



Stakeholder Engagement: Achieving Wholesome Profitability in Manicaland Province Companies, Zimbabwe

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Abstract

Companies seem not to consider their stakeholders in production activities despite immense contribution from their participation. The research explored the relationship between stakeholder engagement and profitability, assessed the impact of stakeholder engagement on profitability and suggested productive ways of engaging stakeholders in production activities of companies. Wholesome profitability is very essential for a company's success and competitiveness. Companies must pay attention on stakeholder engagement since it positively impacts on profitability achievement. A company cannot be successful in all its operations without utilising the various forms of external knowledge. The selection of the appropriate stakeholder engagement process that positively contributes to organisational competence is vital for the sustainability of any organisation. A sample of seventy-one Manicaland companies was selected for the survey. The research used face to face interviews and questionnaires to collect the research data. The findings are that engaging stakeholders in production activities enhances a company's productivity and profitability. It was also found that the best ways of engaging stakeholders are communication and consultation. Therefore, the companies should engage stakeholders in most of its production activities for competitiveness, brand loyalty and good corporate citizenship.

Keywords: Stakeholder Engagement, Productivity, Wholesome Profitability, Company

JEL: D2, D24

Paper Classification: Research Paper

Introduction

In today's globalized and dynamic business environment, stakeholder engagement should be indispensable with every profit-focused organisation. High levels of stakeholder engagement enable companies to gain competitive advantage over their rivals (Horisch, Schaltegger, & Windolph, 2015; Yau, 2012; Teck, 2016). The organisations will acclimate to every socio-economic and technological environment as a benefit of giving stakeholders their rightful positions in

business. In addition, such businesses will be the first movers when an opportunity emerges. When this happens, it is a clear sign of a business to remain a going concern. International forums have not been spared in instilling the desire for stakeholder engagement as a gateway to success and wholesome profitability in companies (Usman, 2014; Rixon, 2010; Rinaldi, Unerman, & Tilt, 2014; Minoja, 2012; Menoka, David, Damian, & Edward, 2013; Maria, Medeiros, & Maria, 2019). Companies are facing unprecedented challenges and hence they should not attempt to survive without engrossing stakeholders (Adler & Heckscher, 2018; Baumgartne & Romana, 2017).

Stakeholders demand more attention than ever before (Nair & Ndubisi, 2011). Companies with an all-encompassing stakeholder engagement approach seem scanty (Engster, 2011). This is a problem because failure to engage stakeholders impacts negatively on corporate profitability and hence compromising the rapid growth and at times the going concern of such companies (Menoka, David, Damian, & Edward, 2013). Ignoring stakeholders in the organisation's decision making has led to many accidents or even deaths of both employees and members of the general public (Baumgartne & Romana, 2017). It has also led to environmental dilapidation, global warming and a lot of social and economic ills in and around the surrounding community of the company and the world at large (Maria, Medeiros, & Maria, 2019). It can be argued that shareholders have lost dividends, huge penalties have been imposed on reckless entities and organisational reputation has been tarnished and eroded due to poor relationships between the companies and their stakeholders (Garvare & Johansson, 2010). Currently, large scale studies on stakeholder engagement for wholesome profitability are few (Amanpreet & Sumit, 2018; Teck, 2016; Berman, Wicks, Kotha, & Jones, 1999; Barnett, 2007) and many researchers have placed their focus on stakeholder engagement and project management (Fassin, 2012; Bridoux & Stoelhorst, 2014; Vijaya, 2016), stakeholder engagement for sustainable construction (Mohan, Kelwin, & Jacky, 2017; Albert & Chan, 2017; Sutterfield, Friday-Stroud, & Shivers-Blackwell, 2006) as well as theories behind stakeholder engagement like the normative stakeholder theory and the stakeholder theory (Abe & Daniel, 2017; Freeman, 2008; Engster, 2011; Jensen, 2002).

