Stakeholder Relationships as Games Played by Stakeholders

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Abstract:
The debate on what role business is supposed to play in society while carrying out its day to day activities has been on the front burner of business discussions, with various scholars taking sides with either the shareholder value maximisation or stakeholder consideration views. This has led to an increased interest in the area in recent times and has opened up new areas of research, one of such being the exploration of stakeholder relationships. This paper is part of study on the Nature of Stakeholder Relationships in the Nigerian Oil Industry. There have been the application of diverse theories to the study of stakeholder issues, but there seems to be little evidence involving the use of Game Theory to study the area. As a result, this paper uses the theory to explore the complexities involved in these relationships.

The methodology used in this paper is mostly qualitative in nature, with the data gathered through semi-structured interviews and analysed with the Thematic Discourse Analysis method. The findings indicate that some attributes expected in a game situation are present in the relationships between stakeholders in the industry. These relationships are undertaken with benefits or outcomes in mind, so each stakeholder is careful and strategic in taking actions that will protect its interests in the industry. In the process of protecting such interests, different kinds of relationships are created as a result of the different aspects of these games engaged in by the different stakeholders. A conclusion is reached that the management of stakeholder relationships is a very delicate game that involves a variety of choices, concessions, compromises, decisions and actions with varying levels of outcomes and impacts on the system. As a result, all stakeholders or game players must be cautious in their handling of these relationships as every move made in playing these games has an impact on the benefits or outcomes accruable to various stakeholders.

Keywords: Stakeholders, Stakeholder Relationships, Stakeholder Games, Nigeria, Oil Industry, Discourse

1. Introduction

This paper argues that the relationships that exist between stakeholders in different industries can be deemed as games that these stakeholders are engaged in, with the main aim of getting outcomes that are beneficial to them. Such relationships between stakeholders are seen as games that are played out by the different players involved with divergent interests and outcomes in mind that influence the various decisions and actions taken by the various parties. However, it is nearly impossible to discuss stakeholder related issues and topics in isolation from Corporate Social Responsibility (CSR), which could be regarded as the broad area under which this paper falls.

What is known today as CSR has witnessed an increased interest from both academics and practitioners in recent times, as reflected in it being diversely labelled as 'Corporate Social Responsibility (CSR)', 'Social Responsibility', 'Corporate Sustainability', 'Corporate Citizenship'. This popularity is given further credence by the number of articles and patents available in the subject area, as well as increased membership of organisations such as The Global Reporting Initiative (GRI), World Business Council for Sustainable Development (WBSCD), Business for Social Responsibility (BSR), Business in the Community (BITC) and Account Ability. The World Business Council for Sustainable Development (WBSCD) prides itself as a CEO-led global association that has membership strength of over 200 companies (WBCSD, n.d.). Business for Social Responsibility (BSR) is an organisation that has grown from its establishment in 1992 to having over 250 companies as its members in 2010 (BSR, 2010). Business in the Community (BITC) presently has a membership of over 800 companies and organisations with an interest in CSR spread across different business areas and industries in different countries of the world (BITC, n.d.). The reporting guidelines produced by The Global Reporting Initiative (GRI) are used by over 640 organisations that are regarded as Organizational Stakeholders (GRI, n.d.), with over 1000 firms declaring that they use these guidelines in a network of over 30,000 members globally (GRI, 2007). Similarly, Account Ability is another

organisation whose AAA1000 standards have been widely used by practitioners in CSR and related areas since 1995 as guide to what should be reported by firms in their interactions with stakeholders (AccountAbility, n.d.).

It would be expected that for such a popular concept there would be a universally accepted definition of what it means. However, this is not the case as it is yet deemed to be unclear (Amaeshi and Adi, 2007) especially as it can be adapted to mean anything depending on who is defining it. According to Votaw (1972), it means something to everyone interested in it, but such a meaning is not the same for everyone. Lebura (2009) asserts that this can be attributed to the diversities of the various individuals and groups involved with the concept, which influences their perspectives and views of the concept.

The definitions of the concept have touched on various aspects of business, such as responsibility (Donham, 1927; Bowen, 1953); decisions beyond corporate economic interests (Davis, 1960); expectations of society (McGuire, 1963; Carroll, 1979); business activities and their external impacts (Davis and Blomstrom; 1966); improved societal well-being (Kotler and Lee, 2005; Eweje, 2006); an unnecessary tax (Friedman, 1970; Knox et al, 2005). These authors and their different definitions reflect that there is a divide between those who think that business owes it to society to be concerned about its impact on the latter. On the other hand, the likes of Friedman (1970) and Knox et al, (2005) are in favour of shareholder value maximisation, strongly insisting that CSR is an unnecessary burden that businesses do not deserve. Some other authors (Drucker, 1984; Porter and Kramer, 2006) have posited that the best approach is for businesses to take proactive steps by including it as an aspect of their strategies. They insist that this will lead to a win-win situation where the firm profits, while society is also better off for it.

