

„WORKING WITH STAKEHOLDER DIALOGUES IN WATER CONSERVATION“

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Hand Book

„Our biggest challenge in this new century is to take an idea that seems abstract – sustainable development –and turn it into a daily reality for all the world’s people“

UN Former Secretary-General Kofi Annan

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INTRODUCTION: WORKING WITH STAKEHOLDER DIALOGUES

Stakeholder Dialogues are a methodology for designing and implementing consultation and cooperation in complex change processes that require different interest groups to be included and integrated. Well-structured Stakeholder Dialogues can create and cultivate ownership of change towards sustainability.

Stakeholder Dialogues are increasingly used as an important tool for sustainable development initiatives, adaptation to climate change, strengthening economic development, social dialogue and efforts to achieve the Millennium Development Goals (MDGs). Many global and societal actors have discovered and further developed this approach to collaborate with different stakeholders, to find solutions to complex challenges and to implement solutions collectively. Dialogue is often the right path to take to ensure that solutions are based on different perspectives and competencies.

➤ What are stakeholders?

Stakeholders are people or institutions that have an interest in a particular course of development, or a particular decision, either as individuals or as representatives of a group. This includes people who influence a decision, who are key players in implementation, or who are affected by the development.

The intention of stakeholder participation is, in essence, dialogic: to get people from different walks of life and with different perspectives into a conversation that will lead to a practical outcome. Dialogue allows one to integrate different perspectives, standpoints and interests into planning and implementation processes.

In dialogic terms, Stakeholder Dialogues are guided conversations that ensure that people with different viewpoints and sometimes contradictory interests exchange (world)views. The most important common feature of Stakeholder Dialogues are structured conversations about certain issues of common interest or concern between people

- from different sectors and constituencies;
- with different perspectives and points of view; and
- with different interests.

These conversations improve planning and decision-making, solve problems, contribute to finding innovative solutions, or to designing and implementing joint interventions for change. Stakeholder Dialogues are a vital stepping stone in achieving a common goal, and are therefore often embedded in a short-term or long-term societal or global change process. **Ideally, Stakeholder Dialogues lead to a practical outcome that could not have been achieved otherwise and that can more easily be implemented because all stakeholders involved experience a higher degree of ownership.**

In high-quality Stakeholder Dialogues, differences, sometimes even conflicts, hold the potential for innovative solutions and can achieve goals that ultimately benefit all.

This can lead to

- trust-building between different stakeholders;
- future-oriented and constructive cooperation between different societal actors;
- innovative solutions to existing economic or social challenges;
- a higher quality and broader acceptance of decisions;
- ownership of and commitment to implementing agreed-upon results;
- collective responsibility for change;
- credible change endeavors;
- sustainable outcomes; and
- long-lasting cooperation structures.

Stakeholder Dialogues often chart unknown territory. Different forms of organizations with subsequently different internal structures, mandates, purposes, values and decision-making procedures meet in a common space, often for the first time. Different, sometimes contradicting, world-views need to be mutually understood and mediated. Different forms of planning need to be negotiated. Different dialogue expectations need to be managed. When people of various backgrounds decide to move into such output-oriented constructive dialogue, they need to develop their communicative competence. This is greatly supported by dialogue facilitators, dialogue coordinators or stakeholder brokers: people who understand the different worlds, earn the trust of the different stakeholders and are able to move between the worlds. Successful Stakeholder Dialogue facilitators know how to design and facilitate effective communication processes.

Stakeholder Dialogues are not a tool for unilateral communication, for conveying information to stakeholders, for example. They are only appropriate if the implementation of change is envisaged, or an authentic stakeholder contribution to a decision, a planning process, a strategy, or the design of an initiative is welcomed. The duration of Stakeholder Dialogues can vary, depending on what target results have been set and how deep the engagement and cooperation between the stakeholders in the dialogue needs to be. Well-designed Stakeholder Dialogues can result in partnerships or long-term stakeholder processes, such as cooperation for conflict resolution, standards development, regional development, or public-private dialogues for improved business environments. They can take place on the macro, meso or micro level of the (global) society, depending on the expected outcome and the stakeholders involved. They can also cover a wide range of content areas, such as

- finding innovative solutions to existing economic or social challenges;
- developing strategies for adapting to or mitigating climate change;
- improving policies and regulation;
- implementing government regulations;
- implementing cross-sector partnerships for development;
- improving the delivery of public services;
- improving the management of natural resources;
- integrating disadvantaged groups into economic development;
- creating an enabling environment for economic development; or

- improving responsible value chains.

Stakeholder Dialogues can be implemented in different forms and with various levels of engagement. They are not ‘one size fits all’ solutions to achieving lasting impact, but are ways of creating common ground for change. They need to be designed flexibly, depending on the issue, the objective, the participants, the time available and many other factors. Nonetheless, the following aspects are crucial for designing and implementing Stakeholder Dialogues successfully:

- creating a context of trust and continuity to enable the partners and stakeholders to engage in open and honest communication;
- being aware of the important role that dialogue coordinators or stakeholder facilitators play;
- integrating the tangible goals of the Stakeholder Dialogue into a frame, including the overall objectives and a joint vision (sustainable development, for example);
- making sure that the objectives and the goals of the Stakeholder Dialogue match the existing interests of the participating stakeholders and their respective organizations;
- being prepared to understand the different codes of conduct and value systems of the various sectors involved, and being open to these codes and systems; and
- establishing feedback mechanisms between direct participants of the Stakeholder Dialogue and indirect participants (‘influencers’, ‘constituencies’).