The study explored the relationship between stakeholder engagement and profitability and suggests productive ways of engaging stakeholders in companies in Manicaland Province, Zimbabwe. This research investigated the link between the company's profitability and stakeholder participation; assessed how stakeholder engagement impacts on profitability of companies; and suggested the productive ways of engaging stakeholders in the production of companies. The research identified profitability as a compounded word made of three elements: pro-fit-ability. *Pro* means in favour of, *fit* means acceptable and *ability* means possession of qualities. Thus, profitability means possession of favourable or acceptable qualities, thus emphasising gain. The research addressed the hypotheses (a) H1: the difference between male and female proportions of the participants is significant, (b) H2: stakeholder engagement and company productivity are related, and (c) H3: stakeholder engagement and company's wholesome profitability are related.

Review of Related Literature

Stakeholder Engagement Prior Studies

Recent studies conducted on stakeholder engagement aim to address different gaps. Different conclusions were reached on the impact of stakeholder engagement, relating it to different variables. A study was conducted at a Zimplats mining firm, Mhondoro-Ngezi, in Zimbabwe (Muruviwa, Fhulu, & Akpan, 2018) on how the stakeholder approach to corporate social responsibility can be a driver to socio-economic development (Muruviwa, Fhulu, & Akpan, 2018).

From the study, it was found out that various stakeholder concerns were addressed through a proper stakeholder engagement process through corporate social responsibilities. In Europe, a study was conducted in the energy sector, assessing how an exchange of ideas with stakeholders assist in future company policy formulation (Karakosta & Papapostolou, 2020). The findings were that it is very important for companies to incorporate stakeholders in the corporate policy making process as it will minimise conflicts in the day to day stakeholder-company interactions. Additionally, a research on the value of stakeholder engagement as disclosed in the sustainability reports was performed (Moratis & Brandt, 2017). It was found that there is an inadequate disclosure in sustainability reports concerning the extent of stakeholder involvement in the preparation of such reports.

In another research, a study on meaningful information exchange between the company and the stakeholders was done to assess its impact on the societal licence (Mercer-Mapstonea, Rifkina, Winnifred Louis, & Moffat, 2017). The research concluded that trust was a product of a meaningful information exchange between the company and its stakeholders. It was also found out that the bond between the company and its stakeholders is made strong through constant interactions. Another study involving stakeholder engagement took place specifically on customers. The aim of the study was to check if collaboration with the customer will result in ground-breaking products and services (Mason, Iacuzzi, Fedele, & Garlatti, 2020). It was found that an appropriate stakeholder engagement approach is required for perfect corporate decisions which benefits both the company and the intended interlocutors.

Furthermore, women businesses and stakeholder engagement were studied (Nair, 2019). The aim of the study was to assess whether stakeholder engagement can assist the women's businesses to produce products and services that are advanced. The deduction from the study was that the reciprocal interactive process of communication between the business and the stakeholders is very vital for the management of the business which will end up having a forward-looking, innovative and highly competitive business. More so, another research studied the significance of the relationship between the external as well as the internal interlocutors and the business (Passetti, Bianchi, Battaglia, & Frey, 2017). The results of the study pointed the fact that the exchange of information between the stakeholders and the company is not universal all the time. The level of information exchange and the fruitfulness of the dialogue between the company and the stakeholders depends on the topic at hand and the level of interest of the stakeholders involved.

Business collaboration with stakeholders was researched in the hospital case study, construction sector (Collinge, 2019). The purpose of the study was to have a deeper appreciation of the stakeholder engagement process so as to reveal the practical and the theoretical aspects of the engagement process. The research concluded that it is essential to continuously review the collaborative process to ensure that the organisational goals are still aligned with the stakeholder engagement process. Complex systems of products were studied in a European mega-venture after stakeholders were engaged and managed (Lehtinen, Aaltonen, & Rajala, 2019). The researchers also intended to find the methods and reasons which make businesses incorporate stakeholders in operating activities and at times disengage them. They determined that stakeholders greatly influence the operations of the business positively or negatively. In yet another research (Civera & Freeman, 2020), continuous stakeholder engagement was found to be indispensable with value creation, both to the stakeholders and the company (Civera & Freeman, 2020). To add on to this, a study to understand the problems that hinder the quality of the process of engaging stakeholders for the purpose of producing sustainability reports was assessed (Kaur & Lodhia, 2019). The research disclosed that the quality of the stakeholder- organisation collaboration process is negatively affected by a number of socio-economic and political factors that surrounds the organisation.