Notwithstanding the differences in definitions, there seems to be an agreement that the concept is aimed at making stakeholders of the firm more developed (Ojo, 2009). Walton (1967) had earlier indicated that the concept is about a good relationship between business and society, thereby making stakeholders the main focus of it. This implies that the success of any CSR activity undertaken by a company is dependent on the type of relationships existing with its stakeholders (Maak, 2007), since the company requires the support of the latter to achieve its aims (Andrioff and Waddock, 2002). According to Du, Bhattacharya and Sen (2010), such relationships will assist firms to prioritise their efforts and channel resources to more critical areas of impact. Clarkson (1995) agrees that prioritisation is crucial as firms are in short supply of resources to attend to every social need, making it expedient that their emphasis should be on stakeholder needs and issues first. Based on the above definitions, CSR could be seen as a situation where a business strategically undertakes activities that will improve the lives of its different stakeholders.

Another challenging topic in the area has been that of identifying who could be referred to as a stakeholder, with authors pointing to different attributes that can qualify an individual or a group as one. Phillips and Reichart (1998) even indicated that theoretical advancements in the area would not become a reality until there is a proper definition of those that could be called stakeholders. Dodd (1932) posited that anyone or group that has a dealing with a firm can be referred to as its stakeholder. Also, stakeholders have been viewed as everyone upon whom the firm depends in one way or the other for its survival (SRI, 1963 cited in Freeman, 1984; Freeman & Reed, 1983; Bowie, 1988). Rhenman (1964 as cited in Nasi, 1995) disagrees with this position, insisting that the stakeholder is actually the dependent party in the relationship, pointing out that it is such dependence upon the firm that makes the group or individual a stakeholder. According to Ahlstedt and Jahnukainen (1971 as cited in Nasi, 1995), dependency is a constant in relationships between firms and stakeholders but it is usually one of reciprocity as parties depend on each other in one way or the other. Stakeholders have also been defined based on claims (Clarkson, 1995); a legitimate claim (Hill and Jones, 1992); real or potential stakes (Starik, 1994); stakes possessed similar to shares (Fassin, 2009); ability to influence or impact (Savage et al, 1991; Carroll, 1993; Brenner, 1995); legitimate interest (Donaldson and Preston, 1995); responsibility of firm (Alkhafaji, 1989); relationship with the firm (Thompson et al, 1991; Wicks et al, 1994); interaction with the firm (Nasi, 1995); impact or effect made or felt (Freeman, 1984); risk borne or anticipated (Clarkson, 1994).

All the points highlighted above from the diverse definitions of authors over the years seem to be hinged on the fact that there is a relationship or interaction between the firm and its supposed stakeholders. Also, it is noteworthy to state that most authors have made the firm the focal point of stakeholder discussions, but that is misplaced as the firm itself could also be referred to as a stakeholder of others. For instance, when a firm depends on another firm, an institution or government agency for its survival as a result of an exchange between them. Therefore, this paper proposes a new definition of stakeholders that can be applied from an industry point of view, thus;

- 'A stakeholder is anyone or group that has an interest in the success or failure of an industry, because it can affect or be affected by the activities that take place therein. This could be either directly or indirectly.'

There is no consensus with regards to who the stakeholders really are, but the categorisation is broader now than it was before Freeman's (1984) position that stakeholders are more than just shareholders or investors of the firm. Cummings & Patel (2009) agreed that there are loads of stakeholders that require the firm's attention, but were quick to point that the most important ones are the customers, employees, communities, shareholders, and suppliers. They based these stakeholders' importance in the scheme of things on their direct roles in the attainment of organisational goals and objectives; in different ways such as patronage of the firm (customers), manpower (employees), environment and resources (communities), finance and funding (shareholders) and raw materials (suppliers). It is the relationship between these stakeholders that this paper aims to explore, especially viewing it as a game.

