

Stakeholders are the key to effective dialogue. But who are they and how do you ensure their involvement?

by Rhuari Bennett

KNOW YOUR STAKEHOLDER

THE JARGON THAT HAS GROWN UP to serve the participation 'sector' is daunting and often confusing but there is one word at the centre of it all making a valiant effort to cross the line into everyday use – stakeholder. But what is a stakeholder and why are they important?

To a certain extent the word explains itself. A stakeholder is 'anybody that holds a stake or interest in a particular issue'. If we take as an example a proposal to build a bypass, there is a wide variety of people who hold a stake (i.e. have an interest) in whether it gets built; from the developers to the local council, and from the local residents to a range of environmental and community organisations.

A stakeholder can also be defined as 'anyone who thinks they are one'. This recognises that the only qualification needed to be a stakeholder is an *interest* in the issue. In practice however, a stakeholder needs to have both the interest and the *commitment* to get involved. Many people may have a passing interest or opinion on the new bypass but unless they are willing to input into the decision-making process their interest cannot be put to any use.

Stakeholders who have the interest and commitment to get involved in your decision probably also have the interest and commitment to block the implementation of that decision if they are not involved. These stakeholders can be characterised as *blockers*. Consider the Newbury bypass: local and environmental groups felt they weren't involved in the decision making process and tried to block the resulting decision. After long delays and £27m spent on security (total budget £75m), the road is finished but it would be hard to argue that excluding people from the decision was the most efficient way of solving the area's transport needs.

There are some people that you clearly need to involve in order to make a robust decision. The person with the responsibility to take the decision must be involved, as must the budget holder.

These stakeholders can be characterised as *enablers*, in that they have the power to enable or drive the decision once made. But how to identify the others?

ARE YOU MY STAKEHOLDER?

A good starting point for identifying your stakeholders is to ask the following basic questions. This is often best done with a third party who is not only independent but will also have experience of stakeholder identification.

- Who is directly responsible for decisions on the issues?
- Who is influential in the area, community and organisation?
- Who will be affected by any decisions on the issue?
- Who holds positions of responsibility in stakeholding organisations?
- Who can promote a decision providing they are involved? (*enablers*)
- Who can obstruct a decision if they are not involved? (*blockers*)
- Who has been involved in the issue in the past?
- Who has not been involved, but should have been?



This will generate an initial list of people that you know may want to be involved. Now start calling.

This phone call will need to provide information for planning the initial stages of the involvement process. The following questions are taken from a checklist recently used in initial contact with stakeholders around the cleanup of nuclear contaminated land:

1. Would you be willing and able to participate?

2. How would you like to be involved?

3. How much time could you contribute?

4. What information might you need to engage in discussions?

5. What do you feel the key issues may be?

6. Who else do you think needs to be involved in this process?

The first 5 questions help you 'mark out the pitch' and gain an initial impression of interest in and scope of discussions. The last question usefully gathers the names of stakeholders that you may not have known about. Less obviously, it also allows the stakeholders to influence the process by letting them recommend others. This increases their ownership of the process and the final decision that it will deliver.

A useful contrast can be drawn to a government committee. All the initial decisions are taken unilaterally. How many people will sit on the committee? What qualifications do they need? Who interviews them? These decisions are all made by civil servants behind closed doors, a 'like it or lump it' approach. This is clearly not a good start if the committee aims to engender public confidence in its decisions. So, a key principle to hold at the front of your mind is *inclusivity* – do everything you can to avoid the perceptions of a decision, or even part of one, having already been made.

MAINTAINING COMMITMENT

So far we have assumed that identifying your stakeholders is the hard bit. However once identified, these people need to commit to getting involved. Usually this isn't a problem, if you have the right people they will be eager to participate but bear in mind the competing demands on people's time (and therefore money) particularly for individuals or small organisations. There are some easy ways to facilitate maximum involvement:

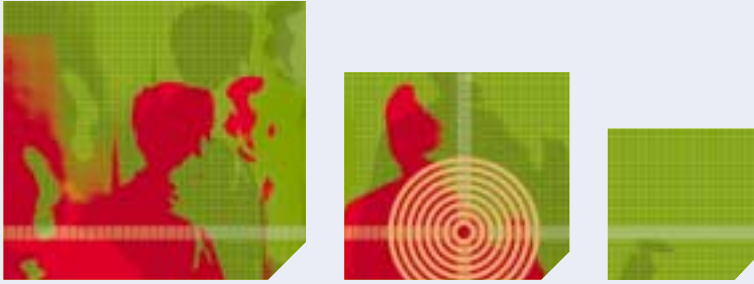
- **Give plenty of advance warning** before meetings or deadlines so diary clashes don't get in the way (*at least 2 months* before their commitment is required).
- **Allow stakeholders to influence the process:** ask how and when they would like to be involved and what they believe are the main issues. Act on this information where possible but be open and honest about it when you can't.
- **Offer carrots, not sticks:** if you believe that somebody really is a stakeholder but they don't know it yet, or they don't want to be involved, then you've got to show them that their involvement is an opportunity to achieve their aims. Ask them: where else could you progress these issues if you are not involved? What are the potential consequences of a decision being made if you are not involved?

