Empirical Economics Letters, 24 (8): pp. 141-164, (August 2025) *ISSN 1681 8997*
https://doi.org/10.5281/zenodo.17189052

Disentangling Climate Risk and Opportunity: Evidence on Stakeholder Engagement for Value Chain Emissions from a Natural Resource-Based Perspective

K S Shibani Shankar Ray*
School of Management Studies,
GIET University, Gunupur, India

Bijaya Laxmi Rout**
School of Commerce and Management Studies,
Fakir Mohan Autonomous College, Balasore, India

Durga Madhab Mahapatra***
Department of Commerce,
North Eastern Hill University, Shillong, India

Abstract: This paper examines the impact of the firm's identification of various climate change risks and opportunities on stakeholder engagement related to value chain emissions. Identification serves as the initial step preceding action. According to it, different types of risks and opportunities trigger distinct responses based on their nature and impact on a firm's operation. Each research question probes deeper into the examined kind of climate change risk and opportunity. Additionally, it treats risk and opportunity as two separate entities, and the findings reveal differences in firm responses. The paper demonstrates that firms engage more with stakeholders regarding transition risk and transition opportunity, as opposed to physical risk and opportunity. Subsequently, it applies a natural resource-based view to examine the impact of market-generated risks and opportunities on customer and supplier engagement related to value chain emissions.

Keywords: Corporate Sustainability and Responsibility, Climate Change Mitigation and Adaptation; Stakeholder Engagement and Governance, Cleaner Production and Value Chain Decarbonization; Sustainable Business Strategies and Management

JEL Classification Number: M14, Q54, L21, Q01, M11, Q56

---

* *Corresponding author. Email: k.ssshibanishankarray@giet.edu
**Email: bijayalaxmirout@fmacbms.in, ***Email: durgagreaternoida@gmail.com