2. Stakeholder Relationships

Following from the definitions above of who can be called a stakeholder, it can be deduced that stakeholder relationships have to do with the different interactions and exchanges that take place amongst various stakeholders. Such interactions usually would involve more than one party at every point in time, because a stakeholder cannot have exchanges or interactions with itself. Stakeholder

relationships have been presented in diverse ways, with Freeman (1984) proposing that relationships between stakeholders are normally on a one-on-one (direct) basis. Hill and Jones (1992) agreed with Freeman (1984) but added that these relationships are a network that is made up of the firm and its numerous stakeholders, with contracts that are peculiar to each stakeholder. Rowley (1997) who criticised the presentation of these relationships as one-on-one and direct referred to these relationships as dyadic ties, insisting that they are actually multiple and interdependent in nature. In agreement, Williamson and Winter (1991) posited that these relationships could be seen as a nexus of contracts that are multiple, dependent and linked between the stakeholders involved. This could also require alliance between stakeholders in their bid to make businesses take decisions that are favourable to their various and peculiar interests. In order to appreciate these peculiar relationships, Neville and Menguc (2006) referred to Oliver's (1991) definition of stakeholder multiplicity, which they defined as "the degree of multiple, conflicting, complimentary, or cooperative stakeholder claims made to an organization" (p.380). They further explained that stakeholder multiplicity is all about the firm undertaking an assessment of the various claims by its stakeholders and attending to them based on priority. This should be in line with the firm's strategic focus, fit with the claims of other stakeholders and a consideration of the effect of attending to such claims on everyone in the relationship. These relationships and who controls them are determined by the resources involved as well as who controls such resources, as Frooman (1999) insists that the balance of power always favours the stakeholder that holds critical resources required by the firm. He further stated that this could be in favour of the firm or the stakeholder resulting to a relationship of very high dependence by one party on the other; while pointing out that there could be a case of interdependence which means that no stakeholder really has absolute control over the resources and by implication the relationship.

3. Game Theory in Perspective

The debate on stakeholders and their issues has been undertaken over the years with the application of different theories by diverse authors (Friedman, 1970; Freeman, 1984; Hill and Jones, 1992; Donaldson and Preston, 1995; Mitchell et al, 1997; Rowley, 1997; Frooman, 1999; Agle et al, 1999; Donaldson and Dunfee, 1999; Driscoll and Starik, 2004; Werhane, 2008) which has led to the birth of a stakeholder theory. However, this paper is focused on the application of Game theory to the discussion of stakeholder relationships, so the theory will be explored briefly below.

The theory originated from mathematics but has been seen as being applicable in all areas of human endeavour (Davis, 1997) as a result of its far reaching application in subject areas with little or no connection with mathematics. Morgenstern (1983, cited in Davis, 1997) attributes its use in these diverse areas to a function of its applicability to the complex and dynamic nature of human activities. The ubiquitous nature of this theory is given further credence by the realisation that human interaction and activity is everywhere, but it depends so much on human rationality as players to its detriment (Binmore, 2007). von Neumann and Morgenstern (1944) pioneered the application of mathematics to strategic games, leading to application of the theory to nearly all areas of human involvement, especially economic, political and biological discussions (Matthews, 1994; Osborne, 1995). The theory aids an understanding of relationships and interactions between different actors or players, such as firms, institutions, governments and individuals (Camerer, 2003).

A game could be referred to as being a position where choices have to be made by an individual or group, the outcome of which could have an impact on others or their choices and decisions (Cave, 1987). Davis (1997) adds that in such a situation, the decision by the players to choose either collaboration or competition is dependent on what they perceive to be the outcomes of the various options available to them. Sela and Vleugels (1997) summarised a game as being characterised by consenting players who have possible options of actions to take and what the results of such actions could be. They further stated that while it might be expected that all games will be peaceful, that is not always the case as games can sometimes become confrontational and conflictual. This is reflected in the daily interactions of humans, as they possess the ability to make decisions and take actions that they expect to be to their benefit. There have been some characteristics identified by authors as being pre-requisites for there to be a game in place, such as players, choices or strategies, outcomes (Cave, 1987); a set of players, a set of actions and preferences (Osborne, 1995); guiding rules and information (Camerer, 2003). A group or individual cannot claim to be a player if such lacks the possession of preferences and subjective beliefs, which are an indication of what kind of information the player has about the game (Binmore, 1994).Such a player could either be a firm or an individual (Osborne, 1995) that can make strategic decisions that are aimed at a beneficial outcome or payoff. This is important as the kind of outcomes or payoffs that a player gets come as a result of the kinds of decisions earlier made by such a player (Binmore, 1994) while interacting with other players by way of playing the game. Aside from these, rationality has been viewed as being very important as it controls the actions and decisions of players of a game (Osborne, 1995; Binmore et al, 1998; Binmore, 2007; McCain, 2010). Binmore (2007) hints that it is the single reason why players decide to get into conflict or cooperation positions when playing a game.