Engagement processes can be ongoing, and can change over time. So, while you might have included the right people at the beginning, it is important to make sure that you still have everyone you should. By sharing the responsibility with the stakeholders you can continually make sure the right people are in the room. They will often have a different and important perspective on the issue, and will know who's who in the area. Build a regular review of stakeholder representation into the process, perhaps every 6 months or before every large meeting.

exec summary

A stakeholder is anyone with an interest in a particular issue and the commitment to take part in resolving it. Start a list of stakeholders by considering who can enable or block a decision. These people can then suggest others that should be involved. Keep updating this list as the project progresses. A stakeholder will usually be keen to get involved but be considerate of the time commitment they are making – always give plenty of advance warning about meetings. The media may be a potential stakeholder but their involvement has to be treated with caution particularly in high conflict situations.

To a certain extent the word explains itself. A stakeholder is 'anybody that holds a stake or interest in a particular issue'.



Participation means involving only the right people at the right time. Any other approach is counter-productive.

This should be done with the input of current stakeholders, and be co-ordinated by the independent convener. Scanning the press may also throw up organisations who have an interest, as it is often a vent for strong opinions and can therefore be a useful guide to who needs to be involved.

Think of every person in the UK as falling into one of 3 groups concerning *any* issue:

- 1. they are an active stakeholder and they know it
- 2. they are a stakeholder but they don't know it yet
- 3. they have no interest or stake so are not a stakeholder

The process must balance engaging people in the second and third groups with involving active stakeholders in an appropriate way. You have hopefully already identified the active stakeholders, so it's the second and third groups that need attention. You can reach these groups through focused communication and consultation, for example a member of the public may become very interested in an issue after having read a newspaper article or participated in a focus group. Use presentations and talks at conferences, articles in relevant press, and the Internet, as well as encouraging stakeholders to spread the word to their contacts via briefings, newsletters and publications.

Lastly, be aware of changing focus. A dialogue on the generic principles of onshore wind power, will have to review its stakeholder list if the focus changes to more specific issues such as site selection. Failure to include any new stakeholders after such a change will result in the process having to rewind a step or two to incorporate their views, or risk collapse due to their exclusion.

THE MEDIA

The media are often an exception to the rule that all stakeholders should be involved, especially in a contentious situation. Effective participation, particularly where there is conflict, requires a safe environment where stakeholders can discuss the problem and their concerns. There is usually an agreement that what they say (or at least attribution of their name) stays within the group.

The presence of a journalist can jeopardise discussions. Stakeholders, thinking they may be quoted in tomorrow's newspaper, may not voice their true concerns. In the worst cases they may exhibit 'grandstanding' behaviour; sticking rigidly to their traditional positions on the issue – exactly the positions that Stakeholder Dialogue is so good at moving people away from, towards consensus.

So, bear in mind the level of conflict surrounding the issue and the level of trust between the stakeholders. At times you will have to exclude journalists from the stakeholder list but be open and honest about this and explain the rationale behind it. Ask the stakeholders: would they mind if a journalist were to take part in discussions? If they don't, then there may not be a problem. You will need to make a balanced judgement and draw on the experience of an independent convener.

There is a common, though decreasingly heard, attitude that 'participation is fine in theory, but you can't involve *everybody, all of the time!*' In fact, effective participation means involving the right people at the right time. Any other approach is counter-productive, it wastes everyone's time and raises expectations unnecessarily. To guide you in your decisions, hold on to the following 5 points:

- For participation to be effective you need to involve the *right people in your decision*
- A stakeholder is anybody that believes they have an interest in the issue and the commitment to get involved
- Identify stakeholders by considering *who are the enablers and who are the blockers*
- Allow plenty of advance warning to enable stakeholders to get involved: *diary clashes so often get in the way!*
- Regularly review representation with the participants to identify any new stakeholders, it should be their process as well as yours. ■

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LINKS

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