# Towards a Conceptual Framework for Unfolding Stakeholder's Perceptions

**Abstract**

Departing from the normative stance of stakeholder theory, this conceptual paper aims to unfold the benefits of a more holistic and inclusive organizational approach to stakeholders. The study emphasizes the importance of human perception in engaging stakeholders and sheds light on the way the often 'disregarded' actors (i.e. local communities) make sense of an organization's behavior at the corporate, project, and individual level. The conceptual framework is elucidated through the lens of attribution theory, which points to communication as the source of stakeholders' attributional processes and thus their perception of fairness. Focusing our attention on construction and infrastructure projects, this research suggests that early transparent and informative communication with local community stakeholders motivates them to perceive fairness, from both the process of decision-making (distributive) and the outcome of decisions (procedural), as well as the way in which they are treated (interactional). Such communications lead to less biased attributions as they reduce the influence of personal beliefs in achieving a conscious and non-biased attribution mode. Project organizations adopting this approach will eventually benefit from the support of a broader range of stakeholders.

## 1. Introduction

Stakeholder research in business and management studies has often adopted an organization-centric approach, in which the focal organization is selected as the main point of reference for collecting data about stakeholders and their attributes (e.g. Bondy & Charles, 2018; Miles, 2017).  Through a bounded systematic review which looked at 885 stakeholder theory definitions, Miles (2017) showed compelling evidence that the majority of high-quality, stakeholder-related publications in the fields of business and management present a management/strategic perspective rather than a stakeholder-oriented view. In line with mainstream stakeholder research, project studies are not exempt from the prevalence of the organization-centric perspective, in which the project-based organization hasn't used stakeholders as an end, but rather through mechanisms of prioritization and anticipation has often instrumentally attempted to make them comply with project needs (e.g. Derakhshan et al., 2019b; Eskerod & Larsen, 2018). Here, organizational behavior is not driven by the benefits that the organization can deliver to its broad range of stakeholders but from the benefits it can receive from them.  In the theoretical realm, this approach has resulted in an unbalanced image of the debate with an overemphasis on representing an organization's perspective. The practical consequences of this approach include the distant rationalizing of the demands and concerns of stakeholders, and even the alignment of them with the organization's needs (Aaltonen et al., 2015; Liedtka, 1996).

It can be argued that the consequences of this approach are even more substantial in instrumental stakeholder stances (e.g. Bourne and Walker, 2005; Johnson et al., 2005; Mitchell et al., 1997), where the often-competing resources within projects lead 'primary' stakeholders to maintain and magnify their powerful position in the stakeholder network through their formal contractual relationship with, or direct legal authority over, the organization (e.g.

clients, sponsors, suppliers, and employees). This organization-centric approach has sometimes contributed to the marginalization of some 'secondary' and external groups of stakeholders, such as community groups, unions, consumers advocates, special interest groups, and other non-governmental organizations (Aaltonen et al., 2008), and whose voices in the decision-making process can be easily lost or not prioritized. As these stakeholders cannot be governed through contracts, rules and regulations, these secondary actors are external to such instruments and including their perspectives can be more challenging (Derry, 2012; Nguyen et al., 2019).

Furthermore, the normative stance of stakeholder literature (Eskerod & Huemann, 2013; Freeman, 1984; Jensen & Sandstrom, 2013) has long emphasized the importance of adapting a more inclusive approach towards all stakeholders. Unlike an economic-based vision, the normative stance in stakeholder theory has acknowledged that business is always 'moral in nature', and that the focal organization should gather input from all the affected parties (Jensen & Sandstrom, 2013). From both economic and social performance perspectives, projects-based organizations are particularly susceptible to poor delivery of projects or inadequate stakeholder engagement, especially in large-scale construction and infrastructure projects (Denicol et al., 2020; Eskerod et al., 2015). In such undertakings, legitimate stakeholders, such as local communities, suffer the most as a direct result of their proximity to the project development. As a result, projects are often considered failures by local stakeholders when not included in decision-making processes affecting their everyday lives (Derakhshan, 2020; van den Ende & van Marrewijk, 2019). Due to this, advances have been taken in recent years in the field of construction project management and beyond, elaborating the importance of being more inclusive and giving voice to secondary disregarded stakeholders (e.g. Cuganesan & Floris, 2020; Di Maddaloni & Davis, 2017; Lehtinen & Aaltonen, 2020; Teo and Loosemore, 2017). Therefore, there is a growing interest on how local communities are treated and prioritized

since these actors are recognized as being risk-bearers and can suffer as a direct result of their proximity to construction projects (Olander, 2007).

In a similar vein, many countries have established legislations that require extensive communication with secondary stakeholders prior to any major project approval, in order to better include them in the decision-making process (e.g. the Statutory Planning Act in the UK or the Community Empowerment Act in Scotland). It is nevertheless questionable whether this communication has added real value to the decision-making process or whether it is merely a compulsory 'tick box' exercise to gain project approval (Di Maddaloni & Davis, 2018). Doubts emerge regarding the genuine stakeholder engagement practices of the organization when observing stakeholders' oppositional behavior in large and complex projects recorded across countries and industries.

The construction industry in particular offers both a learning platform and a fruitful setting in which to explore the way project organizations can improve their stakeholder engagement practices promoting non-biased perception of fairness and be supported from a broader range of stakeholders. The 25 years of protest in Susa Valley against the High-Speed Rail connecting Italy (Turin) to France (Lyon) (Hooper, 2012), the riots during the World Cup in Brazil (Watts, 2014), the violent protests in Turkey over the construction of a shopping center in 2013 (Letsch, 2013), the national campaign against the HS2 in England (Pearse, 2020), and the obstructions to the Trans Adriatic Pipeline (TAP) (CEE Bankwatch Network, 2018), are just a few examples of the ramifications of projects which overlooked the social and political context and faced local resistance because they were perceived as unsustainable by local actors. Empirical studies have focused on the impact of secondary stakeholders in large-scale construction and infrastructure projects in attempts to legitimize such developments in their environment. The North-South metro line in Amsterdam (van Den Ende & van Marrewijk, 2019), and the

longstanding protests in Australia against a major housing project (Teo & Loosemore, 2014) are examples of projects in which disregarded stakeholders have not perceived the organization's initiative as fair, leading them to engage in collective actions against the proposed development.

Stakeholder literature in other disciplines outside the construction or infrastructure project management field has elucidated that stakeholders' actions against projects are the last step in a series of processes that begin with stakeholders trying to make sense of their environment, perceiving an organization's behavior, evaluating the fairness of the conditions made by the project, and developing emotions in response (Coombs & Holladay, 2005; McDonald et al., 2010; Tee et al., 2013). In line with Garry and Pearsall (2015) and Phillips et al., (2003), we believe that stakeholders' perceptions of the fairness of the project outcomes are reliable predictors for their consequent emotions about the organization and are therefore directly relevant to stakeholder engagement. Here, behaving fairly and ethically should be paramount for project organizations seeking a strategic and systematic approach to achieving organizational purpose and goals by fostering the proactive involvement and harmonizing the interests of all stakeholders.