There have been a number of games discussed by authors, which have been further categorised into different groups, with Osborne (1995) grouping them into strategic or extensive games and coalitional games. He explained that strategic or extensive games have an emphasis on the actions of players which could be either one-off decisions or repetitive ones. In extensive games, players are able to make decisions, see the outcomes and review their next decisions, while players in strategic games cannot do such as they are expected to make decisions simultaneously. On the other hand, he described coalitional games as those that are focused on the outcomes of the different decisions made by players as they interact with others. Other categorisations have been made as games with two or more players and those where players either cooperate or compete (Davis, 1997); cooperative and non-cooperative games (Binmore, 1998); zero-sum or non-zero-sum games (Binmore, 2007); games of perfect information and imperfect information (McCain, 2010). The above categorisations are similar to each other as there is a higher likelihood of players under the non-zero-sum

games to cooperate with each other as a result of the perfect information they have which influences their decisions. These games give some room for compromise, so that players may not gain or win everything yet they can win partly. Examples of such games could be negotiations between countries, business bargain situations, prisoners' dilemma games and elections. Elections are added here considering the fact that they can be inconclusive like was witnessed in the 2010 UK General Elections where there was a hung parliament, giving room for a coalition government (BBC, 2010). In the same vein, it is very unlikely that players in zero-sum games will cooperate with each other since they have little or no information that puts them in a competitive position with others. In other words, the lack or limitation of information leaves the players with just one option of either winning or losing thereby making such games very competitive in nature. Examples of these games are matching pennies, ultimatum game, prisoners' dilemma game, marriage proposals, and elections (in this instance these would be referring to when they are concluded first time).

There are different games that have been discussed by authors over the years, but only a few of such games are explained briefly below to give an insight into their nature, because of similarities that most of them share.***The Prisoners' Dilemma*** has generally contributed immensely to the high level of awareness of the theory, since it immediately comes to mind once the theory is mentioned. The game is an account of two suspected criminals held in separate cells, with the authorities holding enough evidence to get each one of them convicted of a minor crime but require more information or evidence in order to convict either of them of a major crime. The possibility of getting the required evidence depends on acquiring a confession from either of them, making such a person a prosecution witness or informer used against the other. To get the needed evidence via confession, the prosecutor approaches both of them separately with deals that would sway them to confess to the crime, thereby making it possible for there to be a major conviction. In the event that one of them confesses, that one will be set free and used as a witness against the other who then is likely to face the maximum sentence of the crime committed (let such sentence be assumed to be ten years). On the other hand, if they both react by confessing to the crime they get lesser sentences (assumed to be about six years each); while in a situation where they both refuse to confess, then they both get an even lesser sentence (assumed to be one year each). This game underlines self-interest in relationships and interactions between humans, especially when they have little or no information with regards to what the decisions of others could likely be. This makes every player to go for the best decision in such player's interest, without much concern about what happens to the other party or player; even though such a decision must be carefully taken since the player is oblivious of the other's decision. McCain (2010) hinted that this game has been criticised for being too popular, despite being a two-person game. The authors of this paper disagree with the view generally held by scholars that the game is a two-person game, especially considering the role of the prosecutor who presents the deals to the suspected persons. Such an important actor or player cannot be neglected since the decision of both suspects can be influenced by how the deal is presented to them. There are other games similar to this, such as Joint Project, common Property and Duopoly; these are mostly in terms of the payoffs available to players for cooperation.

The Ultimatum Game is another supposed two-person game that is worth taking a look at, with the two players being a Proposer and a Responder. The former makes an offer to the latter, who has the option to either take the offer or refuse it; making it nearly impossible to have bargains. An acceptance of the offer by the Responder means there is an exchange, while a refusal implies that the status quo remains. It is argued by Gale et al. (1995) that certain times a Responder will be willing to turn down an offer deemed to be insignificant even if it means settling for nothing. Skyrms (1996) claims that such a refusal of the offer by the Responder is aimed at being a punishment for the Proposer of an offer seen to be unfair. This game seems to be tilting the balance of power in favour of the Proposer and in this light is not a very popular game in our daily activities; because there are always concessions to make in our interactions and relationships with each other (Gale et al., 1995). However, it is noteworthy to point that such an imbalance in power can only happen when there is just one proposer because if there are at least two proposers then there is the possibility that the proposers will try to get something out of the exchange which tilts the balance of power in favour of the Responder. This game from the surface of it seems to be mainly a two-person game, but a closer assessment brings to the fore the impact that the introduction of a third person could have on the whole dynamic of the game. This is based on the fact that the kind of decisions to be made by either the Proposer or the Responder can be influenced by another player who acts as either a second Proposer or a second Responder. Some other games similar to this are Marriage Proposals and Dictator game, because they are all take-it or leave-it games.