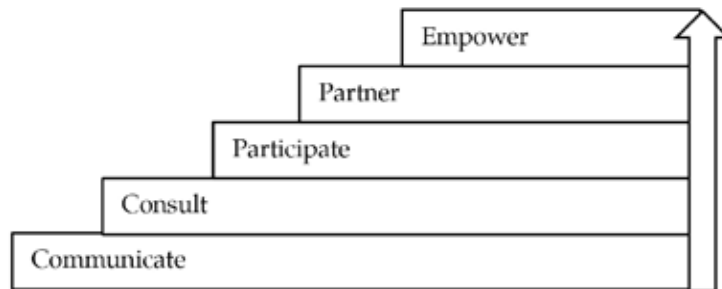
Stakeholder Engagement in Production

Stakeholder engagement leads to a greater achievement of organisational targets and increased responsibility (Mohan, Kelwin, & Jacky, 2017; Abe & Daniel, 2017). The process of stakeholder engagement encompasses knowing the stakeholders totally and incorporating them in dialogue to perfectly achieve the organisational mandate. This process is understood as the mapping and analysis of stakeholders based on their diverse characteristics.

Stakeholders involvement in the business activities has shifted from its ordinary interpretation of self-justification to be part of the vision, mission and strategy of the organisation (Horisch, Schaltegger, & Windolph, 2015; Rixon, 2010). More so, non-diversifiable risk is now incomplete without encompassing stakeholder contribution (Menoka, David, Damian, & Edward, 2013). Interacting with stakeholders is very beneficial especially when times are hard for the business (Noland & Phillips, 2010). This is due to the fact that stakeholders will support the business from collapse. This has been the conclusion in the Italian case study where corporate reputation was found out to be enhanced through effective stakeholder dialogue (Romenti, 2010).

For greater positive results from the stakeholder participation process, both parties must be open, transparent, trustworthy and respectful in all engagement processes (Usman, 2014). The stakeholder engagement process involves communication, consultation, participation, partnering and empowerment (Gao & Zhang, 2006).

Figure 1: Stakeholder Influence Model (Gao & Zhang, 2001)



The Communicate, Consult, Participate, Partner and Empower (CCPPE) stakeholder influence steps (Ss) are explained henceforth:

S-1 Communicate (or disclose) – This is basically organisational information flow directed to the stakeholders concerning fresh initiatives that may impact their day to day living. Such information sharing creates stakeholder loyalty and a long-lasting relationship. The company can employ any ideal channel of communication which can effectively disseminate the intended information. Social media, pamphlets, televisions and road shows among other ways, can help to disseminate the intended information.

S-2 Consult – The company makes the necessary investigations or inquiries from the stakeholders to have a wider scope and appreciation on what to take aboard when determining decisions which are beneficial to both the company and the stakeholders. In this case, only the stakeholders will be supplying information and the company will be the recipient. Consultation is a brilliant way of demonstrating that stakeholders are a crucial organ of a company. The opinions of stakeholders can be gathered from group discussions, social media or hotline for instance.

- S-3 Participate – This involves information exchange between stakeholders and the company with the aim of producing a very rich decisional outcome. The organisation will then put the collaborative decision into effect. To achieve participation, for example, the company may institute board of advisors or workshops with the stakeholders. In addition, summits for leaders may also be held.
- S-4 Partner or Negotiate – In this case, the company and the stakeholders pull their resources together for a joint outcome. This therefore minimises risks and uncertainties. Responsibilities are allocated to each party based on its capabilities. This negotiation can be a continuous process to constantly achieve the objectives which benefits both the company and the stakeholders.
- S-5 Empower – The stakeholders at this point are given the room to be part of the corporate governance system of the company. They hence dictate the pace and direction of the company. They can do this by being incorporated into the company's board of directors, being investigators of complaints made against the company or making policies for the company's whistle-blowers.