However, it could be argued that the organization-centric approach recorded in stakeholder literature has limited our understanding of the aforementioned processes undertaken by stakeholders. In fact, although organizational justice (Greenberg, 1987) and its three dimensions of fairness (distributive, procedural, and interactional) have been long recognized as important forces in stimulating individuals' support of an organization and improve project performance (e.g. Aibinu et al., 2011; Lim & Loosemore, 2017; Ng al., 2007; Unterhitzenberger & Bryde, 2019), the underpinning processes of the development of stakeholders' perception of fairness at the corporate, project and individual level have only

been peripherally discussed in project studies. Against this backdrop, and in order to advance current knowledge surrounding the debate in project studies, this article attempts to answer the following question: *How do stakeholders attempt to make sense of an organization's behavior and how can organizations promote non-biased perceptions of fairness?*

Firstly, we identify and mobilize attribution theory as the enabler, explaining the process underpinning the development of stakeholders' perception of fairness. We adopt attribution theory as our lens with which to interpret the process whereby individuals attempt to make sense of an organization's behavior. Focusing on secondary stakeholder engagement such as local community, our conceptualization shapes both a framework highlighting communication as the mediator for shaping human perceptions, and a process model to guide project organizations and practitioners to embrace an inclusive approach towards the often disregarded stakeholders, which is aimed at enhancing their perception of fairness at the corporate, project, and individual levels. We use the Variante di Valico construction project as an illustrative case to reinforce the need for project organizations to look at their stakeholders as an end, by observing how organizational behavior shapes stakeholder emotions and actions. We highlight the need for organization to provide clear and transparent communication to a broader range of stakeholders, such as those that have had little to say in the decision-making process (the often disregarded voices). By seeking collaboration rather than manipulation, a project organization might promote stakeholders' non-biased perception of fairness, in terms of both the process and outcome of the project.

In unfolding our conceptualization, we will start by problematizing the issue and interrogating theoretical backgrounds in project stakeholder studies. We will then explain our proposal for moving forward to address the theoretical gap, and will draw on the aspects of Weiner (1986)'s attribution theory to bring these perspectives together through a conceptualization of the way

in which stakeholders make sense of an organization's behavior, a central feature that aims to provide a practical and theoretical contribution towards the normative formulation of stakeholder theory. We finish by suggesting how, through this conceptualization, insights from different perspectives on attribution theory and stakeholder engagement can be brought together and reconciled with the project studies arena. We conclude by discussing some of the implications for both research and practice.

## 2. A Critique: Project Stakeholder Management

Widely accepted and applied within mainstream business and management studies, stakeholder theory has been considered an important tool for understanding organizations' behaviors and their interrelations within the social systems in which they execute projects. However, research in stakeholder theory is bounded by two limitations that do not allow its potential to be achieved. These two limitations are rooted in the ontological level of the theory, as well as in the approaches adopted by academics and practitioners alike. As we will demonstrate in this section, these limitations have resulted in an important imbalance in the way in which different stakeholders have been treated, both in theory and in practice. This has not only prevented stakeholder management research bringing a comprehensive and holistic image to the debate, but has also affected the daily life of secondary stakeholders, who are often negatively impacted by project activities.

The first limitation stems from stakeholder identification and efforts taken to address "Who are the stakeholders?" and "What are their roles and rights?" We concur with Eskerod and Larsen (2018), who elucidate that stakeholders are essentially identified and encountered based on their assigned roles (e.g. suppliers, end users, local community). This is more evident in instrumental management approaches towards stakeholders where the attribute of 'power' represents the basis of their prioritization and salience (e.g. Bourne & Walker, 2005; Johnson

et al., 2005; Mitchell et al., 1997). This approach has resulted in marginalization of secondary stakeholders in many projects (Derry, 2012; Teo & Loosemore, 2017), and "makes it easy to separate decision-making from those stakeholders who are affected by decisions" (McVea & Freeman, 2005, p.60).

The second limitation stems from the methodological and practical approaches taken to build knowledge from the demands, concerns and beliefs of stakeholders, thus posing the question, "How should the roles and rights of stakeholders be identified?" In the prevalent theoretical approaches, the priorities and demands of stakeholders are largely determined by the perspective of the organization (e.g. Derakhshan et al., 2019b; Friedman & Miles, 2002). This organization-centric approach results in a dyadic, independent stakeholder relationship (Eskerod & Larsen, 2018; Eskerod et al., 2015; Frooman, 1999), as well as an "unbalanced perspective in which the stakeholder voice is under-represented and remains a limitation of stakeholder theory" (Miles, 2017, p.448). The experiences and interests of many stakeholder groups are only distantly rationalized, without questioning how the stakeholders themselves perceive their entitlement to the conditions of the project (Bondy & Charles, 2018).

These two limitations may not primarily influence those stakeholders who are powerful enough to make their voices heard by the organization, but may considerably plague disregarded stakeholders, such as local communities, by placing them in even weaker positions within the stakeholder network (Derry, 2012). This influence is more significant in institutional systems that are infused with several types and levels of complexity, such as large construction and infrastructure projects (Qiu et al., 2019), where the need for simplification results in massive marginalization (Derry, 2012). Given that power is the primary attribute of stakeholder salience (Parent & Deephouse, 2007), the instrumental approach more readily leads to the marginalization of the distal and affected local community stakeholders.

Similarly, in practice we need to note that many construction and infrastructure projects have been historically driven by the interests of the project-based organization, making communication with secondary stakeholders a challenging task. This is a recurrent issue recorded not only in developed geographical locations, but also in developing countries, such as some projects mentioned in the works of Xue et al., (2015) in China, Jordus-Lier (2015) in South Africa, Strauch et al (2014) in Peru, and Nguyen et al (2009) in Vietnam, to name a few. Therefore, in this article, we base our argument on the normative stance of stakeholder theory and direct our concern towards secondary stakeholders in complex social settings such as large-scale construction projects.

## 3. A Way Forward: Investigating Stakeholders' Perceptions

In recent years governments and project promoters across the world have taken major steps towards a more stakeholder-inclusive approach. In research conducted by NETLIPSE (2016), 15 infrastructure projects with a total investment of more than € 50 billion were studied by a consortium of private, public and research institutes. The research empirically demonstrates the beneficial outcomes of vast involvement of stakeholders in many large-scale projects, such as the Øresund Crossing in Denmark, the West Coast Main Line in UK, the Bratislava Ring Road, and the Lisboa-Porto High Speed Line. The World Economic Forum (2020) also highlighted the importance of moving towards a more stakeholder-inclusive approach, convening under the theme: '*Stakeholders for a Cohesive and Sustainable World*'. The forum Executive Chairman Klaus Schwab wrote in the manifesto: "The purpose of a company is to engage all its stakeholders in shared and sustained value creation. In creating such value, a company serves not only its shareholders, but all its stakeholders – employees, customers, suppliers, local communities and society at large."

Although examples of the stakeholder-oriented approach are fast-growing in the practical realm, they remain limited in stakeholder research (Derakhshan et al., 2019b; Miles, 2017). Pointing to a way forward, Jensen and Sandström (2013), argue that research into communication with stakeholders through a bottom-up approach (Burton & Dunn, 1996) and examining the promotions of the stakeholders' non-biased perception of fairness through adoption of that approach (Phillips,1997; Phillips et al., 2003) may lay the groundwork for us to revisit the idea of stakeholder engagement and inclusion. While organizations must go beyond merely sharing the outcome of their decisions with stakeholders and should promote the non-biased perception of fairness of procedure and outcome (Phillips et al., 2003), researchers, in the same vein, need to push the traditional boundaries of the stakeholder realm to present a holistic view of the debate. In doing so, a promising route (see Coombs & Holladay, 2005; Stingl & Geraldi, 2017; Weiss et al., 1999; Wong et al., 2008) considers stakeholders' perceptions and emotions as the central focus of the research.