The theory has attracted different reactions with Osborne (1995) arguing that the theory's flexibility is a strength as it makes it acceptable and applicable in a variety of situations, firms and geographical locations. It is also deemed to be prescriptive enough for anyone or group to adapt it to their specific situational needs and demands (Camerer, 2003). There are also criticisms against it as one would expect of a theory that has developed so rapidly since its conception, one of such being its lack of empirical evidence to back up most of the propositions put forward (Camerer, 2003). It has also been deemed to be too mathematical hindering its spread outside of economics.

4. Methodology Used for the Study

The study from which this paper is taken was aimed at an examination of the nature of the relationships between stakeholders in the Nigerian Oil Industry, with a look at the role of Corporate Social Responsibility (CSR) in the maintenance of these relationships. As a result, a qualitative research design was deemed most appropriate to answer the research questions as a way of meeting the objectives of the study. This approach was chosen for the study in order to understand the actions of stakeholders in the industry with regards to their relationships with each other by gaining an in-depth knowledge of their perceptions and views. This further influenced the choice of the various methods chosen for data collection and analysis, to ensure that relevant and sufficient data was gathered as well as analyzed respectively.

Four multinational oil companies (Chevron Nigeria Ltd. -CNL, Total E&P, Exxon-Mobil Nigeria and Shell Petroleum Development

Company -SPDC) were chosen as part of the study, with regards to their operations across four major states in the region (Delta, Rivers, Akwa Ibom and Bayelsa) respectively. Semi-structured Interviews were chosen as the method to be used to gather information from these companies. To further triangulate these sources of information, Community Development and CSR Experts in the region, NGO representatives and Host Community representatives were also interviewed. To give the data gathered some balance, a survey was administered to members of the Host Communities, with the respondents here being anyone knowledgeable enough about the industry with the ability to read and write.

The fieldwork was undertaken in the Niger Delta, with 21 interviews conducted with company representatives (3), members of communities (12), experts (3) and NGO representatives (3). In addition to these, a questionnaire was disseminated to the different host communities across the four states involved, as highlighted by the table below. These two methods were used to collect empirical data from the participants involved in the study, in order to meet the research objectives set at the beginning.

	Disseminated	Returned	Invalid	Valid/Used	% of Used
Akwa Ibom	180	32	13	19	10.6%
Bayelsa	120	49	12	37	20.6%
Delta	134	84	-	84	46.7%
Rivers	200	68	28	40	22.1%
Total	694	233	53	180	100%

Table 1: Breakdown of Research Surveys

The data gathered was analysed using Thematic Discourse Analysis (Singer and Hunter, 1999) which is a variant of Discourse Analysis that undertakes an analysis of participants' responses to questions by an in-depth look at the words, clauses and phrases used by such participants. In undertaking this analysis, few key elements adapted from the works of previous authors were used such as Common threads and inconsistencies (Potter & Wetherell, 1987; Burman & Parker, 1993), Broad thematic levels (Tracy & Carjuzaa, 1993; Wood & Rennie, 1994; Singer & Hunter, 1999), Rhetoric, Accountability, Variation (Potter & Wetherell, 1994) and Extreme Case Formulation (Pomerantz, 1986). The analysis of the data gathered from the participants as stated above resulted in a number of findings, some of which are discussed below.

5. Findings
In this section, the paper presents a few of the findings from the study that indicate the different types of stakeholder relationships that exist between the different players in the industry. This is reflected by a few quotes from the responses of the respondents to various questions posed to them.

