

A sociopolitical perspective of stakeholders: narratives and tensions in the implementation of a mining company

Uma perspectiva sociopolítica dos *stakeholders*: narrativas e tensões na implantação de uma empresa de mineração

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Abstract

This article analyzes how strategies are influenced by relational tensions between stakeholders who lead the narratives of implementation of a mining company: the company and the government. A narrative approach to strategy, the open strategy concept and a sociopolitical perspective of stakeholders are adopted. From a qualitative and longitudinal approach, field research was carried out. The narrative analysis method was used for data collection and analysis through documentary research and interviews with stakeholders. The results show that the relational tensions between these stakeholders influence the production of their strategies in the search for legitimization of the interests of each stakeholder, the formation of networks between stakeholders and supporters. The results show that the sociopolitical and longitudinal embroidery of stakeholders' narratives offers an alternative for a managerial and classificatory approach of stakeholders.

Keywords: strategy as narrative; open strategy; strategy-in-practices; sociopolitical perspective of stakeholders; stakeholder theory.

Resumo

Este artigo analisa como as estratégias são influenciadas pelas tensões relacionais entre os stakeholders que protagonizam as narrativas de implantação de uma empresa de mineração: a empresa e o poder público. Adota-se uma abordagem narrativa da estratégia, o conceito *open strategy* e uma perspectiva sociopolítica dos stakeholders. A partir de uma abordagem qualitativa e longitudinal foi realizada uma pesquisa de campo. O método de análise narrativa foi utilizado para a coleta e análise dos dados por meio da pesquisa documental e entrevistas com stakeholders. Os resultados evidenciam que as tensões relacionais entre essas partes interessadas influenciam a produção de suas estratégias a partir da busca por legitimação dos interesses de cada stakeholder, da formação de redes entre stakeholders e apoiadores. Os resultados apontam para uma abordagem sociopolítica e longitudinal das narrativas dos stakeholders que oferece uma alternativa para a abordagem gerencialista e classificatória dos stakeholders.

Palavras-chave: estratégia como narrativa; estratégia aberta; estratégia-em-prática; perspectiva sociopolítica dos stakeholders; teoria de stakeholders.

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1 Introduction

Recent studies propose an approximation between a socio-political approach to Stakeholders and organizational strategy. A dialogue between the two areas of study and practice can benefit from a pragmatic philosophy (Barney & Harrison, 2020; Bridoux & Stoelhorst, 2022; Freeman, Phillips, Sisodia, 2020). In addition to the instrumental and normative pillars, which characterized the theory of Stakeholders, the pragmatic perspective offers an alternative for dealing with tensions, discourses, interests, and conflicting practices, by accommodating differences, postmodern subjectivity, and political pluralism (Godfrey & Lewis, 2019).

This research adopts a strategy pluralistic approach, based on the concepts of *open strategy* and the role of narratives in the construction of strategy by stakeholders. In a socio-political approach to stakeholders, Sachs and Rühl (2011) defend the generation of mutual value through actions in networks; Bonnafous-Boucher and Rendtorff (2016), establish a relationship between the business world and public life, taking on the interdependencies of economic, legal, social, political, cultural and ecological aspects; and, Bridoux and Stoelhorst (2014) analyze stakeholder interactions motivated by self-serving bargains and by negotiations that generate social value for their actions.

This article offers a reflection on the mediation of conflicts of interest between stakeholders by legal, institutional or market regulation (Bonnafous-Boucher & Rendtorff, 2016), considering that organizations are not able to accommodate all stakeholders at the same time, and therefore need to negotiate. These negotiations, in turn, are situations of relational tension due to the diffusion and changes of the interests of interest groups and the difficulty (and even impossibility) of managers to accurately identify such interests, neither the degree of their influence nor their needs, contributing to a dynamic that involves the maintenance, expansion or reduction of conflicts throughout the strategy process.

This research is developed in the context of mining, an economic and social activity that generates expectations, mobilizes interests and meets (or not) the needs of various stakeholders. Some perceive it as a threat to the environment or local culture. Others see it as the symbol of developmental progress, and there are still those who believe that the mining company, as it is a large company, generates more and better jobs, more income, and better working conditions for the city and the region in which this activity occurs. Mining companies, seen here as a central stakeholder, seek to achieve objectives aimed at expanding their capital, prosperity and perpetuating their economic activities. Another interest group that plays a leading role in mining ventures is the public authority, represented in this article, by the Public Prosecutor's Office, state governments and municipalities. The process of implantation of a mining plant is relevant to the public sphere, for whom the enterprise can mean a substantial transformation in the economic matrix of the municipality, especially by generating jobs, increasing income and collecting more funds for the public coffers.