Stakeholder Dialogues seek to establish true exchange and trust. They are rooted in the principles of transparency and participation, and they recognize the relevance of equity and accountability in interpersonal interaction and communication. Hence, the concept of Stakeholder Dialogues is based on values and principles that need to underlie the planning of every Stakeholder Dialogue, regardless of its structure or level of engagement, and should be guarded throughout the entire implementation process.

The value base of Stakeholder Dialogues¹	
<i>Being transparent and accountable</i>	For individuals and institutions, accountability means being responsible for one’s actions and their consequences. Decision-makers in the public, private and civil sector thus become answerable to the people taking a stake in their decisions. For their decisions and actions to be legitimate, a broad range of opinions and interests needs to be considered and integrated into the decision-making process. This also requires setting up transparent communication procedures. Accountability means that those affected by decisions can inquire about the decision-making process, thus making it comprehensible and traceable.
<i>Ensuring equity</i>	Stakeholder Dialogues value and consider the contributions of all stakeholder groups equally. This requires consensus-building based on a participatory process with balanced representation, engagement and integration of the

¹ Inspired by and adapted from Hemmati 2002

	relevant stakeholder groups. Tolerance, mutual respect, overcoming stereotyping, and the willingness to reach consensus is indispensable in this process, which allows the voices of those who may be weakly represented in existing position-finding and decision-making procedures to be heard.
<i>Focusing on the contribution to the common good</i>	The particular value that Stakeholder Dialogues can add to programs, projects and other forms of joint undertakings is to reach better decisions and more sustainable solutions by considering a wider range of opinions, interests, experiences and competencies. Making a Stakeholder Dialogue effective means ensuring that its focus lies on solution-finding and implementation. This is achieved by consulting a broader range of stakeholders and developing decisions, recommendations and actions that find broad support. It fosters participants' commitment and leadership because they identify with the dialogue process and therefore play a decisive role in its implementation, and as multipliers. Throughout the dialogue process, the contribution to the common good, or the 'bigger picture', needs to be palpable.
<i>Fostering collective leadership</i>	To be effective, results that are developed in an equitable and participatory process need to be implemented through collective leadership. Stakeholder Dialogues foster the development and advancement of partnerships and networks between stakeholders. They increase fruitful exchange, collective action, mechanisms for shared power and collective responsibility.
<i>Ensuring reliable processes</i>	Engaging in a stakeholder process needs the trust of all participants – not only mutual trust, but also trust in the possibility of jointly working towards a common goal, and trust in the process of walking this way together. To build this trust, stakeholders need to be able to rely on a process design, implementation and facilitation that provides for predictable engagement, iterative procedures, transparent planning and a comprehensive system in which each participant knows where and when they can take part in the process.
<i>Being open to iterative learning</i>	Stakeholder Dialogues can contribute to the emergence of collective intelligence and innovative solutions. To live up to this potential, they need to be designed and implemented with awareness of collective human communication processes. Beyond discussing the subject matter and defending points of view, participants need to adopt a learning attitude. This cultivates an atmosphere for new ideas and solutions to emerge that would not have evolved otherwise. It requires the individual participants of a Stakeholder Dialogue to be open to, and willing to learn from, each other, to be self-reflective and to allow for change in their own perspectives. It also requires an openness to venture into the unknown that true equity, participation and consensus-building can promise.
<i>Cultivating consensus-building</i>	Decisions reached by consensus strengthen the ownership that participants develop for results and their implementation. To enable consensus-building, the process design needs to ensure appropriate communication architecture within the Stakeholder Dialogues system. The principles of participation, ownership, inclusiveness and collaborative leadership require a process within the Stakeholder Dialogue where agreements can be reached jointly in meetings

	specifically designed for this purpose.
<i>Ensuring participation and engagement</i>	To create ownership of Stakeholder Dialogues among the participants, they need to participate and actively engage all relevant stakeholders. All actors need to be brought together. Resources such as information need to be made equally accessible to all. It is important to find ways of including stakeholders who may usually be kept outside of position-finding and decision-making processes, such as people with less academic education, less organized stakeholders, or people with few financial means. Inclusiveness strengthens the credibility and legitimacy of a process, since its outputs and outcomes are based on broader stakeholder involvement.
<i>Respecting legitimacy</i>	For all participants to engage in Stakeholder Dialogues and their outcomes, they need to be legitimate. Concretely, this implies that the dialogue needs to be designed and implemented in an accountable, transparent and equitable way and that the initiators or conveners have a sufficient mandate to hold the dialogue. Dialogue process and participating stakeholders need to be perceived as legitimate by those involved, but also by non-participating stakeholders.

1 GETTING STARTED – UNDERSTANDING THE ACTION FIELD OF STAKEHOLDER DIALOGUES

Stakeholder Dialogues can be applied in a variety of settings, for diverse reasons, at different levels of global society, initiated by different stakeholder groups and implemented in different forms. What they have in common is:

- the **value base**: an underlying assumption that participation and engagement, accountability and mutual respect, constructive collaboration and openness to different perspectives lead to better solutions;
- the **larger goal**: an underlying assumption that achieving consensus for sustainable action – no matter how small or large – is always a contribution to sustainability and the future of humankind;
- the **dialogic approach**: an underlying assumption that a dialogic way of change leads to solutions that last better and guarantees that all aspects of an issue are integrated into the change envisaged; and
- the **methodology**: an underlying assumption that understanding the core methodology for implementing Stakeholder Dialogues enables you to apply tools and instruments, system interventions and process competence successfully in a variety of settings.