There are frequently used engagement processes which are the relational exchange processes or the two-way process as well as the transactional or one-way interaction process. Effective two-way communication process between the company and its stakeholders yields excellent benefits (Jeffery, 2009; Vijaya, 2016). This is referred to as the relational exchange processes (West & Bogers, 2014). Relational exchange processes are easily achieved through government policies, legal frameworks as well social platforms (Faems, Janssens, Madhok, & Van Looy, 2008; West, Salter, Vanhaverbeke, & Chesbrough, 2014). The effect of this kind of stakeholder engagement process is that it will positively mould the company's attitude as the information exchange will be taking place (Vijaya, 2016). It is imperative to understand that the engagement process is continuous and assist in boosting the rapport between the stakeholders and the company (Horisch, Schaltegger, & Windolph, 2015).

It is suggested that a deeper analysis of the characteristics of stakeholder engagement leads to the transactional process as articulated by the stakeholder theorist (Hillman & Keim, 2001; Freeman, 1984). The basic duty of the company with the transactional process is to have a deeper insight of the stakeholder by excluding them in the process. Engaging stakeholders in innovation processes makes the company have a leeway to its needs and expectations (Luyet, Schlaepfer, Parlange, & Buttler, 2012) and increases the companies' capacity to understand its stakeholders' language in order to speak the same language with them (Veldhuizen, Blok, & Dentoni, 2013). In addition to getting the mind of the stakeholders, engaging with stakeholders also results in exploiting the external knowledge into a profit-oriented schemes (West & Bogers, 2014).

Two stakeholder engagement processes which are very effective were proposed according to the proponents and were unveiled (Noland & Phillips, 2010). These methods are the planned and the virtuous engagement processes. The planned engagement process sprouts from the philosophical foundation of strategic administrative process. On the other hand, the virtuous engagement processes foster transmission of information by eliminating the obstacles to communication (Vijaya, 2016).

Stakeholder Engagement and Profitability

All the stakeholders should be given attention for maximum profits to be yielded. The word profitability is composed of two words, namely, *profit* and *ability* (Teck, 2016). No business can survive without earning profit because it is essential for both the company's survival and growth.

Profitability arises when the business’ revenue exceeds the business’ expenses (Rixon, 2010). It can be understood as the aptitude of a business entity to generate earnings. It is an uncontested truth that all organisations should collaborate with its stakeholders but most organisations fail on the application part. The reason for such behaviour is the perception by most companies that there are more disadvantages to stakeholder engagement compared to the advantages (Rinaldi, Unerman, & Tilt, 2014; Adler & Heckscher, 2018). The main purpose of forming a business entity is to generate reasonable profits so as to expand operations (Adler & Heckscher, 2018). However, during the process of generating profits, the stakeholder’s interests and the well-being of the society should not be overlooked.

Companies have to fight to grab opportunities that benefit both the company and its stakeholders (Horisch, Schaltegger, & Windolph, 2015). It is usually articulated that the benefits of stakeholder engagement are vast (West & Bogers, 2014). They include a deeper appreciation of the determining market forces, enhances the moral standing of the company in the eyes of the communities they serve and will also enable the company to have a wider scope of the stakeholders’ appetite (Adler & Heckscher, 2018). In addition, stakeholder engagement also assists in bridging gaps between the company and the stakeholders, enabling the company to do away with suspicion which may put the company into a bad perspective. Dangers posed to a business and uncertainties are reduced by a strong stakeholder engagement process.

Research Gap

Profitability is the life blood of every profit-oriented entity. Studies on stakeholder engagement has been intensively performed (Amanpreet & Sumit, 2018; Teck, 2016; Barnett, 2007; Berman, Wicks, Kotha, & Jones, 1999; Collinge, 2019). However, little has been done in terms of research on understanding the impact of stakeholder engagement on companies’ productivity and profitability especially in the Zimbabwean context. Many researchers have placed their focus on stakeholder engagement and project management (Fassin, 2012; Bridoux & Stoelhorst, 2014; Vijaya, 2016), stakeholder engagement and sustainability reporting and accounting (Amanpreet & Sumit, 2018; Baumgartne & Romana, 2017), management of outside stakeholders (Albert & Chan, 2017; Freeman, 1984), as well as duties and responsibilities of stakeholders (Civera & Freeman, 2020), among others. Some of the studies have been conducted in Italy (Romenti, 2010), Australian local firms (Kaur & Lodhia, 2019), Europe (Moratis & Brandt, 2017), and Angola (Maria, Medeiros, & Maria, 2019) in large numbers. This therefore means, studies done in Zimbabwe have been lagging behind. Thus, this research is very vital as it is aimed at closing that gap. The findings from this research are aimed at assisting companies to improve their profitability as well as their relationship with the various stakeholders.