The National Mining Agency (ANM (Agência Nacional de Mineração)), the regulatory body of mining activity in Brazil, highlights, in its strategic planning, the need to promote the balance between the rational use of mining resources in the generation of well-being of society (ANM, 2023). The opening and maintenance of a mining plant offer challenges and risks that concern public administrators because a large company in the mining sector implies supervision, control and expansion of municipal expenses with the increase in demand for health, education, public safety and transportation services. There is also the fact of what may happen to the municipality if or when the mining activity closes due to natural exhaustion. This involves change in the flow of workers when they lose their jobs (immigration/emigration), the



shrinking of the productive sector composed of local businesses that will lose their customers, the drop in revenue for the municipality and even the impact on local cultural life.

This research seeks to answer the following question: how do the relational tensions between the stakeholders who lead the implementation of a mining company impact the elaboration of its strategies (*open strategy*)? The objective is to analyze the relational tensions between the interested parties who lead the narratives of the implementation of a mining company: the public authority and the mining activity company. The scenario depicted here occurred in the city of Patrocínio, Minas Gerais, and refers to the mining process that was inaugurated in the 1960s, whose mining exploration rights were transferred over time. This is empirical and longitudinal research with the application of the narrative analysis method. Data were collected through interviews and the use of documentary research in minutes and videos of public hearings and newspaper reports. Narratives are developed through conversations, stories, and discourses (Samra-Fredericks, 2003). In business narratives, organizations seek to be understood (Czarniawska, 2007).

2 A social and political perspective of stakeholders

The relationship between an organization and its stakeholders is immersed in power relations and latent conflicts of interest, old and new. The company's activities have porous boundaries with other social activities. Freeman (1984) brought the concept of Stakeholder to the center of strategic management studies. Since the early 1980s, stakeholders have been defined as "group or individual who can affect or is affected by the achievement of the organization's objectives" (Freeman, 1984, p. 46). Other studies contributed to the emergence of a theory of Stakeholders in which managers classify and manage the organization's relationships with the groups of stakeholders (Mitchell, Agle, & Wood, 1997), from economic assumptions and the roles and impacts of each stakeholder on the economic performance of the company (Jawahar & McLaughlin, 2001; Parmar *et al.*, 2010; Phillips, Freeman, Wicks, 2003).

This research adopts an analysis of the interaction among stakeholders supported by interpretative and structuralist assumptions, rather than the instrumental perspective, of a functionalist and managerialist nature, or the descriptive-normative perspective (Donaldson & Preston, 1995), focusing on the impact of stakeholders on the generation of economic value. More specifically, this research is based on the study of Sachs and Rühli (2011), who defend mutuality in the generation of superior value for stakeholders, as actors that tend to operate in a network to achieve benefits, optimize resources and avoid and/or reduce risks; and, also on the premises of Bonnafous-Boucher and Rendtorff (2016), for whom there is a relationship of alternation in the roles of civil society and organizations, which allows and restricts stakeholder relationships.

The way interest groups are perceived by organizations is influenced by how they interact; and, according to Bridoux and Stoelhorst (2014) and Lange, Bundy and Park (2022), such interactions can be perceived as reciprocal or self-serving, since individuals are motivated by the (subjective) idea of what the social value of their actions might be. This social value is perceived as some kind of return associated with benefits for oneself and/or others. Still, the authors argue that the interests that lead to actions can be perceived in three dimensions: the weight of rewards for themselves; the weight of rewards for others; and the weight given to an equity of rewards. For the authors, individualists are inclined to focus on increasing their own returns, while prosocials are inclined to increase joint rewards as well as the equity of returns (Bridoux & Stoelhorst, 2014).



The interactive principle of stakeholders is the same as civil society, that is, individuals primarily seek their well-being and the satisfaction of their vital needs (Bonnafous-Boucher & Rendtorff, 2016). To achieve the interests and needs of civil society, these need to be in tune with the common good and be mediated by the interest of the collectivity, based on the assumption that the individual interest coexists with the collective interest. The way this occurs is through the institutionalization of interests, or through the formation of (interest) groups that are guided by internal norms and legality (Bonnafous-Boucher & Rendtorff, 2016). The authors also state that the analysis of interest groups is not limited to a management study, since it contemplates the study of contexts that should consider not only those rights holders who claim and defend their interests, but also those who are unaware or who don't manifest themselves.