1.1 Understanding why and when to work with Stakeholder Dialogues

Ideally, Stakeholder Dialogues lead to practical outcomes that could not have been achieved otherwise and that can be implemented more easily because all stakeholders involved can see the ‘bigger picture’ of the issue at stake and can experience a higher degree of ownership for the results that the process achieved. High-quality Stakeholder Dialogues create a climate for **trust, commitment and collective intelligence**. When they are based on recognizing diverse opinions and consensus-building processes, they can lead to improved implementation of initiatives, projects, or change endeavors.

Stakeholder Dialogues bring different interest groups into a new form of communication together. In the beginning, this may feel unfamiliar and sometimes uncomfortable for participants. But experience shows that people catch up with a true dialogic exchange very easily. Differences in points of view become more constructive, if discussed in a space of respect and acknowledgement. Consensus becomes more authentic if differences have been properly explored. Exchanging experiences becomes outcome-focused if stakeholders can see the bigger picture of an issue. Solutions become easier to find when the emotional connection to a larger goal is maintained. Decision-making is more credible if it is based on authentic listening to differing perspectives. Implementation-steering becomes easier if there is a sense of collective responsibility for change.

Well-designed Stakeholder Dialogues ensure that:

- all stakeholders involved can see the full picture by listening, and opening up to different perspectives;
- different interests, points of view and levels of power are equally represented;
- there is as much transparency of interests as possible;
- trust is created;

- a common goal can be agreed on; and
- implementation activities are jointly designed.

Why are Stakeholder Dialogues a promising approach²?

<i>The quality of decision-making improves</i>	Drawing together expertise and perspectives from a number of disciplines and areas of work can lead to an improved understanding of the situation, the challenges ahead and better solutions. Through Stakeholder Dialogues, the quality that goes into recommendations or decision-making improves tremendously.
<i>Creativity and innovation prevail</i>	Diversity, if brought into the structured setting of a dialogue, can unfold its potential for increased creativity and innovation .
<i>The credibility of planning and decisions is higher</i>	Recommendations or decisions made in a participatory setting have a higher degree of credibility . Including stakeholders in consultation and decision-making lends credibility to any decision because it is based on a wider range of inputs and balanced interests. Collaborating across interest groups is not easy, but the result of identifying common ground, building trust and aligning behind an issue of common concern often pays off. This can create results that are more likely to be regarded as legitimate than efforts that are undertaken by one stakeholder group alone. The more transparently stakeholder inputs are integrated into decision-making, the greater the credibility of a Stakeholder Dialogue.
<i>The likelihood of implementation increases</i>	True participation generates a stronger sense of ownership and responsibility for the process. This leads to a higher likelihood of implementation : people help to implement the future when they have had the chance to be part of its design. Hence, stakeholder engagement done in the right way can be a cornerstone for success in implementation. Outcomes developed in a Stakeholder Dialogue are likely to be more appropriate and based on broader commitment.
<i>Information is disseminated</i>	The involvement of different stakeholder groups helps to convey a particular issue of concern to a broader range of people. The different stakeholder constituencies will transfer the information to their institutions, organizations and support groups. Wider dissemination of a particular change initiative's goal is an important feature of Stakeholder Dialogues.
<i>Cross-sector relationships become more collaborative</i>	Stakeholder Dialogues improve people's capacity not only to see the wider picture or broaden their narrow position: they also help people to cooperate with stakeholders they normally would avoid, not know, or at least not collaborate with. Hence, a structured dialogue helps to improve the social cohesion and thus the quality of cross-sector relationships – an important prerequisite for tackling the challenges of sustainable development.

² Inspired by and adapted from: Hemmati, 2002

Why are Stakeholder Dialogues a promising approach?

<i>The outreach increases</i>	Change processes, decisions and implementation procedures often touch upon the interest of stakeholders who do not actively participate in the process, but who nevertheless are concerned with the developments of the issue at stake (for example, depending on the concern, the interested public, communities or political leaders involved with the issue). Well-designed Stakeholder Dialogues include outreach and provide information to constituencies during decision-finding and for implementation. This creates trust in those steering the dialogue, and generates broad acceptance of the process and its outcomes – also beyond those who are actively involved in implementing the dialogue.
<i>The problem-solving capacity of complex systems increases</i>	Strategic learning requires the synergy of different perspectives, expertise and competences. Stakeholder Dialogues integrate experiences and knowledge. This generates points of view that are often new and innovative. So, they have a fast learning pace and a high problem-solving capacity .
<i>Stalemates and conflicts can be overcome</i>	Through active involvement in Stakeholder Dialogues, participants can fathom out and implement options for future developments jointly. This changes and broadens the stakeholders' perspectives and opens up new possibilities for action. This opening often helps to overcome standstill and conflicts .
<i>Results become more robust and sustainable</i>	Cooperation processes produce long-lasting results if the integration of different points of view, interests and perspectives is guaranteed. Stakeholder Dialogues bring different perspectives together, thereby leading to decisions with which all participants can identify. Implementing these decisions generates more sustainable and robust results that will also survive the minor obstacles and conflicts that might occur throughout the process.

Stakeholder involvement also bears risks: it could lead to an undue increase of influence of a certain stakeholder group; a lack of transparency towards the public; or a reputational risk from suboptimal processes. Other obstacles that can slow down the dialogue process and endanger its results include: the use of stereotypes to label members of stakeholder groups; competition and intolerance; opposing priorities; insufficient sensitivity towards, and understanding of, the 'worlds' of the other stakeholders; or, simply, unrealistic expectations of what stakeholders can achieve in the time available to them. In addition, the different sectors involved can sometimes turn out to be incompatible. Or, external obstacles such as an unfavorable political framework or a lack of funding can shipwreck the Stakeholder Dialogue.