Against this background and as a part of the consciousness about the significance of stakeholder engagement, the central discourse of our argument is laid over the adoption of a more inclusive approach, accompanied by taking a stakeholder perspective. Embracing this approach requires reinforcing the relevance that stakeholders' perceptions of fairness covers in order to achieve more compelling and effective stakeholder inclusion (Weiss et al., 1999) and project performance (Lim & Loosemore, 2017; Unterhitzenberger & Bryde, 2019). In this section we initially discuss the different dimensions of stakeholders' perception of fairness and then explain how stakeholders attempt to make sense of organizational behavior by perceiving fairness at the corporate, project and individual levels.

*3.1. Dimensions of Fairness: Distributive, Procedural and Interactional*

Since Rawls's (1956) publication of justice as fairness, the concept of fairness has been used as a form of cognitive appraisal through which individuals make sense of their environment (Barsky et al., 2011; Leventhal, 1980). It was later expanded in organizational studies literature to interpret how individuals use fairness as a critical piece of information to evaluate the conditions made by the organization and to the extent to which they believe they are treated fairly (Greenberg, 2003). Fairness theory (e.g. Ambrose & Schminke, 2009; Colquitt & Rodell, 2011) makes a distinction between three types of perceived fairness: distributive, procedural, and interactional.

Distributive fairness is defined as the distribution of benefits and harms, rewards and costs, and other things that affect the wellbeing of the individual members of a group or community. It also includes whether a particular individual-related outcome (e.g. a payment, a promotion, job security) or group-related outcome (e.g. community development program) is perceived to be fair (Luo, 2007). The essential values of distributive fairness are those that foster effective cooperation to promote each member's wellbeing in economic, social, psychological and physiological areas (Luo, 2007). Decision-makers can utilize distributive fairness to encourage cooperation, creating standards and norms of expected behavior (Prasad et al., 2011). Distributive fairness of the decision-making process is thus based on an organization's ethical code of conduct and its established policies and norms at the strategic level. In the specific setting of construction and infrastructure projects, we can refer to distributive fairness as the extent to which, at the corporate level, i) the organization is 'moral in nature' and, ii) the sharing of rewards from cooperation is fair in view of each party's contribution, commitment, and assumption of responsibility.

The procedural dimension of fairness refers to individuals' perceptions of the formal procedures that govern decisions involving their treatment and benefits. The basic premise is that fair treatment determines individuals' reactions to decisions and is thus central to their

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behavior (Lind & Tyler, 1988). Procedural fairness is the perception of whether the procedures (processes) behind the distributive outcomes are fair (Horvath & Andrews, 2007), whether decisions and their execution are transparent and correctable, as well as unbiased, representative, and nondiscriminatory to each party, and are also in accordance with contractual specifications (Luo, 2007). In a construction or infrastructure project setting, procedural fairness can be defined as the extent to which the decision-making process and procedures that impact each party's gains and interests are impartial, fair and inclusive, as perceived by a broad range of stakeholders.

Interactional fairness is a third dimension of fairness that further builds from the distributive and procedural perspectives, providing a clearer distinction between individual and organizational levels of fairness. Interactional fairness refers to the quality of treatment and communication conducted with individuals by project personnel (Colquitt et al. 2001). Interactional fairness refers to the explanations provided to convey the reasoning behind organizational processes and outcomes. It also concentrates on individuals' perceptions of the quality of interactive treatment received during the execution of organizational procedures (Jawahar, 2002). This dimension involves individuals from within an organization and outside it (i.e. stakeholders) interacting with one another (Ambrose et al., 2002). Farrar et al., (2019) highlight that interactional fairness relates to the quality of interpersonal treatment, comprising politeness, dignity, and respect, as well as the adequacy of information provided to individuals. It refers to the quality of interaction between project stakeholders and project authorities (e.g. project managers or communication managers) to the extent to which stakeholders receive fair interpersonal treatment and adequate information in the engagement process.

Procedural and distributive fairness are theoretically distinct (Colquitt et al., 2001), yet they are both very important. An individual's evaluation of their experiences of project and organizational practices is a unique verdict based on both outcome and process (Greenberg,

2003), and an evaluation of fair treatment indicates a positive intention of the part of the organization (Hewett et al., 2019). While the first two dimensions of fairness focus on the formal aspects of the exchange process, interactional fairness emphasizes the social aspect of the process (Skarlicki & Folger, 1997).

These three dimensions of fairness have been discussed by some researchers in project studies and construction project management. Kodefors (2005) discusses fairness in contractual and procurement arrangements in two projects in Sweden. Similarly, Zhang et al., (2016) investigate fairness perception from the perceived effects of risk allocation on contractors' cooperative behavior in construction projects in China. Ng et al., (2007) embraced the concepts of distributive and procedural fairness to develop a dynamic conflict project management system for dispute resolution; while Aibinu et al., (2011) found that construction projects in Singapore are positively affected by the perceived fairness of the distributive outcomes which reduced the level of conflicts and disputes. A recent empirical work by Unterhitzenberger & Bryde (2019), demonstrates that project performance is enhanced when there are procedures in place for the fair treatment of project team members, fair allocation of resources, and individuals' interaction characterized by respect, propriety, and dignity. Giving importance to inter-organization justice, Loosemore and Lim (2015) firstly focused on the three dimensions and the level of fairness across different construction project types, and later (in 2017) found that the three dimensions could be correlated, and that managerial practices need to actively influence all three aspects of fairness in order to become effective (Lim and Loosemore, 2017).

It can be argued that organizations have long cared about the fairness of their outcomes, thus assuring the fair apportioning of dividends to stakeholders. This can be observed in contracts, codes of ethics and mission statements that are established to drive an organization's strategic direction. The perception of procedural fairness, on the other hand, has been routinely overlooked and stakeholders are often excluded from getting "a say in how the pie is baked"

(Phillips et al., 2003, p.487). In relation to the perceived fairness of policies and norms established at corporate level to make decisions (distributional fairness), organizations often consider themselves as autonomous decision-makers and do not involve a broader range of stakeholders in the processes that lead to the final outcome (procedural fairness). Consequently, some stakeholders (e.g. local communities) are often disregarded when compared to the vital primary actors (e.g. shareholders), and not fully informed about their proportional contribution in any cooperation and the processes behind "cutting the pie", because adequate explanations and quality of information are seldom provided. This lack of organizational communication does not allow the stakeholders to perceive fair treatment from the organization's behavior (interactional fairness).

As we discussed in this section, a comprehensive normative stakeholder approach is not only fair in the outcomes shared with the stakeholders (distributive), but also involves the stakeholders in the process of decision-making that influence them the most (procedural). This approach is also centered on the quality of communications with stakeholders, comprising politeness, dignity, and respect (interactional). In the next section, we unpack how stakeholders perceive an organization's outcome, process and interaction, thus providing project organizations with a better understanding on the way their strategic and tactical decisions are perceived to be fair by a broader range of project stakeholders (i.e. secondary actors).