A departure from the functionalist beginnings of the theory of Stakeholders is defended by Bonnafous-Boucher and Rendtorff (2016). They argue that organizations, as collectivities, share negotiated interests beyond their internal limits, coming to consider external actors and facts. For the authors, the barriers between the social, political and economic become more porous. This implies a sociopolitical perspective of the stakeholders. Many organizations attest in their narratives to their commitment to social policies, and many agents, who previously regulated the markets, begin to compete in them. That perspective recognizes that interactions between Stakeholders are situated in the midst of conflicts among different interest groups and are immersed in a context of local and global change; and, therefore, have implications for the sovereignty of organizations regulated by institutions of the rule of law.

An approximation between the roles of institutions and organizations towards a stakeholder perspective that leads to a new articulation for civil society, according to Bonnafous-Boucher and Rendtorff (2016), does not lead to the elimination of conflicts of interest among these actors. However, such a perspective shifts the emphasis from the economic function and performance of the company (traditional stakeholder theory perspective) to a focus on mutuality (Sachs & Rühli, 2011). Another difference from a political perspective is the understanding that values are created with and for stakeholders, diverging from the position of value creation on a purely economic basis, such as return on capital. Mutuality generates value by promoting improvements and benefits for those involved, reducing risks for organizations and their stakeholders, who are embedded in the network of interactions. The superior value is conceptualized, by Sachs and Rühli (2011, p. 77), as the "continuous effort by the company and its stakeholders to improve the quality of life of human beings and the sustainability of the natural world". The authors argue in favor of understanding the networks of relationships for the generation of benefits, the mitigation of risks, and the generation of superior value for all involved, aiming at healthier lives and the maintenance of natural resources.

3 Strategy in practice and *open strategy* process narratives

The relationship between strategy seen as a social practice (Rouleau & Cloutier, 2022) and narrative practices is seen as natural, according to Brown and Thompson (2013), for two reasons: both concepts are more subjectivist, relativistic and pluralistic; and both share ontological and epistemological assumptions. Narrative records can potentially contribute to the formation of strategists (and strategies) as innovative and credible authors. For Brown and Thompson (2013), the narrative is understood from two dimensions: structural, which assumes the existence of a plan, of actors with pre-defined roles, and scenarios that imply a course of action in a continuous order; and, communicative, which assumes that the readers and the interpretive process are as important as the structure or authorship of the action. An approach



of strategy as narrative considers: polyphony (dissonance in the understanding and dissemination of the organization's key strategies) and equivocality (the strategy's ability to generate misconceptions). Therefore, most organizations have multiple strategic narratives to respond to the nuances of strategy: the influence of the action of the strategists, the context, and the purposes and interests of those involved.

To Samra-Fredericks (2003), creating and conducting narratives are skills required of people when *strategizing*. In his study, the narrative is developed through conversations, stories and discourses. It highlights six basic skills developed by *strategizers*: expose knowledge; moderate human interactions; consult those involved; control and manifest emotions appropriately; interpret metaphors; and put the story to work for the organization. With their narratives, individuals internal to the organization as well as external actors transform the *strategizing* into an open perspective (*open strategy*) (Hautz *et al.*, 2019; Seidl, Von Krogh, & Whittington, 2019).

Strategy-in-Practice (SIP) is a philosophical approach to strategy as an emergent process that generates organizational results. This accommodates the perspective of Strategy as Practice (SAP) and the perspective of Strategy Process (SP). According to MacKay, Chia and Nair (2021), SIP has the potential to reconcile macro/micro. The macro/micro relationship is essential for understanding *open strategy* as an emergent process that combines activities, practices, narratives, and discourses of strategy practitioners in multiple contexts of action.

Narratives, formal and informal conversations, stories, and other manifestations of language transform strategy into a process of power relationships. The strategy is exercised "ambiguous and contradictory ways that both supports and thwarts managerial endeavours", according to McCabe (2009, p. 152). At both levels, micro and macro, power is present in all moments of moderation of the interests of the various groups of actors. The author also analyzes that an individual or group will always be acting so that their interest prevails, while the other, the target of their dialogue, can always offer resistance.

The narrative is capable of promoting stability or organizational change in the course of creating and implementing a policy, a program, a strategy. For Vaara, Sonenshein and Boje (2016) and Vaara and Fritsch (2021), due to the complexity of change, a single narrative would not be able to comprehend all its nuances. For these authors, narratives are socially constructed by the organization's actors who compete to establish a dominant narrative about change, but these dominant narratives can also alter the organization's trajectory in the future.

Strategic practices can be triggered not only through formal practices, but also through informal interactions (Hoon, 2007). Conversations direct and support the flow of discussions to (re)shape strategy; and they allow negotiation among participants, especially agents of different hierarchical levels to establish their positions, generate understanding, make pre-arrangements, produce opinions, and express and legitimize their perceptions and strategic practices (Hoon, 2007).