One finding is that there are known and identified players of stakeholder games in the industry
- "Ehhh...stakeholders, I will say the communities where this oil industry is exploiting and more. We have the government; the government agency and even the government itself are part of the stakeholders while the elders, paramount rulers, the youths, the women. I think everybody from the community is a stakeholder as far as that business is concerned" (AKSMOBIL02).
- "… if a company is coming to produce oil in your community, then you have to now think of who are those people that make sure that the oil is drilled. So all those people that will be involved in making sure that the oil is drilled they can be regarded as the stakeholders, so in anything you do you need to analyze the stakeholders very well.." (EXPERT01).
- "The multinational companies and their various service companies, the Nigerian government which has its own shares and the regulatory processes in the system like NNPC and the communities who own the natural environment where this people operate, they are all stakeholders" (BYSPDC01).
- "Stakeholders in the Industry and indeed to TEPNG include: Business Shareholders / Financiers of Business; producing (host) communities / the Business raw material source; Government and her business regulatory agencies; Our Technical partners, suppliers and clients; Civil Society / NGOs interests in our business" (COMPANYB-REP).
  "Government, Communities & Media, Shareholders, Customers, Suppliers, Employees" (COMPANYC-REP).
- "Communities, Government, NGOs, Media, Shareholders, Regulators, security agencies, etc." (COMPANYA-REP).
- "Yeah, if you come to a community that hosts an oil company for instance, the stakeholders should be the community, the government and the oil company… Well, the environment could be part of it, but then it is the community that owns the environment so they can as well represent both their interest as a people and also the interest of their physical environment...Yeah, NGOs should be." (NGO01).

These respondents quoted above covered the identification and listing of different stakeholders based on different justifications and reasons given for such. These stakeholders include the Government at all levels, the Host communities, The Oil companies, shareholders, customers, suppliers, security agencies, the Media, NGOs and the Environment. These listings further reflect the broad perspectives earlier presented by Freeman (1984).

Also, there was reference to the level of information made available to these different players of the games and how these influence the kind of games enaged in by stakeholders,
- "The level of communication my dear is nothing to write home about..." (AKSMOBIL02).

- "...That is why they normally see all these blocking of the road, community people are blocking today or are blocking tomorrow because they have not given us access to tell them our problem, and they have not given us access to tell them our problem like what I told you" (AKSMOBIL03).
- "On a scale of 10, I can give seven. There is room for improvement" (COMPANYC-REP).
- "When the community leadership decides to be frugal with information, communities will rise against the leaders which will impact on the oil companies operating around the area... communication is very bad, it is poor; that is another area, when not properly managed is…" (BYSPDC01).
- "Yes one of the failures of the Gbarain/Ubie integrated oil and gas project is in the area of communication. So that ignorance on the part of the youths in the community led to some issues. And again the leaders, they want to manipulate some information to their favour or their relative to the detriment of the entire community that also gives problem in the community" (BYSPDC02).
- "Communication is linear and simple with focal points / authorised contact persons for communication management" (COMPANYA-REP).
- "Let me tell you as you are now, if you say you want to see the head of community relations here (pointing to the direction of the site) or head of security or the site manager, I will just carry you in this..., it does not take any protocol...If you want to see the general manager of Elf if you go to Elf and pass the gate, you just need to have their ID card or you call somebody inside to give you a tag" (RVSTOTAL01).
- "Emmm, it is because they are listening to us and providing some of our needs...Hmmm, communication..." (RVSTOTAL02).
- "Information and Communication process with Government and Communities is ok. There are established channels for information at annual, quarterly and others as need arises. These are for regulation / monitoring by Government and for communication / monitoring by Communities" (COMPANYB-REP).

The availability of information is also regarded as being very important in the determination of the nature of the relationships engaged in by stakeholders in the industry. This is seen as currently flowing normally between stakeholders in some parts of the region while in other parts there is a disconnect, as soe stakeholders do not receive nor give information on issues that affect them.

There are supposed to be rules guiding the playing of these games which are meant to be followed, though that is not always the case,