## 4. The Process of Perceiving Fairness

The cognitive process of appraising fairness by stakeholders to the organization actions consists of two elements. The first is the individual observing and evaluating the *changes* made by the project. That is, stakeholders evaluate an organization's behavior based on the degree to which their initiatives are successful in improving the lives of the intended beneficiaries and/or society (Bhattacharya et al., 2009). Organization studies have already shown that the process

of evaluating this quality includes a comparative process resulting in a perception of fairness or unfairness of some type (Martinko et al., 2002).

The next stage of this cognitive process involves an analysis of the *causes* that resulted in the perceived fair or unfair condition of the stakeholders (Hewett et al., 2019). Prior research finds that stakeholders respond to an organization's activities based on causalities which they attribute to the organization's involvement in such initiatives (Phillips et al., 2003). There is a common agreement that these perceived causalities considerably influence how stakeholders perceive the fairness of the condition (e.g. Greenberg, 2003; Hewett et al., 2019; Martinko et al., 2002).

Although different theories have been used to describe how and why various causal reasoning processes are associated with stakeholders' perceptions (Martinko et al., 2002), we argue that attribution theory provides the most comprehensive and integrated explanation of how stakeholders perceive causalities behind organizational behavior. The primary sources which form the basis of our argument regarding the central role of attribution stem from two main schools of thoughts within attribution theory. The first model was established by Kelly (1973), whose seminal work focuses on explaining *how* individuals use information to form attribution. The second model, first introduced by Weiner (1986), explains instead *what* information individuals use to conduct their attributional processes. In the next section we will explain both of these models in detail before applying them for the first time to the project studies realm.

Humans as "Naïve psychologists", in Heider's (1985, p.5) words, have an innate desire to attribute events to causes. Numerous attribution theories provide necessary frameworks to analyze how individuals make causal ascriptions in understanding the events in their environment (Gardner et al., 2019; Martinko & Mackey, 2019). But despite their tremendous potential to explain a wide range of workplace behaviors, attribution processes have been

under-utilized in the organizational literature (Martinko et al., 2011; Weiner, 2019), and to the best of our knowledge have never been applied in the project studies arena. This is quite surprising as attributions are reliable predictors of human behavior (e.g. Martinko et al., 2007), and we believe essential in understanding stakeholders' perceptions and their subsequent emotions and outcomes in supporting or opposing a project or programme.

In this paper, we introduce attribution theory in project stakeholder management as the theoretical lens with which to explain how secondary stakeholders attempt to make sense of organizational behaviors by ascribing the causes behind their initiatives. In doing so, we will first explain how individuals make attributions and what kinds of information they use; we will go on to apply these theoretical constructs to the subject of the study.

### 4.1. The Attribution Theory Explained

Organizational studies incorporate two primary meanings to the term 'attribution'. The first refers to individuals trying to answer the 'why' question, or finding explanations for behavior, and the second is concerned with inferring traits from behaviors and ascribing blame (Shaver, 2012). As Malle explains, the common aspect of both definitions is that: "in attribution as explanation, a behavior is assigned to its cause; in attribution as inference, a quality or attribute is assigned to the agent on the basis of an observed behavior" (2011, p.72).

Trying to explain how individuals attribute causality, Weiner (1986) showed that there are three dimensions of cause that people use to judge situations. First, is the locus of the cause, which can be considered either internal or external. Internal loci are rooted in the traits or the intentionality behind acts and behaviors, whereas external loci are due to reasons outside of the agents and are therefore less controllable by the perceiver. Second, is the stability of the cause, assessed by monitoring whether the cause changes over a period of time. The third dimension relates to the controllability of the cause, considering at what level the cause could be

controlled. As the theory suggests, these attributions can lead to the emergence of feelings on the part of stakeholders, and therefore the best way to manage stakeholder emotions with regard to the project organization is to understand the attributional process they undertake.

Building upon the seminal work of Kelley (1973), several researchers have theorized that information about the stimulus, beliefs based on prior experiences, and motivation to make attributions are the three main sources of information that individuals use to make attributions about others' behavior (Harvey et al., 2014; Hewett et al., 2019; Martinko et al., 2002). These three factors, as suggested later by Kelley and Michela (1980), work together to shape attributions and are not consciously distinct when used by humans. Any piece of information gleaned by the individual has the potential to trigger an appraisal of the condition (Hewett et al., 2019; Martinko et al., 2002). This information might be obtained from an individual's observations or experiences (Martinko et al., 2007), but most importantly must be significant enough to motivate that individual to initiate attributional processes.

Stakeholders' attributions are also based on deep stimulus, beliefs, and motivations gained through their former experiences. This concept is aligned to Heider's (1958) work, elucidating that individuals' causal ascription of others' behavior is influenced by their general perception of those parties. This second source of information in organization studies is defined as legitimacy (Derakhshan et al., 2019a), or an organization's cynicism (Hewett et al., 2019), and describes the individual's attitude towards the organization as a whole, including all of its policies, procedures and management.

The cognitive process of making attributions is conducted by individuals only if they believe that the information they receive is important to them (Weiner, 1986). This sheds light on the importance of perceived relevance of the practice, defined as the extent to which individuals are interested in, and dependent upon, changes in their environment (Sivacek & Crano, 1982;

Gardner et al., 2019). Perceived relevance, in fact, motivates individuals to process information about experiences and observations in order to find underlying causes.

The human brain has a limited capacity, and therefore processing large amounts of data in order to find the reasons behind behaviors is driven by organizing and storing information through categorization (i.e. assigning traits to others) (Lord & Smith, 1983; Lind, 2001; Srull & Wyer, 1980). Categorization, based on previous experiences or beliefs, is considered to be a foundation of attribution-making. Feldman (1981) introduced two types of attributional process — automatic and non-biased — in which a human brain has the ability to consciously make attributions only in a controlled mode. That is, the perceiver has fully control on the data that are being process by his/her brain for developing attributions. Controlled attribution can be explained as comprising of three main steps. First, is the conscious observation of the behavior of others and the impetus to begin attribution. Second, is the analysis of this behavior, through the observed or experienced information, to find the cause that resulted in its emergence. Finally, is the selection of one main cause that explains the emergence of the behavior and a consideration of whether this cause shows a specific trait of the agent.

When individuals, based on their observations, decide to assign a specific category or trait to an agent, all of their further judgments about that agent are automatically interpreted based on that trait (automatic categorization). This substantially reduces the amount of data processes that as humans we need to undertake in order to assign a cause to a behavior. However, this is also the main reason for an individual's attributional biases (Derakhshan et al., 2019a; Hewett et al., 2019).

As Taylor and Fiske (1978) explained, people stop searching for the causality of behaviors after finding the first satisfactory salient cause. Feldman (1981), and later other researchers such as Martinko et al, (2007) and Hewett et al, (2019) expanded on Taylor and Fiske,

suggesting that where there are different explanations for a behavior, the first salient explanation tend to be selected as the cause. These salient sources are either distinctive qualities of the agent or a particular cause existing in the observer's memory (a trait previously assigned to the agent). For humans, these traits are considered as salient to causality, and therefore knowing an agent in the past, or considering a specific trait associated with them, influences the interpretation of their behavior in the present.