4 Methodological procedures

This research presents elements that set it between interpretive and structuralist paradigms, since the complexity of social structures and practices make the boundaries between epistemological paradigms porous (Gioia & Pitre, 1990). The approach of the researched material is qualitative (Denzin & Lincoln, 2010). The implementation of the phosphate mining activity in Patrocínio, Minas Gerais, can be defined in four phases: Phase 1: Research 1969 to 2003; Phase 2: Planning 2004 to 2015; Phase 3: Implementation 2016; and Phase 4: Start of



Operation 2017. In the research, a longitudinal approach was adopted from 2001 to 2018, which covers the four stages, starting at the date of the public hearing, which took place on October 31, 2001, when the company informed the population of Patrocínio about the venture and expressed the intention to start it.

For data collection, the techniques of documentary research, media research and semi-structured interviews were employed. Initially, with the documentary research, two groups were identified: the company and the public authority. These two groups were present in 88% (172/195) of the documents and narratives found in the field. It is these groups, therefore, that make up the researched public. The documentary research was carried out in a physical environment, in the places where the documents were deposited by virtue of the relevant regulations. For a mining enterprise to be implemented, there are participatory procedures, including public hearings. Individuals who participate in public hearings are those who notably have an interest in understanding the impacts and influencing the process. In relation to the present research, the public hearings of the process of implantation of phosphate mining activity, in the city of Patrocínio, took place on October 31, 2001, November 19, 2009, and September 30, 2015.

The research of material written by the local media, in addition to audio and videos (Loizos, 2010), generated a total of 195 narratives collected and analyzed. Of these, 172 narratives were directly related to the implementation of the mining activity. The documents were collected in the form of printed or digitized material (40 narratives). The media manifestations were gathered in physical media or collected digitally from the Internet (100 narratives) and in audio and video (19 narratives). The photos were collected in the documentary research or were offered by the stakeholders themselves (13 narratives).

For the narrative interview technique (Jovchelovitch & Bauer, 2010), a guide topic was used, elaborated and used to guide the interviews with stakeholders representing groups interested in the phenomenon of phosphate mining in the city of Patrocínio. Six interviews were conducted with representatives of the two groups, five of which were representatives of the public authority: Prefeitura Municipal de Patrocínio (PMP) and its organs, the Legislative Assembly of Minas Gerais, the Chamber of Councilors of Patrocínio, the Public Prosecutor's Office and the Government of the State of Minas Gerais and its organs; and a representative of the company who held the mining exploration rights at the time – Mosaic Fertilizantes. The interviews were recorded and later transcribed. The choice of interviewees was guided by the participation of public bodies in the hearings; in the case of the company, its appointed representative was sought.

The collection and analysis of the researched material, documents, audio and video, and interviews, were conducted by the method of narrative analysis (Clandinin & Connelly, 2015). This implies understanding and interpreting this material as social histories, which deal with everyday life, expectations and tensions (Jovchelovitch & Bauer, 2010). The sociopolitical perspective of the stakeholders (practitioners, in the concept of strategy as social practice) allowed, a priori, the definition of the following categories of analysis: (1) legitimation of interests; (2) mutual value creation; and (3) building relationship networks. The analysis of the results emphasizes the tensions manifested in the practice of these three categories, considered here as routes of ongoing practices, strategy-in-practice (MacKay, Chia, & Nair, 2021).

In a study on the method of narrative analysis, Clandinin and Connelly (2015) argue that people in interaction are interconnected and immersed in contexts of narrative and temporality that are a determining factor in giving meaning to each of the individuals and groups. The narrative is how organizations can be understood, says Czarniawska (2007), but it also generates tension, confrontations, paradoxes and interruptions. The tensions between local



and/or marginal narratives and the dominant narrative may be related to: temporality (past, present and future); people (observation and change); action (the narrative); and certainties (different meanings). Narratives allow the understanding of how human beings construct their identities and the meaning of their experiences (Fenton & Langley, 2011), whether they are short stories, fragments of the day-to-day that make up the strategies of the organization, or even macro narratives that represent an entire industry, or sector, in a social situation. Narratives are also relevant to the identification of a central element of strategy: power relations (McCabe, 2009).

5 Presentation and analysis of results

5.1 The Company Group

This group is composed of the previous and present holders of the phosphate mining rights in Patrocínio. It should be noted that these mining rights were transferred by the mercantile nature of a mineral deposit and by the very movement of demand of the fertilizer sector. Since the research request by the Vales Fosfertil Tapira Consortium (CVFT) in 1969, the mining rights were transferred to Companhia Vale do Rio Doce (CVRD) in 1992, to Fosfertil Fertilizantes Fosfatados S/A in 2001, to Vale Fertilizantes in 2011, and sold to Mosaic Fertilizantes in 2016.

