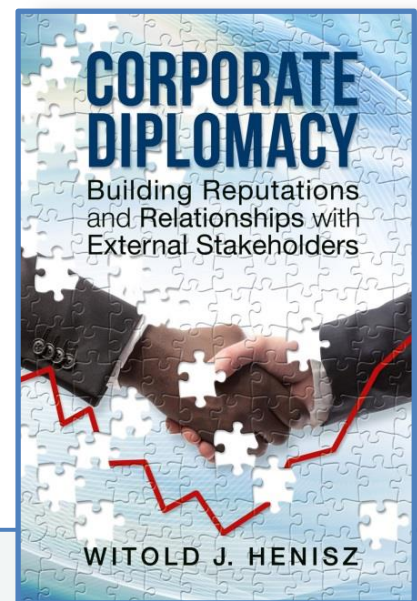


# Corporate Diplomacy

## Building Reputations and Relationships with External Stakeholders

**Witold J. Henisz**

Corporate diplomacy creates real business value. It's not just feel-good atmospherics or canny PR. Using colourful examples, practical tools and considered perspectives, this important new book hones in on a fundamental challenge for managers of multinational corporations.



*A practical guide to creating value for stakeholders. Managers can learn the diplomatic skills they need to deal with all kinds of stakeholders in a positive and constructive way. This is a rare book that is theoretically sound and practically relevant.* -- **R. Edward Freeman, University Professor and Olsson Professor, The Darden School, University of Virginia; author, 'Strategic Management: A Stakeholder Approach', 'Managing for Stakeholders: Survival, Reputation and Success' and 'Stakeholder Theory: State of the Art'**

*"Corporate Diplomacy" spells out the business sense of strategically building relationships with stakeholders. Its case studies are a useful reference in the search for ways to continually improve this crucial area of business.* -- **Yedwa Simelane, Executive Vice President, Stakeholder Relations & Marketing, AngloGold Ashanti**

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Managers of multinational organizations are struggling to win the strategic competition for the hearts and minds of external stakeholders. These stakeholders differ fundamentally in their worldview, their understanding of the market economy and their aspirations and fears for the future. Their collective opinions of managers and corporations will shape the competitive landscape of the global economy and have serious consequences for businesses that fail to meet their expectations.

As falling communication costs shrink the distance between external stakeholders, shareholder value is increasingly created and protected through a strategic integration of the external-stakeholder-facing functions. These include government affairs, stakeholder relations, sustainability, enterprise risk management, community relations and corporate communications. Through such integration, the place where business, politics and society intersect need not be a source of nasty surprises or unexpected expenses.

Most of the firms profiled in the book are now at the frontier of corporate diplomacy, but they didn't start there. They fell into conflicts with critical stakeholders – politicians, communities, NGO staffers, or activists – and they suffered. They experienced delays or disruptions to their operations, higher costs, angry customers, or thwarted attempts at expansion. Eventually, the managers of these companies developed smarter strategies for stakeholder engagement. They became corporate diplomats.

This important new book draws on their experiences to take the reader to the forefront of stakeholder engagement and to highlight the six key elements of corporate diplomacy, as well as the 12 common traps to avoid.

**Out on April 25th**

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## **About the Author**

**Witold J. Henisz** is the Deloitte & Touche Professor of Management in Honor of Russell E. Palmer, former Managing Director at The Wharton School of The University of Pennsylvania. His research examines the impact of political hazards on international investment strategy including efforts by multinational corporations to engage in corporate diplomacy to win the hearts and minds of external stakeholders. His research has been published in top-ranked journals in international business, management, international studies and sociology.

Witold has won multiple teaching awards at the graduate and undergraduate levels and also teaches extensively on the topic of Corporate Diplomacy in open enrolment and custom executive education offerings, and serves as the Academic Director for a new open enrolment program specifically on this topic. He is currently a principal in the political risk management consultancy PRIMA LLC whose clients include Anglo Gold Ashanti, Rio Tinto, Shell Corporation, Maritime Financial Group, The World Bank, The Inter-American Development Bank, The Conference Board, Eurasia Group, and Philippine Long Distance Telephone Company (PLDT).

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