Categorization, moreover, is not only used to reduce the amount of data processing. During attributional processes categorization is also used as a basis for guessing in situations where specific information is unavailable (Wyer & Srull, 2014). Causes identified through automatic attribution are therefore likely to be inaccurate and, in some cases, incorrect (Feldman, 1981). As will be explained below, these automatic processes are integrated with several biases long studied by attribution scholars (Billet & Qian, 2008; Doukas & Petmezas, 2007).

Given this lack of information, individuals use internal causes (traits of the organizations) more frequently and external causes (other reasons out of the hand of the organization) very seldom (Carson, 2019; Weiner, 1986). Internal causes are more frequently considered as the main reason behind a given behavior, oftentimes with severe and negative consequences, while external causes are more often guessed to be the reason behind behaviors with trivial or positive outcomes.

When a behavior results in severe negative consequences, individuals tend to attribute this to the intentionality of the organization who carried out the action. In contrast, when the results are positive the cause is usually found among factors out of the organization's control (Feldman, 1981; Martinko et al., 2007). It seems that individuals find more internal causes behind the 'good' behaviors of those they like, and the 'bad' behaviors of those they dislike. That is, the positive actions of liked organizations are more often attributed to their traits, while

negative actions are considered to be due to causes beyond their control. In contrast, the positive actions of disliked organizations are more likely to be considered accidental or unintentional, while the negative actions of these same organizations are attributed to their traits and thus deemed intentional.

*4.2. The Attribution Theory Mobilized*

By understanding how stakeholders make sense of the organization actions at the individual level, organizations with an inclination to normative behavior tend to be better motivated to share the outcomes and process of their decisions with stakeholders enhancing their perception of fairness. Such organizations make efforts to reach fair decisions, and accordingly, favor their outcomes to be perceived as fair by the stakeholders. Phillips (1997) states that, for a decision to be fair, it ought to be according to the risk, cost and contribution of all network stakeholders. The outcome may involve a benefit or incur a cost imposed on the secondary stakeholders, such as local communities. For example, it could be the inevitable degradation of the environment due to particular project activities, or an infrastructure built as a part of a community development program agreed with the local government. Nevertheless, individuals within the local community will create their own perceptions from the information they find available, considering whether the project organization had any control over the causes of the outcome, or whether the outcome was the result of external conditions (Weiner 1986; Weiner et al. 1988). The result of this attributional process will be a decision about the fairness of the organization's decisions, and the individual's subsequent actions to oppose or support the organization.

In the stakeholder's initial acquaintance with the organization, the stakeholder's attribution processes are conscious and non-biased. This means that once individuals perceive that any changes made in their milieu are relevant to them, they consciously seek information in order

to attribute causes to these changes. However, where this information is missing, attribution biases come into play, resulting in the individual considering the organization's intentionality behind negative outcomes, while attributing positive outcomes to external causes outside the control of the organization.

Over time, these attributions integrate with one other and the individual's belief about the organization, or its traits, emerges. After many such observations, attribution solidifies into an individual's perception. Knowing that fairness is perceived from the outcome (distributive), process (procedural), and the communication among individuals (interactional), it can be argued that stakeholders draw on these three dimensions in order to appraise whether the organization is fair in decisions that influence them. As Malle (1999) reinforces, the behavior of a project organization in the past will be considered the cause behind its present behavior. In organizations where the often disregarded stakeholders are not provided with sufficient information to allow them to attribute the real cause behind organizational behavior, stakeholders will try to guess the underpinning processes that led to the emergence of this outcome (Wyer & Srull, 2014).

An organization that excludes secondary stakeholders from the process of decision-making ends up being perceived by disregarded actors as a cynical organization whose negative behaviors, according to the attribution bias, are automatically attributed to its traits, and whose beneficial acts are assigned to external causes. From the individual's perspective, any further considerations of the causality of negative impacts of a project are automatically rejected because they have found what they deem to be a satisfactory reason (Ross, 1977). As suggested by Feldman (1981) and Malle (1999), in such a circumstance, if an accident that is out of the control of the organization has a negative impact, the individual is likely to automatically blame the project organization for that accident. Thus, despite not being factually accurate, the 'untrustworthiness' of the project organization is the most salient explanation for this

unfortunate event, and this perception leads to stakeholders developing negative emotions towards the organization and eventually engaging in collective actions against the project.

However, automatic attribution can be terminated and replaced by a more conscious process. A conscious categorization process, and a less biased one, is triggered when incoming information reaches the threshold of the discrepancy. When observed or experienced behavior is sufficiently distanced from a stakeholder's pre-assumed trait or expectation, the individual becomes motivated to make attributions about the causality of the emergent information. In this way, more information is gathered and a new decision is made. Because the new pieces of information received do not integrate with the previously established traits of the project organization, individuals try to find other reasons behind the organization's recent approach.

Lord and Smith (1983) explain that the level or amount of information processing is a significant factor in the reduction of biases in the attribution process. The rule of thumb here is that when the level of available information is high, a conscious and non-biased attribution is made and the frequency of attribution biases during the process diminishes. Jeong (2009)'s research on the oil spill post-crisis communication, for instance, confirms that communicated stakeholders made higher internal attributions and lower external attributions about the oil spill accident when a high level of information was provided to them by the project organization, compared to when low levels of information or no information was provided.

Drawing from attribution theory, in this section we conceptualized the process through which stakeholders attempt to make sense of an organization's behavior by evaluating the changes to their surrounding environment due to project activities. In light of the above discussion, the conceptual framework for the study is shown in Figure 1.
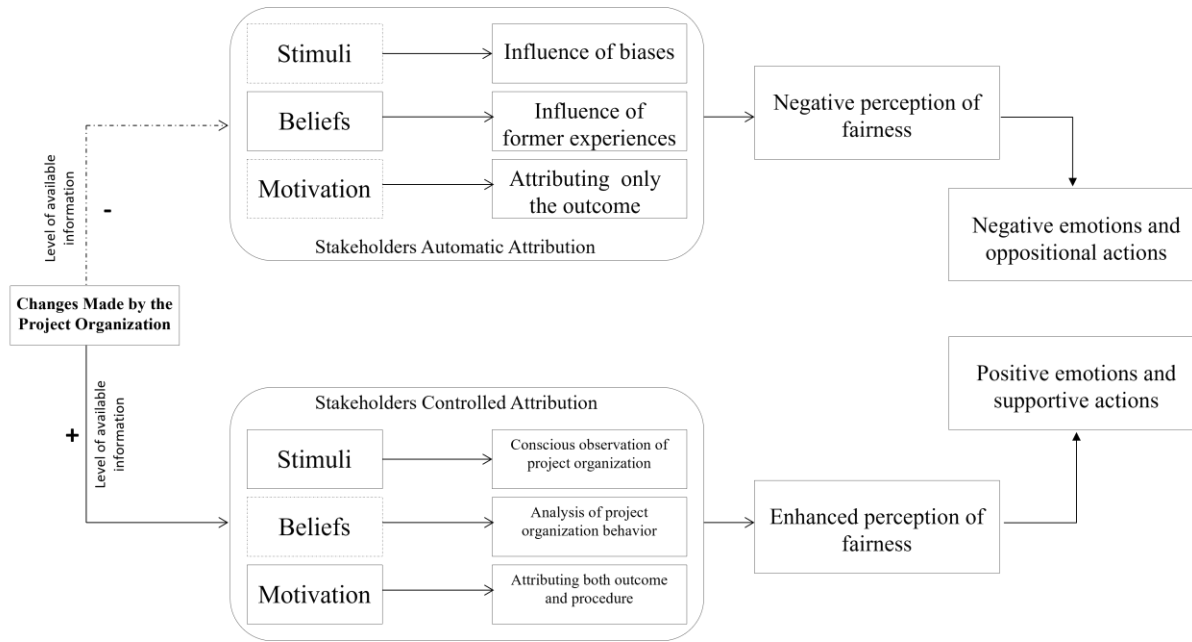
**Figure 1:** Conceptual Framework - Stakeholders' attributional processes towards the project organization