The analysis of the narratives allowed the identification of five TCG, according to Table 1: (a) the transfers of ownership of the mining rights that permeate all phases of the project; (b) the change of the original project; (c) the macroeconomic conditions that influence decisions; (d) intentional silence in moments of tension; and (e) the approach in dealing with the other groups, alternating between approximation and distancing.

The transfers of ownership were for specific reasons that the narratives do not accurately cover. There was a period of mergers and acquisitions that involved the participants of the consortium and the shareholders, with changes in market strategies that made the entrepreneurs abandon the fertilizer business in part or totally. In the interview, the representative of the company Mosaic Fertilizantes justifies the changes in the project as being reflections of market conditions and macroeconomics, which may result in changes in control over mining rights.

The project developed slowly, and there were several changes of direction over time that were provoked by the reality of the business itself, the macroeconomic reality and the fertilizer business. [...] So, in a given year, it seemed viable, promising and possible to build an industrial complex. Shortly after, these conditions disappeared, there were no macroeconomic and market conditions that would enable such a large investment (Interview with Company, 2018).

There were indications of growing value of Fosfertil Fertilizantes Fosfatados S/A from 2004 to 2007, with significant economic results. In 2006, a new board takes over, according to documentary analysis of the company's own statement. And in the following years, the strength of investment is also portrayed. The document entitled "Fato Relevante" of 2008, edited by Fosfertil, declares the purpose of investment in the mining and chemical industry project. Regarding this narrative, it is noteworthy that this document, although following legal regulation, is directed only to "its shareholders and the market", disregarding the other stakeholders.



This fact must be communicated to the market to ensure that there is no privileged information for anyone. That is, what the Securities and Exchange Commission determines is that impactful information that may change the value of the shares must come to the attention of all shareholders and potential shareholders at the same time (Interview with Company, 2018).

Table 1
Synthesis of the analysis of the Tensions of the Company Group – TCG

Categories	Relational tensions	Grounding from a socio-political perspective
Legitimation of interests of this stakeholder	The transfers of ownership of the mining rights from one company to another, which permeates all phases of the project.	<ul style="list-style-type: none"> Stakeholders and civil society, that is, individuals who primarily seek their well-being and the satisfaction of their needs (BONNAFOUS-BOUCHER; RENDTORFF, 2016). The distinction between stakeholders can be guided by their bargaining power (BRIDOUX; STOELHORST, 2014).
	The change in the original project.	<ul style="list-style-type: none"> Individualists are inclined to focus on increasing their own returns, while prosocials are inclined to increase joint rewards as well as equity of returns (BRIDOUX; STOELHORST, 2014).
Creation of networks with other stakeholders and supporters	The silence used intentionally in moments of tension and crisis in the implantation.	<ul style="list-style-type: none"> The theory of stakeholders does not reside only in a management study, as it also needs to contemplate the study of contexts in which both those rights holders who claim and defend their interests and those who are unaware or silent are present (SACHS; RÜHLI, 2011).
	An approach that alternates between approach and distance.	<ul style="list-style-type: none"> The boundaries and barriers between the interests and needs of stakeholders are porous and allow for different arrangements for generating superior value and well-being for people (SACHS; RÜHLI, 2011).
Mutuality in value creation	Macroeconomic conditions influencing decisions: changes and delays.	<ul style="list-style-type: none"> Mutuality can promote improvements and benefits for those involved, reducing risks for organizations (SACHS; RÜHLI, 2011).

Source: prepared by the authors.

The rapprochement with the company can be noticed with the resumption of conversations with the other groups in 2015, with the presentation of the new project to the Executive and Legislative branches, in the mayor's office. In a new format, the mining project was presented, eliminating the industrial complex in Patrocínio, taking advantage of the structure of the existing chemical industrial plant in the municipality of Araxá (Figure 1).

Both the changes of the original project, perceived as postponement (Figure 2), which included the mining plant and the chemical industrial plant, and the delays in the implementation were generators of TCG. The unilateral action of the company is associated with what Bridoux and Stoelhorst (2014) attribute to the individualists, who are inclined to focus on increasing their own returns. Prosocial individuals and groups were more inclined to amplify joint rewards and seek equitable returns for those involved. The news of the definitive coming of the mining activity, with the exploration of the phosphate mine is considered a great achievement with distinct manifestations. The expressions of support are presented mainly at the public hearing held in 2015.



Figure 1. Press reports modification in mining project in Patrocínio



Source: Research data, Folha de Patrocínio newspaper, August 29, 2015.

Figure 2. Postponement of investment



Source: Survey data, newspaper Hoje em Dia, December 26, 2012.