These risks and obstacles can be mitigated by:

- selecting the appropriate form of Stakeholder Dialogue; and
- ensuring a high-quality management of the stakeholder engagement process and of the implementation of the Stakeholder Dialogue.

Stakeholder dialogues can be a pragmatic approach to successful consultation and collaboration. They are the methodology of choice, if results need to be achieved in a complex context, when different actors need to work together to make a profound difference.

When are Stakeholder Dialogues the right approach to take?	
<i>When inspiration for change is required</i>	If the change is clearly needed, but none of the stakeholders actively takes the initiative to bring it about.
<i>When different perspectives need to be integrated</i>	If a change of a status quo is wanted, but different stakeholders have very different stances about direction, objectives and modes of delivery.
<i>When problem-solving requires innovation and collective intelligence</i>	If challenges occur that cannot be addressed by the means, experience, expertise or power of one particular stakeholder group.
<i>When broad acceptance is required</i>	If the implementation of a measure or regulation ensuring sustainability requires the understanding and acceptance of many different stakeholders.
<i>When only joint implementation will lead to success</i>	If the implementation of a project, an initiative or a service delivery depends on the support of and collaboration with different stakeholders.

Stakeholder Dialogues can cover a wide spectrum of forms and levels of engagement. They can be conducted in different settings and for different reasons. Stakeholders can develop consultative dialogues on policy development to include joint decision-making and implementation of practical solutions, although the exact nature of any such process will depend on the issue, its objectives, participants, scope and timelines. So, Stakeholder Dialogues come in different forms. Each situation, issue or problem prompts the need for stakeholder initiators to design a process specifically suited to their abilities, circumstances and expected results.

Stakeholder Dialogues are suitable for situations in which dialogue is possible and where at least a minimum of listening, reconciling interests and integrating viewpoints into joint strategy development seems appropriate and within reach. There is no single appropriate way for all kinds of concerns. Stakeholder Dialogues can take place on different levels of global society, depending on the expected outcome and the stakeholders involved.

At which levels can Stakeholder Dialogues take place?	
Global/international	<p>The World Commission on Dams (WCD) is an independent international research body focusing on environmental, social and economic impacts of the global development of large dams. Based on their studies, the WCD develops guidelines, standards and policy recommendations on the development of future dams. The Commission is composed of members of civil society, academia, industry, professional associations and government. They all act as individuals, not as representatives of the organizations or governments they work for.</p> <p>➔ www.dams.org</p>
Regional/international	<p>The African Cashew Alliance is an emerging stakeholder platform promoting the processing of raw cashews, increasing the income of African farmers and promoting the consumption of cashew nuts globally. It supports the development of country-specific cashew policy agendas in 10 member countries and facilitates the exchange of information and best practices on cashew processing. It also assists its members in promoting the African cashew industry in national and international markets.</p> <p>➔ www.africancashewalliance.com</p>
National	<p>In the context of an adaption to climate change, the Tunisian government holds an open Stakeholder Dialogue inviting stakeholders from the private sector and civil society in order to listen to concerns and receive consultative input for the development of a national strategy on climate change adaptation.</p>
Subregional/local	<p>The ‘Provincial Public Private Dialogue’ (PPPD) in the People’s Democratic Republic of Lao seeks to improve the provincial business and investment climate by setting up an institutionalized, transparent dialogue process in which the public and the private sector jointly identify and solve issues at provincial level. The Stakeholder Dialogue was installed to ensure broad-based economic growth in the country. Main focus of PPPD is a better implementation of existing laws and regulations at provincial level on the one hand, and providing the private sector at provincial level with a communications channel for inputs to the drafting of laws and regulations at central level on the other hand.</p>

1.2 Understanding different forms of Stakeholder Dialogues

Depending on the issues at stake, on the role of Stakeholder Dialogue initiators and the purpose of the dialogue process, Stakeholder Dialogues can be implemented in different forms. If consultation is at the forefront, once-off stakeholder workshops or a sequence of stakeholder workshops can integrate different viewpoints into planning or decision-making. If

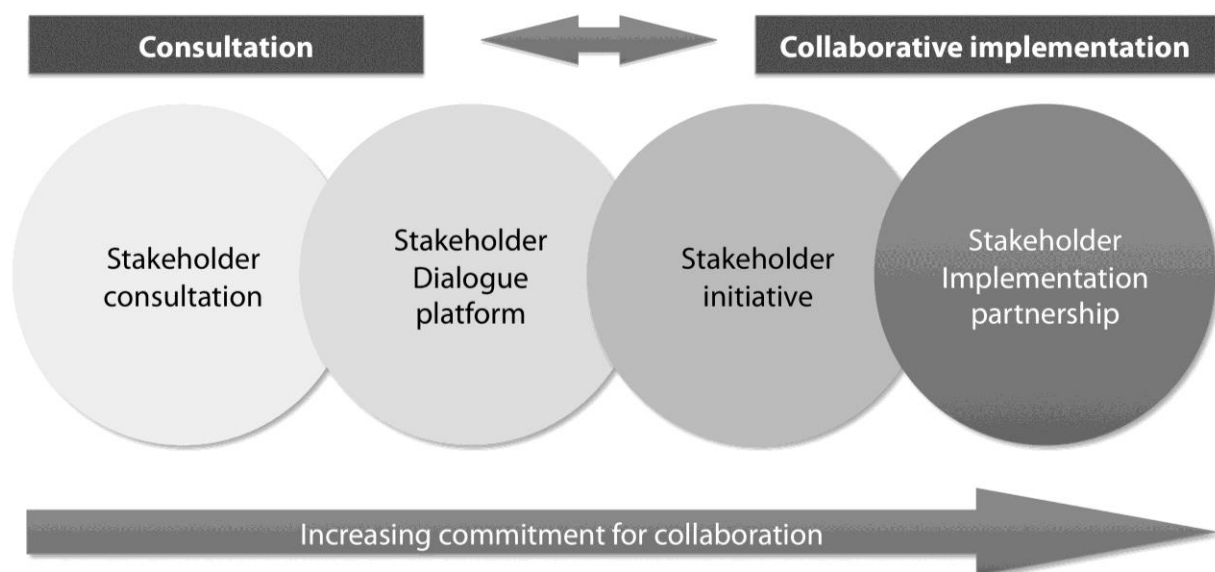
collaboration and joint implementation is at the forefront, regular stakeholder meetings become part of an overall strategy for implementation and cooperation.