## 5. Illustrative Case in the Construction Industry: The Variante di Valico Project

An interesting case to illustrate how the perception of fairness of seondary stakeholders has an influence on their emotions and consequent actions in relation to project organization's initiative can be found in the Italian Apennine highway project 'Variante di Valico'. Secondary data (e.g. official reports and articles from mass media) shows that due to a lack of sufficient information, local communities perceived themselves as excluded from the process of decision-making about the affairs that affected their lives, resulting in an initial phase of opposition and resistance. The Variante di Valico case shows that lack of communication with a broad range of stakeholders contributes to shaping a negative perception about a project's outcome. The case also demonstrates that embracing an inclusive approach can result in stakeholders perceiving that the organization is acting fairly. As we will explain further, adopting a more inclusive approach and involving stakeholders in "baking the pie", in Phillips et al., (2003)'s words, could result in a substantial change to stakeholders' perceptions of fairness.

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At the beginning of the nineties, the Italian government made a strategic decision to improve their high-speed infrastructure in order to overcome transportation issues recorded in Southern Italy. The Italian policymakers were persuaded to renew both their railway and highway systems. Proposed in 2001, the Variante di Valico project formed an important part of this program, involving the construction of a 58km highway featuring 23 viaducts and 22 tunnels. At a total cost of 4.1 billion Euros, the project was eventually opened to traffic at the end of 2015. Among the realized benefits of this project were improved safety, faster journey times, and reduced congestion and consequent environmental pollution (Autostrade per l'Italia, 2015).

The project's main decision-maker was the Ministry of Infrastructure and Transport, which licensed the execution of the project to Autostrade S.p.A. According to the procedural rules of the Italian's policy implementation, any public work must obtain the consensus of the involved regional and local governments and consequently, decision-making is shared at those levels. In the Variante di Valico project, two provinces (Bologna and Florence) and eight municipalities across the Emilia Romagna and Tuscany regions were involved in the decision-making process. The tool for building the consensus was the Environmental Impact Assessment (EIA) document, through which the regional governments were required to express their opinion on the environmental impact of the project. Public actors at various levels also participated in the development of this tool.

Due to the lack of technical information provided regarding the project's environmental impact, the regional government of Tuscany was criticized by the local governments of those areas that were mostly affected by the project as they felt rather excluded and not engaged. Information concealment was a common practice in Italy until the legal legislations in 2003 required the disclosure of public documentation by regional and local governments and made them

accessible to local communities. Nevertheless, in the Variante di Valico project the lack of adequate information resulted in both regional and local governments complaining to the Department of Transport for being excluded from the planning phase of the project (Ravellino, 2014).

Moreover, the effort made by the project organization (Autostrade S.p.A.) to explicate the benefits of the outcomes, mainly around 'speedy connectivity', was not convincing for the majority of local communities (residents and local governments) or environmental organizations (representing the safeguard of catchment basins and mountain areas), and did not compensate them for the inconveniences and discomforts of the project. The lack of information provided, along with minimum engagement at the local level during the planning phase of the project, created skepticism towards the scheme, and led to both a long wave of local community protest against Autostrade S.p.A., and to the governmental decision to build the highway (Cirillo, 2000; 2004; La Repubblica, 2001).

Opposition from both local communities and environmental organizations took different forms. Conflicts were particularly widespread and long-lasting in Tuscany, resulting in considerable delays in project delivery as well as negative public opinion (Corriere della Sera 2012; La Repubblica 2013; Ravellino, 2014). These protests threatened the project's efficiency, resulting in the project organization rethinking its approach and providing more information about decisions made. A shift toward disclosing more information, proactive engagement and the inclusion of the initially disregarded stakeholders was then implemented by the project organization. Reviewing Autostrade S.p.A.'s approach reveals that this allowed stakeholders to perceive fairness at corporate, project and individual levels, which gradually resulted in less opposition and even increased support.

In order to involve all stakeholders in the process behind the decision-making, some mediating measures were introduced by the project organization. 'Chronoprogram' was used to manage the multiple interests of several stakeholders and also to govern the links between activities carried out by different stakeholders, with the aim of achieving and harmonizing consensus across actors. The 'Conference of Services' represented a meeting place where clear and transparent information was disclosed, and where alternative design and building choices were articulated to a broader range of stakeholders. The decisions made at these conferences were then evaluated against the concerns and demands of all network stakeholders.

For Autostrade S.p.A., the Chronoprogram visualized the state of various uncertainties and risks, representing the connections, timings and boundaries between activities in a sequential nature. Experiencing oppositions pushed the project organization to maintain sustainable engagement and communication with almost all stakeholders at different levels, and also resulted in a profound amendment to Autostrada S.p.A.'s code of conduct, with the aim of enhancing accountability in its future actions. The internal policy and norms of the organization were then articulated in order to consider the progress limitations of the project, assuring fair behavior towards all stakeholders. In doing so, distributive fairness was ensured at corporate level.

The Chronoprogram facilitated the Conference of Services by drawing conclusions from multiple information signals, claims and ambitions from different stakeholders (now included into the decision-making process). The Conference of Services itself was a formal occasion to forge the project scope and exhibit a transparent decision-making process, enhancing the perception of stakeholders as being a part of a fair deal. The Conference of Services allowed for the gathering and synthesis of propositions about the Variante di Valico project, some of which mobilized diverse interests articulated by the project stakeholders, namely: authorities for catchment basins, mountain communities, regions, provinces, local administrators,

ministers, central regulators, and service companies. This inclusion ensured that stakeholders perceived increased levels of procedural fairness in the decision-making at the project level.

In order to provide adequate levels of information to an even greater number of individuals from different groups of stakeholders, the project organization created a communication model called "Open Yards", which encouraged interaction and the dissemination of timely, effective, transparent and regular information and engagement. These interpersonal, recurrent interactions were oriented to provide all stakeholders (institutions, users, residents, media and local communities) with a constant update of the highway construction progress (Autostrade per l'Italia, 2010), and resulted in the perception of interactional fairness by their targets.

Understanding the concerns and demands of diverse stakeholders, the project organization could take corrective actions in order to satisfy those stakeholders. Environmental protection actions such as anti-noise barriers, green areas, and the cleaning up of the project were among these corrective actions. Moreover, measures such as the planting of vegetation were undertaken to reduce the visual impact of the structure and to allow it to blend back into nature. Eventually the highway project was well received by almost all stakeholders. Local community action changed from opposition to support and, few decades later, the success of the project is apparent (Maccaferri, 2016; TRASPOL, 2018).