None of us is against the development and implementation of Vale Fertilizantes. On the contrary, we are, yes, favorable (Public Authority, Public Hearing, 2015, p. 80). There is not a single Patrocinese, in good conscience, who is against the coming of Vale to Patrocínio (Public Authorities, Public Hearing, 2015, p. 95).

As for the macroeconomic conditions, these influenced the decisions and the unfolding of the numbers pointed out in Fosfertil's own 2009 Results Report, culminating, coincidentally

or not, with the acquisition of the shares of all the companies participating in the business group by Vale S.A., which then became Vale Fertilizantes.

In January 2010, the shareholders of BPI – Bunge Participações e Investimentos S.A. (Bunge), entered into an agreement for the sale of their direct and indirect interest in the Company to a company controlled by Vale S.A. (Vale). [...] Upon completion of the acquisition of the direct and indirect stakes of Bunge, Heringer, Fertipar, Yara and Mosaic, Vale will hold 78.90% of the Company's capital, corresponding to 99.81% of the common shares and 68.24% of the preferred shares (Fosfértil, 2010).

The successive transfers of ownership of the phosphate mining exploration rights in Patrocínio seem to be aligned with the strategic purposes of the companies, by attending primarily to their well-being and the satisfaction of their needs and objectives (Bonnafous-Boucher & Rendtorff, 2016).

The intentional silence can be identified after this period of acquisition and structuring of Vale Fertilizantes. As of 2010, a period of silence followed, which is perceived in this research as an element with the potential to generate TCG, since the survey data show that this silence contributed to the emergence of speculations. These speculations can be perceived as manifestations of dissatisfaction with the situation of delay in the project that affected the expectations and promises that it had generated. The representative of the company interviewed states that silence is in fact a deliberate strategy that organizations adopt in turbulent moments, a reactive posture where managers only respond when they are questioned.

These periods of silence that happened were exactly periods in which the company turned inward, in relation to the project, to study the feasibility. When I speak like this it seems that the thing is very simple, to decide if an investment is viable or not, if the project is favorable or not at that time. But in fact, these are complex studies that take time. [...] in these periods, the company did not have a message about the project, so it is a period that we call reactive communication, we do not manifest ourselves, if someone asks, we answer (Interview with Company, 2018).

The report *Global Equity Research Fertilizers* (Credit Suisse, 2012) already pointed to an estimate of the beginning of the implementation of mining activity in Patrocínio for 2014, even though the company chose to remain silent about this expectation. Thus, the narratives point to manifestations of tensions and comparative conclusions with a situation analogous to other regions where the company operated. These narratives, triggered in part by the silence of the company, contribute to the generation of polyphony and equivocity in interest groups. Silence, in a socio-political perspective of Stakeholders, can deter or hinder the process of building collaborative networks, since such an attitude can be perceived by other parties as indifference, a distancing from the collective purpose. Or still, silence can affect the topology of the network by making the Stakeholders change their positions. This attitude is not in line with the socio-political approach of the Stakeholders and the open strategy perspective (Hautz *et al.*, 2019) which provides for more open, transparent and participatory relations. Silence contributes to the generation of polyphony and equivocity in interest groups (Brown & Thompson, 2013), impairing the generation of trust between groups hindering interaction (Bridoux & Stoelhorst, 2014).

Approximation and distancing are present in the company's dealings with other interest groups. This amplitude in negotiations generated anxiety, tensions and anguish. This fickle relationship was also perceived through a narrative collected in the media. The statement highlights a dissatisfaction with the relationship dispensed by Vale Fertilizantes with the



communities with which it operates. This attitude may be associated with the segregation of groups favorable to collaborate with the company.

The great challenge of this project has always been this. To have a clear and transparent approach with society when the scenario was not transparent to the company itself. We ourselves had a lot of uncertainty about whether or not we could invest and how fast because of this [...] economic scenario (Interview with Company, 2018).

I am sure that the future will bring to Patrocínio what the common Patrocinese yearns and expects (Company representative, Public Hearing, 2015).

The narratives presented in the course of the hearings expressed support for the coming of the mining activity to the municipality, but also demanded that the mining complex be contemplated according to the initial project. The narrative of the company's representative acted as a generator of tensions among the stakeholders. The expectation of the people of Patrocínio that the initial project would prevail, even though this possibility was rejected by the company during the public hearing, was followed by deep frustration and a feeling of abandonment. The alternation between narratives and practices of the company that generate approximation and that generate distancing from other groups does not contribute to the process of building collaborative networks but hinders and inhibits an integration of stakeholders that would enable arrangements with generation of mutual value and more quality of life for people (Sachs & Rühli, 2011).