- "If I may say agreement there is nothing like agreement, why I am saying there is nothing like agreement is that Mobil is supposed to have what we call the Memorandum of Understanding (MOU) with the host community...Yet still we don't still have it, the understanding or MOU with them and they still operate here, the MOU that is existing now is between the state and Mobil, not Mobil and the host community…" (AKSMOBIL03).
- "But specifically there was no real agreement to say these are the things we are going to do for the communities, except in terms of acquisition of land when the people were even undervalued. Well GMOU as far as I know is a partnership that the oil companies are using to get their license to operate and it is stocked out..." (EXPERT01).
- "These were introduced as a way of ensuring that there is a good stakeholder relationship between the community and at least the oil company. The government is not involved in this, but government respects the MoUs that they are legal so to say. And in these MoU's, the communities are supposed to identify development projects that they want the oil companies they host to carry out probably within a space of a year or two years... Some MoUs are renewed every year, two years, three years, as agreed by the parties" (NGO01).
- "There is always an agreement between TEPNG and host communities before entry into the communities. These agreements are made with Family landlords and host communities. Parties have kept agreements over the years. This is achieved through respect of the terms specified in agreements, and through term reviews as events and company operations change." (COMPANYB-REP).
- "No, but in 1998, the company signed a Memorandum of Understanding (MoU) with the community. Currently, the Company, Akwa Ibom State Government and the 4 neighbouring Communities to our operations are reviewing the 1998 MoU with a view to producing a workable, more relevant and sustainable document, properly spelling out roles and responsibilities of all parties concerned. Sanctity of contracts entered into go a long way in ensuring continuity of joint venture projects" (COMPANYC-REP).
- "So for the 5 or so years of agreement operation we have been experiencing certain things that are not very much in tandem with the spirit of the document; host communities disobey some clauses, the oil companies disobey some clauses and when such occurs it is bound to be chaotic... So if the GMOU becomes a practical successful working tool, we'll have a cordial, fruitful and working relationship with each other" (BYSPDC01).
- "There was an agreement with government for our company to commence business in Nigeria and government is a partner in the business with majority shares, but for every operation in the communities, an understanding is reached and signed off..." (COMPANYA-REP).
- "So we normally take four years for us to go in for it and renew the MOU...I would not say there was any proper agreement that was why at a stage the community, the youths in the community had to strike and that was in 1993. I must tell you from the very beginning there was no concrete agreement… it is not just writing MOUs but keeping to the MOUs, it is very very important" (RVSTOTAL02).

The data indicated that there are mixed views about the rules that should guide the playing of these games by the different stakeholders, as that is the only way their excesses could be checked. Some respondents think the closest to an agreement were those entered by the oil companies with the government, which excluded the host communities. This led to the establishment of MOUs and GMOUs which have been fairly successful but needs to be strictly adhered to for the different players to act as expected. It is argued that having these agreements in place are not enough, if they are not respected by the various stakeholders engaged in these stakeholder games.

There are benefits or outcomes expected by the different stakeholders as they play these games,

- "You know when an oil company explores for oil; you know what happens it pays government tax and royalties. Government uses those tax and royalties to develop the communities; the oil company makes profit and gives to their shareholders" (NGO-EXPERT02).
- "How these affect it, the companies are using the eco-system of the communities and the communities are also benefitting from the CSR or whatever projects of the companies. So it is equally beneficial on both sides" (NGO02).
- "You know when an oil company explores for oil; you know what happens it pays government tax and royalties. Government uses those tax and royalties to develop the communities; the oil company makes profit and gives to their shareholders. So everybody is benefitting..." (NGO-EXPERT01).
- "Like he said, oil exploration and exploitation business in our area and of course any business, any organization is there to see how they can make profit and maximize it" (BYSPDC02).

The different stakeholders expect certain outcomes that would be favourable to them in their relationships and interactions with each other and these include taxes, profits and development for the government, oil companies and host communities respectively.

A combination of the above and other factors contribute to deciding the kinds of games that are played in different areas of the region,

- "...as I'm talking to you now the relationship is not cordial…that is why they normally see all these blocking of the road, community people are blocking today or are blocking tomorrow because they have not given us access to tell them our problem, and they have not given us access to tell them our problem like what I told you" (AKSMOBIL03).
- "Generally good but could be better... Therefore, we must develop and manage relationships consistent with corporate goals and objectives as well as maintain effective external relationships within appropriate boundaries to achieve business results" (COMPANYC-REP).
- "Yeah, it is cordial and sometimes chaotic. Cordial when there is an agreement when the processes of coming together to do things are respected. Chaotic when these processes fail as a result of disobedience or failure in obedience... So if the GMOU becomes a practical successful working tool, we'll have a cordial, fruitful and working relationship with each other" (BYSPDC01).
- "I would describe the relationship as cordial, but it can be better" (COMPANYA-REP).
- "So Elf is not a bad company, the relationship between Elf and Egi community as far as I know is okay, if any other company should do like Elf, I do not think we should have company-community crises. Elf is accessible, Egi people too are learning, they do not hold Elf to ransom" (RVSTOTAL01).
- "The relationship is like that of the cat and mouse thing. It is one that is full of suspicion, deprivation, fraud and lack of trust...So I can't say they have a good relationship" (NGO01).
- "I wouldn't say that the oil industry has been unduly vilified; they've not been demonised. The truth is that the picture the people have of the oil industry is exactly what it is...Stakeholder relations in the Nigerian oil industry is in shambles ..." (NGO-EXPERT01).

The above shows that the games played by the stakeholders as they pursue the achievement of their goals that the different benefits highlighted above are relative, depending on diverse factors, some of which have been stated above. These games could be positive and mutually beneficial to all parties or negative and beneficial only to winners of these games.