Reviewing this case demonstrates that building strong communication channels between different stakeholders, including secondary ones, and Autostrade S.p.A. not only resulted in the project organization becoming more informed and considerate about the demands and concerns of secondary stakeholders, but also encouraged the support of stakeholders who were previously disregarded and opposed to the project. Yet, as explained earlier, this support represents the final stage in a set of processes which starts with secondary stakeholders

perceiving fairness of the condition made by the organization from three different levels: corporate, project, and individual.

While project management literature has long studied the benefits of engagement and transparent communication in improving an organization's understanding of stakeholder demands, in this article we shifted our focus to the stakeholders themselves, to uncover how communication influences their attribution process in perceiving fairness.

## 6. Contributions to Theory and Implications in Practice

Our aim in this article was to discover how the often disregarded 'secondary' stakeholders attempt to make sense of an organization's behavior, and how this perception can be promoted by the organization to achieve non-biased stakeholder's perception of fairness. With the aim of project organizations capitalizing from the support of a broader range of stakeholders, this question was deemed to be important in order to understand how secondary actors (e.g. local communities) perceive the fairness of changes brought to their environment in large construction and infrastructure projects, and we drew on attribution theory to elucidate the process that stakeholders undertake in perceiving fairness. By highlighting the importance of human perceptions in project stakeholder management, both the theoretical and practical implications of the study are presented below.

*6.1. Theoretical Implications*

The conceptualization developed in this study finds its roots in the normative stance of stakeholder theory, which considers special importance for the fair treatment among a broader range of project stakeholders. This article is built on the moral aspiration that project organizations are becoming more interested in meeting and exceeding stakeholders' expectations, by understanding how they make sense of the changes they bring in their

environment. That is, up to the threshold of an organization's existence and financial viability (Freeman et al., 2010), decision-makers feel the ethical responsibility of considering the demands, concerns and interests of a broad range of stakeholders, such as local communities that do not have formal contractual relationships with, or direct legal authority over, the organization. As we have argued, even in organizations with the intention of fairness, stakeholders can be excluded from the decision-making that influences them the most, and consequently can perceive that the conditions brought by a project are unfair.

Against this backdrop, the perspective we emphasize in this study builds on the fact that the focal project organization should become more inclusive and try to provide sufficient information to a broader range of stakeholders about the changes that are induced in their environment to enhance their perception of fairness. From this perspective, the 'legitimacy' attribute is the core element for the engagement and inclusiveness of secondary stakeholders in the decision-making process, in contrast to the 'power' and resource-exchange view that represents the core attribute of stakeholders in instrumental formulations.

Scholars such as Malle, (2011) and Derakhshan et al., (2019b) have made considerable contributions towards an understanding of stakeholder management practices from the perspective of the organization. In this study, we provide a stepping-stone from an organization-centric to a stakeholder-centric approach, within the emerging literature on organization's management practices, as the often-overlooked half of the stakeholder debate (e.g. Cuganesan & Floris, 2020; Di Maddaloni & Derakhshan, 2019; Malle 2011).

In addition, this research is one of the pioneers of project management studies that departs from the idea of defining stakeholders as entities with roles and rights, and delves instead into the stakeholder attribution process in shaping their perception of fairness and eventually resulting in project opposition or support. Our paper adds to the few works in stakeholder theory which

emphasize the importance of perceptions and emotions of stakeholders as a source of an organization's knowledge for supporting decision-making (Burton & Dunn, 1996; Garry & Pearsall, 2015; Jensen & Sandström, 2013; McVea & Freeman, 2005; Phillips et al., 2003).

In contrast to works that examine projects from a fairness or justice theory perspective (e.g. Kadefors, 2005; Loosemore & Lim, 2015; Unterhitzenberger & Bryde, 2019; Zhang et al., 2017), our findings suggest that the perception of fairness is shaped by stakeholders' experiences and observations from three different levels: 1) the outcome shared with them and initiated by the organization with an intention of fairness at the corporate level (distributive fairness); 2) the process of decision-making discussed with them at the project level (procedural fairness); and finally 3) the overall quality of treatment provided to individuals from the project's authority figures (interactional fairness). Through the application of this dichotomy, we reinforce the point that for managerial practices to be effective they need to actively influence all three aspects of fairness (Lim & Loosemore, 2017).

Although the dimensions of fairness are all important in achieving stakeholder satisfaction, stakeholder management practices have often focused on the final outcome of the project (distributive fairness). Normative formulation of stakeholder theory states that the decisions of these outcomes should be made through communication with stakeholders and not confined by the focal organization, shareholders, and other primary powerful stakeholders as the most important decision-makers. This study points out the need to include stakeholders in the processes behind an organization's initiatives (procedural fairness), and the need to provide stakeholders with high-quality engagement and adequacy of information (interactional fairness).

*6.2. Managerial Implications*

As for its practical implications, this study focuses on a paradigm shift towards the adaptation of a stakeholder perspective, stressing the importance of engagement and communication with secondary stakeholders from the very front end of complex behavioral systems such as large construction and infrastructure projects. While stakeholder communication literature has long demonstrated that sharing the process of decision-making with secondary stakeholders allows an organization to be best aware of the demands, risks shared by and interests of these stakeholders (e.g. Eskerod & Larsen, 2018), we suggest that communication enhances stakeholders' perception of whether the conditions brought by the project are fair, at three different levels: corporate, project, and individual. By embracing a normative commitment and providing disempowered stakeholders with an adequate level of information, these attributional processes become more conscious and so the influence of biases reduces.

A process model to lead practitioners towards an inclusive and normative approach aimed at enhancing stakeholders' perception of fairness at the corporate, project, and individual level is presented in Figure 2.
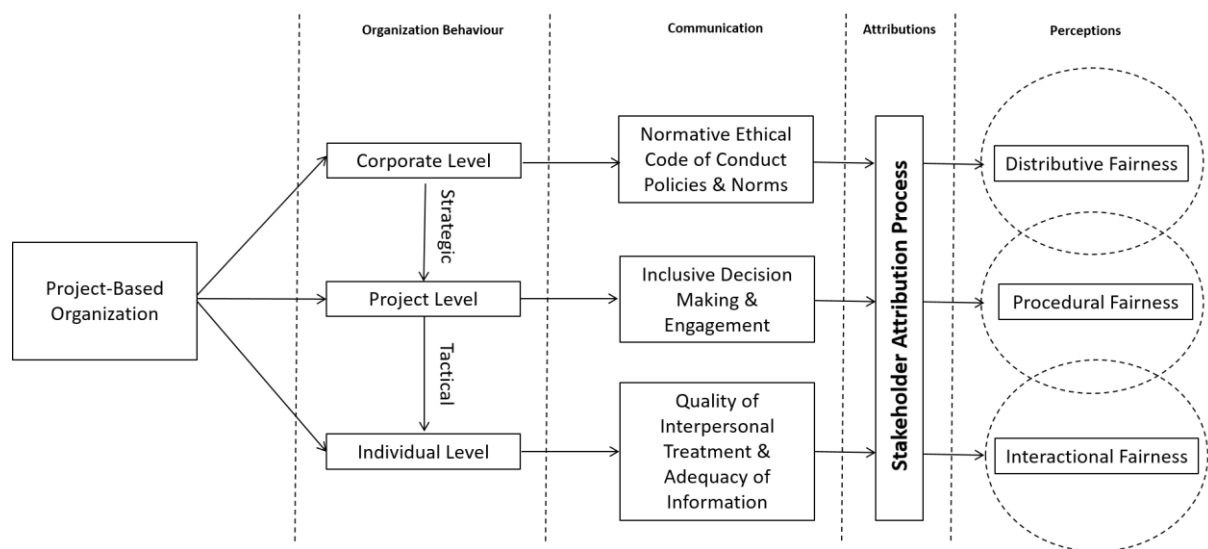


**Figure 2:** Process model towards stakeholders' perception of fairness in projects

As Figure 2 shows, at the corporate level, project organizations should clearly communicate their normative moral aspiration in meeting and exceeding stakeholders' needs and expectations (e.g. Freeman et al., 2007). Decision about value-sharing with a broader range of stakeholders should be conceived at the corporate and strategic level, through a normative ethical code of conduct, policies and norms, in order to ensure fair distributive perception of the benefits and harms affecting the wellbeing of individual members of a group or community.