5.2 The Public Authority Group

This interest group, within the scope of this research, is composed of institutions and people who represent the public authority: representatives of the City Hall of Patrocínio (PMP) and its organs, the Legislative Assembly of Minas Gerais, the Chamber of Councilors of Patrocínio, the representative of the Public Prosecutor's Office, and Government of the State of Minas Gerais and its organs. According to Table 2, the analysis of the narratives of the public authority showed three tensions generated in the relationship with the practitioners of the strategy within the group and with other stakeholders. Above all, these are tensions motivated by a pro-social position in defense of public affairs, that is, that mining exploration in its fullness can promote significant changes for the whole society with the expansion of its well-being. The narratives allow us to highlight three factors with the potential to impact this group: (a) the search for the expansion of social well-being; (b) power and the generation of social value; and (c) pressure on public structures and activities.

As for the search for the expansion of social welfare, the mining activity project in Patrocínio/MG was originally conceived as a mining extraction plant, a chemical industrial plant with a pipeline linking the extraction to the processing of phosphate rock, transforming it into fertilizers. This project was submitted for consideration in public hearings in 2009. For the public interest group, the realization of the two projects meant an opportunity to expand social welfare, something desirable and sought by public authority, in general.



Table 2
Synthesis of the analysis of the Public Authority Tensions – PAT

Categories	Relational tensions	Grounding from a socio-political perspective
Legitimation of the interests of this stakeholder	The search for the expansion of social welfare.	<ul style="list-style-type: none"> • The individual interest must coexist with the collective interest (BONNAFOUS-BOUCHER; RENDTORFF, 2016). • The way this occurs is through the institutionalization of interests that are guided by internal norms and legality (BONNAFOUS-BOUCHER; RENDTORFF, 2016).
Building networks with other stakeholders and supporters	The use of power and the generation of social value.	<ul style="list-style-type: none"> • Relationships can be perceived as reciprocal or motivated by self-interest (BRIDOUX; STOELHORST, 2014). • Social value is perceived as returns that may be associated with benefits for oneself or others (BRIDOUX; STOELHORST, 2014). • Power is used as an influence generation instrument (BRIDOUX; STOELHORST, 2014).
Mutuality in creation and value	The pressure on public structures and activities.	<ul style="list-style-type: none"> • Mutuality is able to promote improvements and benefits for those involved: reduction of risks for organizations, improvement of the "quality of life of human beings and the sustainability of the natural world" (SACHS; RÜHLI, 2011, p. 77).

Source: prepared by the authors.

A difference from the political perspective advocated by Sachs and Ruhli (2011, p. 77) is the focus on mutuality that ensures that "value are created with and for stakeholders", diverging from the position of value created on a purely economic basis, such as return on capital. From the presentation of the new proposal, unilaterally by the company, narratives of repudiation are triggered demonstrating the contrariety of the proposal in relation to the interests of the Public Authority group, since not carrying out the proposal for the implementation of the chemical industrial plant would mean fewer jobs, fewer taxes and fewer circulating resources in the form of wages. The alteration of the original project, as presented in the planning phase, in 2015, after a long period of silence from the company, also generated tensions for this group, which were manifested in narratives of this group.

The narratives show a shift in strategic practice that alters the relationship within this group. The tension generated by the sense of loss (of the industrial complex project to another municipality) promotes an approximation between the components of the Public Authority group with the political groups that opposed each other until this moment. This fact suggests that PATs are capable of promoting changes in the strategic practices of groups and individuals to achieve common interests: integrating or disintegrating relationship networks.

The coercive legal power of the narrative and practice (Figure 3) of the Public Authority, in this situation, reveals the tension between the members of the Public Authority and the company. This tension is materialized in the intention of revoking the municipal license of the mining company by the Department of Environment of Patrocínio (Figure 3), the location of the project, in a manifestation of normative political power. Political power also has the potential to spark tensions. In stakeholder theory, Mitchell, Agle and Wood (1997) identify that power relations are established through coercive elements: threat, physical force or weapons, utilitarian resources, including information, technology, raw materials or money, and normative resources such as media or legislation.



Figure 3. Tension between Public Authority and the Company



Source: Research data, Jornal de Patrocínio of August 5, 2017.

Strategies are reflections of power, according to McCabe (2009). Faced with the threat of cancellation of its license by the City Hall, the company triggers an operation to mobilize society by presenting the results of a year of activities to the municipality, which could be interpreted as an attempt to bring public opinion and other interest groups to its side in face of the impasse created. This "tug-of-war" (Figure 3) suggests a tension between the Public Authority and Company groups, with the City Hall seeking to expand its bargaining power and obtain possible counteroffers by the company.