6. Discussion
In this section, the paper proposes different types of stakeholder relationships based on certain aspects of different games deemed to be relevant. Hence, it is posited that all the relationships between various stakeholders could be categorised into three main groups known as Cooperative, Conflictual and Non-cooperative or Nonchalant relationships.

7. Cooperative Relationships
These relationships are those ones that exist between stakeholders who are very collaborative, as a result of their understanding that more can be achieved when there is synergy than in an acrimonious environment. These stakeholders have a direct relationship with each other as a result of an agreement to which they have all consented to abide, which could be either perceived or real. These relationships are characterised by high levels of trust, fairness and a free flow of information between the stakeholders as they are keen on ensuring that their decisions are made in the interests of all. They all contribute their quota to making the relationship work to the benefit of all, bringing about a win-win situation in line with Donaldson and Dunfee's (2002, p.1854) views that not doing so 'reflects moral blindness' on the part of the defaulter. This implies that they have applied reason to considering the options available to them as posited by Bester and Warneryd (2006) and decided that cooperation with others is the best option. These characteristics are also evident in the Stag Hunt game where the hunters weigh up their options and decide to settle for the group aim trusting that others will do same. Examples of likely scenarios for these kinds of relationships are between companies and communities that have entered into

certain levels of agreements, such as the Memorandum of Understanding (MOU) in the Total operating area of Rivers State and the Global Memorandum of Understanding (GMOU) in the SPDC operating area of Bayelsa State.

7.1. Conflictual Relationships

In relationships of this nature there is the tendency for stakeholders to always be in conflict with each other, as a result of each one aiming to win at the detriment of the others in the relationship. They might have agreements meant to guide the playing of these games between them which have not been honoured in the past making parties become disgruntled in relating with others. The level of mistrust is higher, while exchange of information between the stakeholders is non-existent as there is a constant attempt to ensure that one does not lose as that implies that the other stakeholder must have won. A few game examples of this relationship would be the Ultimatum and Matching Pennies games. Examples of these kinds of relationships can be found between companies who are competitors; communities and companies whose relationships have broken down such as that depicted by the stakeholders from the Mobil operating area of Akwa Ibom State; governments and companies when it comes to certain regulations.

7.2. Non-Cooperative or Nonchalant Relationships

These kinds of relationships are neither directly cooperative nor conflictual, which could be attributed to the non-existence of agreements between the stakeholders involved in these relationships. There is no direct relationship between these stakeholders which makes them to withhold information from one another, further creating an environment of less concern for each other's needs and interests. Another characteristic of these relationships is a lack of trusts between the different stakeholders, as they always suspect other stakeholders to be working against them and would never make decisions bearing their interests in mind. This is reflected in the Prisoners' Dilemma game where each suspect is keen on getting the best deal at the detriment of the other. There is a limit to how much stakeholders can express their disapproval of each other's actions and behaviour, since they lack a direct relationship with one another and so do not have any exchange of information. These could be witnessed between two communities that are keen on keeping a company in their various environments, Non-Governmental Organisations (NGOs) and companies.

In spite of the differences between the different kinds of relationships or games identified above and their characteristics, it is noteworthy to point that there could be a change of a relationship from conflictual or confrontational to cooperative and vice versa. For instance, companies and NGOs who were in a nonchalant relationship can decide to be cooperative by undertaking a partnership that would be of benefit to all stakeholders. In the same vein, companies that were cooperative in their relationships can decide to become competitive as a result of a change in strategy or leadership. This means that none of the above relationships is a static point that a stakeholder gets to in its interaction with others and it remains so, rather these relationships are dynamic in nature and can change over time.

8. Conclusion

In concluding this paper, it is noteworthy to point out that communication or information sharing is very crucial as it further underlines the level of access that each stakeholder has to each other. This also gives an indication of how much decisions are jointly reached by the different stakeholders, especially on issues that affect all parties and their expected benefits from these games that they play with each other. In communicating with each other, the players are expected to abide by the rules governing the playing of these games as that ensures that their excesses are checked. The establishment of MOUs and GMOUs by the stakeholders in the industry studied in this paper is a step in the right direction but the terms of such agreements must be respected by all stakeholders as well periodically renewed to reflect the prevailing conditions o society.

Bearing all of these in mind, it is expected that that the management of these stakeholder relationships must be handled with utmost care, as every move made in playing these games has an impact on the benefits or outcomes accruable to various stakeholders. This further affects how the games are played subsequently by the various stakeholders as they continue their relationships with each in the Nigerian oil industry.

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