Research Methodology

- a. Type of study: Mixed method research was implemented. The study performs the analysis of the relationships between stakeholder engagement and companies’ productivity and profitability.
- b. Variables of the study: Qualitative and quantitative data was gathered for the research. The research collected stakeholders’ engagement and companies’ profitability.
- c. Population: The population of the research was 117 companies in Mutare as reflected by records in the Zimbabwe Business Directory. The elevation factor (Murairwa, 2014) computed with:

$$E_f = \frac{N}{n}, \dots\dots\dots(1)$$

where is the elevation factor, n is the sample size and N is the population size, is $E_f = \frac{N}{n} = \frac{117}{71} = 1.65$. This means that each company that participated in the research survey was representing two Mutare companies.

- d. Sample: A sample of 71 companies in Manicaland Province in Zimbabwe was selected for the research survey. The managers with more than 5 years of experience at managerial level were selected to participate in the research. Thus, the research’s sampling fraction (Murairwa, 2014) is 60.68 percent of all the companies in Mutare. The formula in Murairwa (2014) that was used to compute the sample size is presented in Equation 1.

$$n = \frac{N}{1 + N(E^2)}, \dots\dots\dots(2)$$

where N is the target population size and E is the level of precision which in this case was 7.45 percent. Thus, $n = \frac{N}{1 + N(E^2)} = \frac{117}{1 + 117(0.0745^2)} = 70.94 \approx 71$ companies. Therefore, the research used a sample of 71 companies in Mutare.

- e. Sampling technique: The Voluntary sampling design (Murairwa, 2019; 2014) was used to select the companies that were willing to provide the research data.
- f. Data collection instrument: A questionnaire was designed and piloted to collect the research data. The advantage of the questionnaire was that the respondents were given enough time to fill in the questionnaires before they were collected by the researchers.
- g. Method of data collection: A distributed questionnaire approach was used to collect data from companies that had volunteered to participate in the research. The companies were given the questionnaire to complete. During the collection of the completed questionnaires, face to face interviews were done.
- h. The research applied the Chi-square test at with hypothesis H1: the two participant proportions are not the same. The Chi-square test is computed with:

$$X^2 = \frac{(p_1 - p_2)^2}{p_1 + p_2}, \dots\dots\dots(3)$$

where p_1 is the proportion of sample 1 and p_2 is the proportion of sample 2.

The research applied the Chi-square test at 5 percent level of significance to test the research hypotheses. The Chi-square (χ^2) test statistic is calculated with

$$X_{cal}^2 = \sum \frac{(O - E)^2}{E}, \dots\dots\dots(4)$$

where X_{cal}^2 is the calculated Chi-square, E is the expected frequency and O is the observed frequency. The null hypothesis is rejected if the $X_{cal}^2 > X_{(\alpha, r-1, c-1)tab}^2$, otherwise it is not rejected.

Results and Discussion

The questionnaire response rate was 88.75 percent. The non-response of the questionnaires was 11.25 percent. Of all the participants, 52 were men managed companies while 19 were women managed companies. All the participants had a minimum of a university degree academic

qualification and more than 5 years of experience at managerial level. The distribution by gender of the participants is presented in Table 1.

Table 1: Distribution of Participants by Gender

	Percent	Valid Percent	Cumulative Percent
Male	73.2	73.2	73.2
Female	26.8	26.8	100.0
Total	100.0	100.0	

Table 1 shows that 73.20 percent of all the participants were male while 26.80 percent were females. The research applied the Chi-Square test to examine the difference of the two proportions of the participants. The computed results are: Difference = 46.40 percent, 95 percent CI = 30.4253 percent to 59.0066 percent, $df = 1$, $X^2_{cal} = 30.357$ and significance level $p < 0.0001$. Since $p (< 0.0001) < \alpha = 0.05$, the null hypothesis is rejected. The difference between the two proportions is significant. Therefore, the research collected data from more male than female participants.