We suggest that a clear, top-down message should be transferred from the corporate level to the border where projects communicators and project managers interact with secondary stakeholders. This message would emphasize the significance of effective collaboration in the process of decision-making and would not only guarantee fair treatment with stakeholders, but would also stimulate fair procedural perceptions from stakeholders. Policymakers and project promoters have made substantial progresses toward this. The use of balanced scorecards (Kaplan & Norton, 2001) in large construction and infrastructure projects, for instance, should help in comparing the benefits and harms to stakeholders and balancing these with the goals of the project. Schemes like the 'Statutory Planning Act' or 'Community Empowerment Act' are very much beneficial in consultation and participatory planning, although these schemes could also be perceived by stakeholders as a tick-box for the organization to achieve the green light required for project approval (e.g. Di Maddaloni & Davis, 2018). Project organizations, therefore, must pay close attention to the details of their stakeholder communication in order to ensure that their genuine goodwill is well perceived.

At the project level, organizations should strive towards an inclusive decision-making process which is transparent, correctable, and representative of the often-unheard disregarded voices. By considering stakeholders as an end, project managers should be able to apply the ethical

stance and core values of the organization at project level. Stakeholder satisfaction should be the aim of an organization shifting to an inclusive, decision-making process and embracing bottom-up collaborative forms of engagement. The project organization should consider the impact and benefits delivered to a heterogeneous and cohesive number of stakeholders (e.g. local communities), by listening and taking their perspectives on board for mutual beneficial benefit.

We define communication as a tool for providing information to motivate and feed the attributional processes of stakeholders. Despite being beyond the scope of this article to provide a comprehensive list of communication approaches, we suggest that in the light of this definition, project managers should select and use diverse means and methods of sharing the processes of decision-making and engagement with a broad range of stakeholders. Selected in alignment with project context and stakeholder, these devices and approaches could include meetings with representatives (Yalegama et al., 2016), public hearings (Kivilä et al., 2017; Lee et al 2017), or continuous announcements through social media (Lobo & Abid, 2019; Ninan et al., 2019).

Communication may involve simple, bilateral discussion between managers and individual stakeholders, or extend to many actors if the issue involves multiple stakeholder interests (Kaptein & Van Tulder, 2003). Either way, the aim of this communication is to feed the attributional processes of stakeholders and so the transparency and flow of sufficient information is imperative. Project practitioners should also be aware that communication with stakeholders is not enough, if it is not provided to individuals from project authority figures (e.g. project managers) at the individual level.

Where such information is not available, stakeholders' perception of fairness becomes biased and distorted. This result is more specifically important for disregarded or marginalized

stakeholders such as local communities, with whom communication is not requested by the majority of legislations, and whose perceptions of the project only surface when experiencing or observing the tangible outcomes.

It is among the fiduciary obligations of the project organization to constantly communicate with stakeholders during the process of decision-making. This communication not only motivates stakeholders to initiate positive attributional processes, but also leads to the perception of fairness as an underpinning facet of decision-making, and reduces bias in the attributional processes of stakeholders (Lord & Smith, 1983). As for both the explanations provided and the Variante di Valico illustrative case, it is in the lack of sufficient information that the influence of these biases becomes considerable. Providing sufficient information to stakeholders allows them to find the correct locus of cause, and project organizations should work in this direction.

## 7. Conclusions, Limitations and Future Research

This paper starts by interrogating the underpinning assumptions of stakeholder theory and sheds light on some underappreciated aspects of stakeholder management studies. We examined the three dimensions of perceiving fairness through the lens of attribution theory, in order to shape light on how stakeholders' perceptions of organizational behavior are constructed through cognitive processes conducted by stakeholders. Through an attribution theory lens, we laid the groundwork to develop our understanding of the importance of stakeholder perception in achieve stakeholders support and satisfaction. We found that perception of fairness emerges at different levels, and that decisions about value-sharing with stakeholders should be conceived at the corporate level and implemented at the project level, while the perception itself must be formulated at the individual level.

This study aimed to provide direction on how organizations can promote the non-biased perception of fairness of secondary stakeholders, often disregarded in the decision-making process. We were interested primarily in the role of communication as a mediator between an organization's behavior and stakeholders' attributional processes and subsequent perceptions of fairness. Since the aim of organizational communication is to feed the attributional processes of stakeholders, the transparency and flow of sufficient information is of vital importance, ensuring a stakeholder-inclusive approach in which individuals develop a conscious and non-biased perception of an organization's actions and behaviors.

We acknowledge the limitations of our article, which mainly stem from the nature and scope of the study and open the gates for future empirical research in the stakeholder engagement realm. Due to the novelty of the investigated concept, this research was conducted using a conceptual approach. Further empirical work in project studies is needed to add maturity to our findings. It is important to emphasize that while this article focuses on studying stakeholders' perception of fairness, it is beyond its scope to examine stakeholders' emotions or actions. This study does not represent a suitable setting for studying these steps in depth, as their emergence could also be influenced by contextual factors, such as the characteristics of the stakeholders themselves or their networks with other actors within the society or project environment. In this study we rather focused on perceptions as the first step analyzed before stakeholders' emotions and consequent actions (Combs & Holladay, 2005; McDonald et al., 2010). Future research may examine how these perceptions could translate into stakeholders' emotions and resulting actions.

Finally, as a theoretical framework with many overlooked potentials, attribution theory provides a solid foundation for further empirical examination of stakeholders' perceptions and cognition processes. In this research, we sought to use attribution theory to initiate a discourse

on project stakeholders attributing from an organization's behavior. Although we used attribution dimensions of individuals' cognitive processes, we are aware that these perceptions do not directly transfer to form group attribution of stakeholders at a collective level (Malle, 2011). Nevertheless, concurring with Martinko et al., (2011) and Martinko and Mackey, (2019) we see that group attribution of stakeholders does considerably influence the attribution of individuals within that group, and so further empirical research may examine how individual attribution transfers to the group level, and under what circumstances individual perception prevails to come out as the final verdict of stakeholder groups about an organization's behavior.

Although our conceptualization is embedded within the context of the construction and infrastructure industries, we believe that our reasoning can apply to any project with substantial impact on diverse, secondary stakeholders, such as extractive and major development projects. We therefore suggest that future project scholars might build upon this study in order to complement the presented research and to expand current knowledge of how project-based organizations might involve secondary stakeholders and thus reap long-term benefits.

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