of the Editorial Board of the Journal "Corporate Citizenship"

Practical Commitment of Prof. Dr. S. Sachs

Member of the school board at the University of Applied Sciences for Business Administration (HWZ) since October 2008

Promoter for a better "Vereinbarkeit von Beruf und Familie" in organizations (Nomination by the „Regierungsrat des Kantons Zürich“)

Member of the ZKB (Zürcher Kantonalbank) Sustainability Board

Member of the board of the Forum Stakeholder View

Memberships

Academy of Management (AoM)

International Association for Business and Society (IABS)

Schweizerische Gesellschaft für Betriebswirtschaftslehre (SGB)

Verband der Hochschullehrer für Betriebswirtschaft

European Academy for Business in Society (EABIS)

Strategic Management Society (SMS)

Verein für Socialpolitik

Academic Network of the Global Compact

Schweizerische Gesellschaft für Kommunikations- und Medienwissenschaft (SGKM)

Creative Direction and Design by Marc Moser

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Map