Table 2: Proportions of participants on effect of engaging stakeholders on productivity

Company		Stakeholder Engagement				Total
		Strongly Agree	Agree	Disagree	Strongly Disagree	
Productivity	Yes	0.5775	0.1549	0.0704	0.0423	0.8451
	No	0.0704	0.0282	0.0141	0.0423	0.1549
	Total	0.6479	0.1831	0.0845	0.0845	1.0000

Table 2 shows that the majority (0.7324) of the survey participants agreed that engaging stakeholders improves productivity while 0.2676 disagree that it improves the company productivity. Those who agreed are also supported by (Kaur & Lodhia, 2019) (Kaur & Lodhia (2019) as well as (Phillips, 1997) Phillips (1997) who state that stakeholder engagement leads to better decision-making in order to achieve a desired outcome and enhance accountability. This implies that, if the desired outcome for the company is increased productivity, then involving stakeholders in the company's production activities will make the objective achievable. The research's hypothesis (H2) Stakeholder engagement and company productivity are related is tested at 5 percent level of significance. The Chi-Square test results computed in SPSS are presented in Table 3.

Table 3: Stakeholder engagement and company productivity relationship

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	6.214 ^a	3	0.102
Likelihood Ratio	4.711	3	0.194
Linear-by-Linear Association	4.657	1	0.031
N of Valid Cases	71		

a. 3 cells (37.5 percent) have expected count less than 5. The minimum expected count is 0.93.

Since $X^2_{cal} = 6.214 > X^2_{(0.05, 2)} = 5.991$,

the null hypothesis is rejected. This means that stakeholder engagement and company productivity are related. Thus, engaging stakeholders improves the productivity of the company. The results confirm that stakeholder engagement is increasingly being recognised as more than just a defensive response to criticism or imminent conflicts (Horisch, Schaltegger, & Windolph, 2015; Vijaya, 2016) but as a tool for improving company productivity.

The research also analysed the views of the survey participants on the effect of stakeholder engagement on company wholesome profitability. The results obtained are presented in Figure 2.

Figure 2: Stakeholder engagement improves company’s wholesome profitability

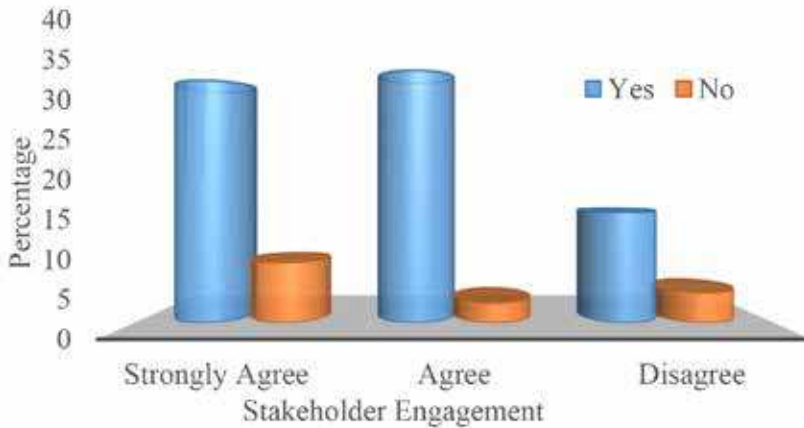


Figure 2 shows the perceptions of the participants on whether stakeholder engagement improves the wholesome profitability of the company. A probability of 0.69014 of the participants agreed that engaging production stakeholders improves the company’s wholesome profitability. This means that a company’s wholesome profitability increases with an improvement in stakeholder engagement. Management should try to maximise its profit, keeping in mind the welfare of the society and taking cognisance of the stakeholders’ interests (Adler & Heckscher, 2018; West & Bogers, 2014). The second research hypothesis (H3): stakeholder engagement and company’s wholesome profitability are related is tested at 5 percent level of significance. The results computed in SPSS are presented in Table 4.

Table 4: Company Stakeholder Engagement and wholesome Profitability relationship

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	15.073 ^a	4	0.005
Likelihood Ratio	14.553	4	0.006
Linear-by-Linear Association	8.563	1	0.003
N of Valid Cases	71		

a. 3 cells (33.3 percent) have expected count less than 5. The minimum expected count is 2.56.