One can distinguish broadly between two underlying purposes of Stakeholder Dialogues:

- Stakeholder Dialogues that are geared towards **consultation**: the structured integration of viewpoints and interests from different stakeholders; and
- Stakeholder Dialogues that have a stronger focus on **collaborative implementation**: the collaboration of different stakeholders to achieve a jointly agreed goal.

In consultative Stakeholder Dialogues, the role of stakeholders is to contribute their expertise, their viewpoints and their experiences. What happens with the input or with recommendations is the responsibility of the leading Stakeholder Dialogue initiator. In cooperative Stakeholder Dialogues, stakeholders are often more active in the joint steering of an implementation process. With a strong focus on implementation, the commitment to collaborate and to take joint responsibility for outcomes and success increases. Stakeholders move from being observers to being active in achieving results.

DIFFERENT FORMS OF STAKEHOLDER DIALOGUES



From stakeholder consultation to cooperation and implementation

Within the two broad distinctions are various forms of Stakeholder Dialogues that may overlap in their features, but that can be distinguished as follows:

<i>Consultative Stakeholder Dialogues</i>	Singular stakeholder consultation
	Regular stakeholder consultation
	Institutionalized stakeholder consultation
	Stakeholder platform (exchange)
<i>Stakeholder Dialogues focused on collaboration and implementation</i>	Stakeholder initiatives
	Stakeholder platforms (management of implementation)
	Stakeholder partnerships

A key success factor for dialogue coordinators is their ability to assess which **form of Stakeholder Dialogue** is appropriate in a situation, and to determine the best possible way to engage stakeholders and to achieve tangible outcomes. On the basis of such an assessment, they can then design and facilitate an effective and result-oriented dialogue process.

The choice of a form of Stakeholder Dialogue depends on what needs to be achieved. In many cases, stakeholder engagement has the primary purpose of consultation – with the aim of ensuring sufficient input for planning or decision-making. Programs or development initiatives requiring collaboration between different stakeholder groups can use several forms of Stakeholder Dialogues. They can also, over time, develop into very targeted cooperation projects. Some initiatives are designed from the outset to ensure collaborative implementation. But even when stakeholders decide to cooperate closely towards an agreed-upon objective with defined deliverables, they may want to use a stakeholder consultation process as part of their implementation design. So, the different forms are distinct, and there are typical situations in which one form is the most recommended path to take, but they are also connected and can develop into each other.

The following paragraphs explain the distinct features of the different forms of Stakeholder Dialogues and are illustrated with examples.

Singular stakeholder consultation	
<i>Timeframe</i>	1–3 days
<i>Feature</i>	Event/workshop/conference to get input from different stakeholders

If an initiative, a project or program, a company or a government body intends to build its planning, progress review or impact monitoring on the feedback of relevant stakeholders, a singular stakeholder consultation can take place in the form of a one- to three-day stakeholder event. Such events can raise awareness of a particular issue of common concern, or increase the interest of stakeholder groups in the potential for future collaboration. The focus here is on consultation, generating interest or exchanging experiences. The challenge in singular stakeholder consultations lies in creating events that go beyond conveying information. Only true interest in the different viewpoints of stakeholders will lead to constructive dialogues.

- The **Croatian Ministry for Environment** initiated a stakeholder consultation process to ensure a sustainable and joint use of land and resources in the Croatian Adriatic coastal region. The project's core-team organized a stakeholder workshop offering the diverse interest groups, such as local administration, fishermen, representatives from the tourism industry and other local SMEs the opportunity to exchange ideas and experience on integrated coastal zone management and obtain their input on the sustainable usage of the coastal area.

Sequence of regular stakeholder consultation	
<i>Timeframe</i>	Several 1–3-day events/meetings/workshops
<i>Feature</i>	Consultative stakeholder events leading to a specific outcome

Initiatives that require sustained consultation between different stakeholders, such as in policy development or review, or in the form of a stakeholder forum accompanying an implementation process as a kind of 'sounding board', can take place as a sequence of regular events (from one to three days, several times over a period of one or two years). Feedback and input that is requested from the different stakeholders is then integrated into an implementation process for which the initiator of the Stakeholder Dialogue is responsible. The purpose of regular consultation is to improve, for example, the development of policy, to design a participatory implementation strategy, or to ensure regular feedback for the implementation of a specific initiative. Regular stakeholder consultations have become an essential element of good governance implementation. They ensure that policy decisions, the development and implementation of regulations and public sector planning achieves not only higher quality, but broader consent. This is because stakeholders can raise their concerns,

bring in their expertise and experiences and highlight missing aspects of the planning or implementation process. Often, regular stakeholder consultations have a specific outcome, such as the development of a national strategy on a certain topic, for example the implementation planning for a regulatory measure, or the planning for regional development.

