

GOV12

Manage relationships with stakeholders



Overview

This standard is about the Governing Body identifying key stakeholders, responding to their concerns, managing relationships with and between them and resolving conflicts when necessary.

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Performance criteria

You must be able to:

- P1 Identify internal and external stakeholders and their relationship with the organisation
- P2 Agree methods and criteria to manage relationships with stakeholders
- P3 Ensure channels of communication are set up with stakeholders
- P4 Generate support from stakeholders on key strategic issues
- P5 Ensure that the organisation responds effectively to significant issues and concerns involving stakeholders
- P6 Identify and resolve conflicts and disagreements between internal and external stakeholders
- P7 Encourage and enable the engagement of stakeholders to ensure the efficient exercise of its **stewardship** functions and governance responsibilities
- P8 Ensure that communications from the organisation are relevant, consistent, accurate, and cost-effective
- P9 Monitor and review relations with stakeholders
- P10 Ensure that robust procedures are embedded into the systems to manage communications at times of crisis as well as on a routine basis
- P11 Ensure information systems are capable of alerting the Governing Body to the possible risks and costs of mismanaged relations

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Knowledge and understanding

You need to know and understand:

- K1 How to identify internal and external stakeholders
- K2 How to evaluate stakeholder interests and their impact on organisations
- K3 Methods and criteria that can be used to manage relationships with stakeholders
- K4 Channels and methods of communication appropriate for use with stakeholders
- K5 How to generate support from stakeholders on key strategic issues
- K6 Methods of identifying, prioritising and responding to stakeholder issues and resolving conflicts where appropriate
- K7 Methods of encouraging and enabling engagement with stakeholders
- K8 How to enhance the quality of engagement between key stakeholders and organisations
- K9 Criteria for evaluating communications with stakeholders
- K10 Appropriate monitoring and evaluation systems
- K11 The risks and costs of mismanaged stakeholder relations

Glossary

Stewardship

The UK Stewardship Code is based on the UK Corporate Governance Code which emphasises the value of a constructive dialogue between institutional shareholders and companies based on a 'mutual understanding of objectives' including the good practice on engagement with investee companies which it believes institutional shareholders should aspire to.

**Links to other
NOS**

Company Secretary NOS
CS1, CS4, CS5

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Relevant occupations 1000 Managers and Senior Officials
1112 Directors and chief executives of major organisations,
1114 Senior officials of special interest organisations
1131 Finance Managers and Chartered Secretaries
1135 Personnel, training and industrial relations managers
2000 Professional Occupations
2421 Chartered and certified accountants
2422 Management accountants
4000 Administrative and Secretarial Occupations
4214 Company Secretaries

Suite Governance

Key words Governance responsibilities, Company Secretary, stakeholder engagement, stakeholder interests, managing relationships, stakeholder support, strategic key issues, resolve conflicts, stewardship, stakeholder relations