For Bridoux and Stoelhorst (2014), this power relationship happens through bargaining power. In these cases, influence is viewed as the power to gather diverse resources for the achievement of their goals. This topic was addressed at a deliberative meeting of the Municipal Council of Environment (CODEMA), on January 29, 2018, on the grant of the license and the permit after alignment between the interests of the two groups. Narratives evidenced in the research show that the State Prosecutor's Office (MPE (Ministério Público Estadual)) filed complaints against the current mayor of Patrocínio (2017-2020) for requesting undue advantages for the company. Narratives of defense of the mayor claim that he was being persecuted by the company for "fighting for the mining riches of the city", even though the complaint was filed by the MPE.

As for the pressures on public structures and activities, the pressure of an increasing population on the structures of health, education, housing, mobility, sanitation, water supply, energy and digital communication (internet) become part of the local scenario.

It puts pressure on our health system, our emergency room, the hospitals, it puts pressure on the issue of water in the municipality, of water supply, with the increase in population, it puts pressure on the public security sector, so what we always sought was a counterpart in this sense. And today we see that this counterpart does not exist (Interviewee PP2, Poder Público, 2018).

We need to create a favorable situation for the social area of our city to be able to receive this investment, and the impact of this in the area of education, in the area of health, of social assistance itself as well (Interviewee PP1, Public Authority, 2018)

It is not the role of the company to solve any problem, except to come here and fulfill its role. It is not the role of the public authority to stop doing what it has to do, much less for society to be silent (Representative of the Company, Public Hearing 2015, p. 98).

Interviewee PP2 justifies the need for a counteroffer from the company due to the new demands in the scope of public policies and the pressure on the structure of supply of basic public services, such as health, education, security and transportation. This situation was reported by the company's representative at the Public Hearing, held in 2015.

More than an apparently conflicting situation between the parties, there seems to be here a doubt about the competence to act, therefore, of incompetence. Because if there was already difficulty in providing public services, as it is declared, just with the coming of mining exploration, what would the situation be like with the coming of the chemical plant, which has a much greater social, economic and environmental impact? Conflicting interactions generate confusion and paradoxes as to the interests and benefits of the company. Instead of a pro-social perspective, in which stakeholders tend to expand their analysis in search of joint gains, public hearings focus on debating the decisions of the company group. This generates a limited view of mutuality, as advocated by Sachs and Rühli (2011), which could promote improvements and benefits for those involved, optimize resources and benefits and reduce risks for stakeholders acting in networks of relationships.

6 Conclusions

From the dialogue between an approach to strategy as a narrative, built in open strategy processes, with a socio-political perspective of the stakeholders, this research showed that tensions between stakeholders occur throughout the four phases of an enterprise in the mining sector: research, planning, implementation and operation start. This dialogue brought subjective and objective/concrete elements of the practices and interactions of two stakeholder groups.

The research showed that it cannot be said that the strategy of the entrepreneurial company was deliberately designed for alignment. In a context open to multiple voices, silence and alternation between narratives and practices of approximation and distancing with other interest groups were strategies used by the company. The longitudinal analysis of the narratives of the stakeholders shows the open strategy in motion and makes it possible to identify situations or moments of alignment and misalignment between the company and other stakeholders in the generation of mutual values. These tensions generated feelings of distrust, frustration and use of the legal apparatus by the Public Authority group, which sought to ensure benefits for the population. The narratives and practices of this group also contributed to the generation of tensions and reconfiguration of relationships.

Although it is legitimate for private organizations to pursue their interests, this research has shown that there seems to be a greater propensity for reciprocity when they operate in a network of mutuality. In the same way, there seems to be an intention to punish, through resistance, those who are not likely to build collaborative networks and generate mutual values. The public authority group presses for the realization of the new venture in the search for social and collective well-being; and it seeks to simultaneously reduce the pressure of the new venture on the structure and local public activities, even if that seems paradoxical. Under the pretext of promoting and expanding social welfare, and reducing pressure on public structure and services, unorthodox (and supposedly illegal and unethical) strategies were employed in defense of self-interest, which is not endorsed by a social and political perspective of



stakeholder theory, addressed in this article, but that can and need to be elucidated so that the occurrence of these practices can be prevented or reduced.

In the field of open strategy studies, this research showed that the dialogue with the studies on stakeholders can benefit from a social and political perspective of strategy-in-practice in the creation of strategies that generate economic, social, moral and environmental value, an issue that implies recognizing and (re)thinking the relationship between organizational strategies and capitalism. Mining is an activity of strong economic, social and environmental impact, and future studies on this activity can benefit from the theoretical-epistemological dialogue proposed by this research.

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