- To strengthen the capacity of local government, a joint project between the **Department of Cooperative Governance and Traditional AFFAIRS (COGTA)** in South Africa and the German development cooperation aims to stimulate dialogue processes on three levels: on a national level (between the state and private actors), on a local level (between public and private actors), and on national, regional and local levels (between representatives of government organizations and the private sector). The approach includes regular Stakeholder Dialogue meetings.

Institutionalized stakeholder consultation	
<i>Timeframe</i>	Ongoing, following public planning procedures
<i>Feature</i>	Government-led stakeholder consultation embedded in regulations

Governments, intergovernmental organizations or regional organizations committed to good governance may want to make stakeholder consultation part of their regulatory, implementation or planning procedures. In this case the Stakeholder Dialogue becomes an institutionalized feature: as long-term dialogue structures between the public and private sector to ensure an enabling economic environment, or as statutory agreements on how to involve different stakeholders in planning procedures, such as development planning or environmental impact assessments. The institutionalized stakeholder consultation procedure can be the result of positive experiences in preceding stakeholder consultation processes, such as stakeholder forums for the ongoing review of strategic planning processes. It can also be part of the constitution, or the result of societal or international pressure groups forcing a public sector actor to integrate different stakeholder views to maintain peace. As institutionalized Stakeholder Dialogues are convened following a regulatory procedure, the convening and participating stakeholders may lose the sense of urgency that is typical in other Stakeholder Dialogues. The challenge lies in breathing life into this form of Stakeholder Dialogue and in keeping the purpose and need for stakeholder consultation high on the agenda of decision-makers.

- **The National Development Council (NEDLAC) in South Africa** is an institutionalized Stakeholder Dialogue between the state, private businesses, unions and small communities. This institutionalized dialogue exemplifies and reviews the socio-economic dimension of the South African societal transition and healing process. Within the context of this dialogue, participants discuss draft legislation and strategic decisions. In this way, participation and right of say have been institutionalized on a high level.

Stakeholder platform (exchange)	
<i>Timeframe</i>	Ongoing, taking place for as long as the exchange is relevant, regular meetings
<i>Feature</i>	Regular meetings, exchange of experience, development of joint recommendations, opportunity for networking, advocacy for joint interest

Stakeholders can come together to form an exchange platform, if an issue of common concern affects stakeholders or they have an interest in learning, exchanging experiences or advocating for a particular purpose. Such platforms are often driven by a political or development agenda. The dialogue platform can develop its own identity, and even become an institution (e.g. an association – this may be the case particularly in value-chain development). Or, it can remain a loose structure – sometimes called a round table – where stakeholders meet to report on their activities about a specific topic, to exchange experiences and to learn from each other. Such platforms can be initiated by the public sector, the private sector or civil society, but most often this is a form in which private-sector stakeholders take a particular interest. Either the advocacy purpose or the loose network structure gives actors from the private sector an opportunity to engage in an initiative without commitments that are too binding. In many cases, stakeholder platforms develop recommendations for certain actions, address them to one stakeholder group (e.g. government), or convey them to their own organizations (e.g. corporate social responsibility initiatives). Stakeholder platforms stay alive for as long as there is a sense of urgency to deal with certain issues. The challenge lies in keeping the relevance alive and ensuring that the platform's existence has the desired effect.

- The **Global Reporting Initiative (GRI)**, an international, multi-stakeholder effort to achieve consensus about voluntary reporting of the economic, environmental and social impacts of business. It is dedicated to enhancing the comparability and credibility of sustainability-reporting practices worldwide. The GRI incorporates the active participation of business, accounting, human rights, environmental, labor and government organizations.

➔ www.globalreporting.org

Stakeholder initiatives	
<i>Timeframe</i>	Ongoing until solution is found, regular stakeholder meetings
<i>Feature</i>	Cross-sector initiative to solve complex problems, to develop joint policy and/or standards, or to achieve jointly agreed-upon objectives (often national, regional or international in scope)

Stakeholder initiatives are implementation-focused cross-sector initiatives aiming to solve complex problems and to develop strategies, policies or sustainability standards jointly. Stakeholders join and collaborate to achieve an agreed-upon goal within an agreed-upon timeframe. Sometimes, projects or programs are designed as stakeholder initiatives from the start. In this case, actors from different stakeholder groups (often public/private or private/civil society groups) come together to implement planned activities and monitor results jointly. Stakeholder initiatives can also be the result of stakeholder consultation processes that evolved towards a focus on implementation, and where participating stakeholders see the need to enter into more structured cooperation. The characteristic of this form of Stakeholder Dialogues is the joint intention to bring about lasting change, with the subsequent joint responsibility for success or failure. This implies that a stakeholder initiative needs to set up agreed-upon procedures for decision-making (usually consensual), monitoring and evaluation. So, the initiative requires applying project-management instruments. The more complex a stakeholder initiative is (in other words, if it has a national, regional or international scope), and the more stakeholders it involves, the more it requires governance and representation mechanisms that all participating stakeholders agree on. Stakeholder initiatives often have steering structures (e.g. steering committees) and a project secretariat that is responsible for communication, implementation and preparation of stakeholder events. Such initiatives require high-quality process management, good communication and visible implementation results to keep a complex group of stakeholders aligned behind the common goal.