Since $X^2_{calc} = 15.073 > X^2_{(0.05,2)} = 9.488$, the null hypothesis is rejected. This means that stakeholder engagement and company’s wholesome profitability are related at 5 percent level of significance. Thus, engaging stakeholders increases company’s wholesome profitability. The hypothesis results support the perceptions of the participants that are presented in Figure 2. However, the measurement of the profit being contributed by engaging stakeholders is so complex that companies do not view the engagement as beneficial. The idea that engaging stakeholders increases a company’s wholesome profitability is in the same vein with (Maria, Medeiros, & Maria, 2019; Abe & Daniel, 2017) those who articulated that the benefits of stakeholder engagement includes better understanding of the market condition, as stakeholders often possess a wealth of information; promoting of reputation; building relationships; building trust and long-term collaborative relationships; sharing experiences and skills as well as

understanding and mitigating the threats and uncertainties (Maria, Medeiros, & Maria, 2019; Abe & Daniel, 2017). When these stakeholder characteristics are possessed by a company, then the wholesome profitability will not be an option to such a company. The research further investigated the process of engaging stakeholders and found that the stakeholders were being engaged in weak responsibilities, indicating that most companies were not yet comfortable with strong responsibilities. The reciprocal information exchange between the stakeholders and the organisation has a positive influence on the behaviour and reputation of the organisation (Vijaya, 2016). However, one can argue that the results confirm the views of Rinaldi *et al.* (2014) and Paul and Alder (2018) who articulated that the implementation of stakeholder engagement remains a limited reputational risk exercise that is perceived as providing few benefits.

Conclusion and Recommendations

The research explored the relationship between stakeholder engagement and profitability, assessed the impact of stakeholder engagement on profitability and suggested the productive ways of engaging stakeholders in production activities of companies. The research investigated the need for companies to consider their stakeholders in all production operations. Wholesome profitability is very essential for a company's success and competitiveness.

However, little has been done in terms of research on understanding the effects of engaging stakeholders on companies' productivity and profitability especially in the Zimbabwean context. As highlighted earlier, many researchers have focused on stakeholder engagement and project management, creating a demand for researches on the impact of stockholder engagement on the productivity and profitability of companies.

The research found that stakeholder engagement and company's wholesome profitability are positively related. In other words, when stakeholders are engaged by a company, there will be a direct response to its wholesome profitability. This is supported by the Chi-Square test results at 5 percent level of significance in which the null hypothesis was rejected that the stakeholder engagement and company's wholesome profitability are not related. The companies that engage stakeholders had improved productivity and that resulted in increased sales units, revenue and wholesome profits. In simple terms, the stakeholder engagement positively impacts on profitability, leading to increased profits being harvested by a company.

The companies should prioritise stakeholder engagement so as to achieve wholesome profitability and avoid penalties from the environmental agencies or the government as these may increase its production expenses thereby reducing wholesome profits. The stakeholder engagement must be enforced as one of the major objectives for companies to achieve more wholesome profits, expand their operations and continue surviving under difficult economic conditions. Lastly, the companies should consider communication and consultation as the best ways of engaging with their stakeholders since these two are the first- and second-best ways of engaging stakeholders for enhancing production. The companies must increase the level of communication and consultation with their stakeholders. Such ways of stakeholder engagement can yield more benefits such as competitiveness and creating new opportunities both in terms of success and performance.

Limitations of the Research

The research was a case study of Manicaland Province. The other researches can extend the geographical scope of the study in order to analyse the variation of the results. Secondly, the research used questionnaires and interviews to collect data. If an observation could be

incorporated as a third data collection method could enrich the data collected and enhance the research findings. Finally, a sample was used for the study. The use of the whole population may also bring in a much better insight of how stakeholder engagement impact on a firm's profitability.

Areas for Further Studies

The research investigated the relationship between the stakeholder engagement and wholesome profitability of companies in Zimbabwe. Further studies could be done in order to determine the model that explains the relationship so that the companies could use the framework to manage and enhance productivity.

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