- **The Ethical Trading Initiative (ETI)**, is an alliance of companies, NGOs and trade unions committed to identifying and promoting ethical trade jointly. It focuses on good practice in the implementation of a code of conduct for labor standards, including the monitoring and independent verification of compliance with ethics codes as standards for ethical sourcing.

➔ www.ethicaltrade.org

Stakeholder platform (management of implementation)	
<i>Timeframe</i>	Ongoing as long as joint task is required, regular stakeholder meetings
<i>Feature</i>	Joint management of implementation

Stakeholder platforms can also be focused on implementation: stakeholders as members of such a platform come together at regular intervals to review the management of a particular issue of common concern, adjust future planning and revise implementation strategies. Often, such a stakeholder platform functions as a long-term steering structure. Members of the platform represent certain constituencies or expertise. Typical examples for implementation-focused stakeholder platforms are water basin management committees in integrated water resource management. Here, the platform is often composed of different stakeholders, sometimes including the affected communities. Its task is bridging the gap between government interventions, donor interventions and local communities to design appropriate strategies to address water issues. However, an implementation-focused stakeholder platform can also be the result of a stakeholder initiative or stakeholder consultation process: it may serve the purpose of carrying on with what the Stakeholder Dialogues have already achieved and of ensuring stakeholder perspectives in implementation review or coordination of implementation.

- In a project to develop sustainable water usage, the **Namibian Ministry for Agriculture, Water and Forestry** is working to develop sustainable control of water catchment areas through integrated water source management. For this purpose, committees consisting of representatives from the public and private sectors, civil society and NGOs have already been established in two locations. Their duty is to clear up issues and questions regarding water management in cooperation with state water authorities.

Stakeholder implementation partnerships	
<i>Timeframe</i>	Temporary according to project agreement, regular review workshops
<i>Feature</i>	Cross-sector implementation project to achieve agreed-upon objectives, joint management of implementation

Stakeholder Dialogues can lead to more concrete cooperation projects implemented by different stakeholders. Such partnerships can be the result of stakeholders realizing that in complex projects, stakeholders from different societal sectors can only implement solutions jointly. This requires additional steps towards an increased commitment to collaborate. Often,

stakeholder partnerships manage large budgets, require professional project management and need to set up monitoring and evaluation procedures right from the start. As they are run like projects, they face pressure to implement and report accomplishments and to hold to agreed-upon objectives and milestones. Each of the stakeholder partners has to fulfill an agreed role and is responsible for implementing certain aspects of the project. If the complexity of the partnership requires it, stakeholder partnerships can be managed by a project secretariat. The challenge of stakeholder partnerships lies in balancing and reconciling different expectations of speed and success. Often, actors from very different organizational cultures (for example, from the public sector, development agencies, the private sector, or NGOs) need to work closely and to develop a mutual understanding of their procedural requirements and their mode of operation. Stakeholder partnerships implementing complex projects may require consultative Stakeholder Dialogue events to include relevant stakeholders beyond the actual members of the partnership, to raise awareness, or to receive feedback to adjust implementation strategies.

- The **Sertão initiative** in northeast **Brazil** works to support small farmers' communities in adapting to the challenges of climate change. For this purpose, the initiative identifies opportunities to increase people's income in that particular region. The cooperation of different local actors such as local communities, small and medium-sized enterprises and small farmers facilitates options for action and technical solutions to secure local food supply jointly. The same approaches are being applied to tackle the issue of reducing CO₂ emissions. The projects' scope has been expanded to national level. Due to the great success of the initiative, there are also ambitions to achieve implementation on an international level.

➔ www.adaptasertao.net/en

Overview: Different forms of Stakeholder Dialogues – summary of features, purposes and application

<i>Form</i>	<i>Feature</i>	<i>Purpose</i>	<i>recommended for</i>	CONSULTATIVE STAKEHOLDER DIALOGUES
<i>Singular Stakeholder Consultation</i>	Stakeholder event (from information to authentic consultation)	To raise stakeholders' interest in or awareness of a particular issue To get feedback from different stakeholders about a specific issue	<ul style="list-style-type: none"> – Policy input – Strategy input – Research input – Planning input – Exchange of experience 	
<i>Sequences of Regular Stakeholder Consultation</i>	Consultative Stakeholder events leading to a specific outcome	To let stakeholders participate in a development or decision-making process, or to exchange experiences among stakeholders	<ul style="list-style-type: none"> – Policy development – Policy review – Planning review – Strategy review – Stakeholder recommendations are integrated into results 	
<i>Institutionalized Stakeholder Consultation</i>	Government-led stakeholder consultation embedded in regulations	To regulate input by stakeholders on certain issues of policy or planning development (as part of good governance)	<ul style="list-style-type: none"> – Institutionalized policy review – Institutionalized planning review – Regulated stakeholder participation in planning – Stakeholder representation follows regulated rules 	
<i>Stakeholder Platform (Exchange)</i>	Regular coming together of different stakeholders for an exchange of experience	To develop joint recommendations, to use the opportunity to meet different stakeholders, to ensure advocacy for stakeholder interests	<ul style="list-style-type: none"> – Representation of stakeholders in organized body – Stakeholder advocacy – Regular exchange of lessons learned – Advocacy for political or economic development agenda 	

Overview: Different forms of Stakeholder Dialogues – summary of features, purposes and application

<i>Form</i>	<i>Feature</i>	<i>Purpose</i>	<i>recommended for</i>	STAKEHOLDER DIALOGUES FOCUSED ON COLLABORATION AND IMPLEMENTATION
<i>Stakeholder Initiative</i>	Cross-sector initiative to solve complex problems, to develop joint policy and/or sustainability standards or to achieve agreed-upon implementation objectives	To develop and implement new approach, voluntary standards, new policy, complex project jointly	Complex project management through: <ul style="list-style-type: none"> – Joint implementation steering – Creating joint responsibility for change and results – Joint monitoring and evaluation – Joint decision-making – Stakeholder Initiatives often require: <ul style="list-style-type: none"> – Governance mechanisms – Agreed-upon steering structure (steering committee, executive committee) 	
<i>Stakeholder Platform (Implementation)</i>	Joint management of implementation regarding an issue of common concern	To ensure joint management of complex tasks by different stakeholders	Voluntary coming together of different stakeholders to improve management of certain task	
<i>Stakeholder Partnership</i>	Cross-sector implementation project to achieve agreed-upon objectives	To achieve specific project results with complementary resources in specific timeframe	Collaborative implementation projects and strategic alliances requiring: <ul style="list-style-type: none"> – Joint implementation planning – Joint implementation of activities – Joint monitoring of results – Joint responsibility for success – Joint decision-making – Management structures in place – Often require formal contracts 	

1.3 Understanding cross-sector settings

Stakeholders can be broadly divided into three societal groups:

- **the public sector;**
- **civil society; and**
- **the private sector.**

Not all stakeholders fit clearly into these divisions. For example, donor organizations sometimes represent government, but can also be large civil-society organizations. Research organizations may belong to the civil-society sector or to the public sector. However, in the context of Stakeholder Dialogues, these divisions help to understand the motivation for, or reluctance to, engage in Stakeholder Dialogues.

Within each of the three stakeholder groups, there are important differences that also need to be taken into account: large international corporations often have different interests than small companies; local NGOs have a different outlook on certain subjects than large international NGOs; and national and provincial government institutions are not always aligned. A stakeholder analysis begins with looking at who is particularly important for bringing a change endeavor forward, who has the power and capacity to influence progress, who has specific expertise, and who will be most interested in change, but may be less influential. For an effective Stakeholder Dialogue approach, a thorough stakeholder analysis is therefore a crucial starting point (view 3.2 “Stakeholder Analysis”).

Beyond this broad distinction, of course, there are many reasons why stakeholders may want to enter into a dialogue or why they may be skeptical or resistant to join. In preparing an approach to a complex initiative, project or program by using a Stakeholder Dialogue approach, it is important to understand the differences between stakeholders, to respect their particular interests and to become aware of the dynamic that may exist between different stakeholders. The next sections give an overview over the interests, concerns and motivations of the three different stakeholder groups.

1.3.1 The public sector

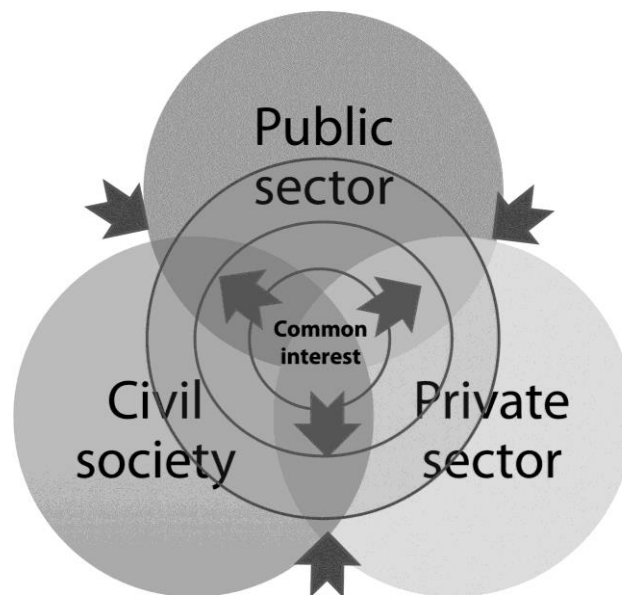
The public sector’s rationale is guided by the rights-orientation of law and order, the regulation of access to common resources and service delivery to citizens. Designing and enforcing rules and regulations, and complying with internal procedures, is fundamental to the work of public-sector organizations. They often follow a more bureaucratic approach, that is driven by adherence to tradition, processes, procedures, structures and mechanisms. The result is a more conservative and not necessarily innovative milieu that is not always open to change. This is reflected in the decision-making culture of the public sector: it is sometimes slow, administrative, hierarchical, loyal to regulations and procedures, and rigid in protocol. Decision-making follows the political approach (e.g. democratic) and can include regulated internal and external consultation of stakeholders. The core principle is acting on behalf of the common good.

The public sector, with its different institutions on the national, provincial and local level, has in general a common interest, a similar motivation and approach to administration and service delivery. However, even with a similar mission there may be differences in interest between different government departments or between government institutions at national, provincial and local level. There can be differences in specific interests and sometimes challenges in communication between government agencies at different levels: municipalities are not

always entirely aligned with their provincial administration, or the provincial administration is not fully aligned with the national government. Even among national or provincial government, ministries or departments often cautiously defend their territory. Their interests are not always the same – especially when it comes to allocating resources. Different line ministries can be in fierce competition. Some Stakeholder Dialogues, therefore, may require internal government dialogues and alignment first, before the wider group of stakeholders can be engaged.

The motivation of the public sector to engage in Stakeholder Dialogues lies in the opportunity to create a broader base for public policy and regulations. Another benefit of Stakeholder Dialogues for the public sector is an increased efficiency in the implementation of public and developmental service delivery through regular feedback from stakeholders. Public-sector-supported or -initiated Stakeholder Dialogues can enhance consensual policy development, the development of standards and broad compliance with regulations. Aside from the benefits of getting involved in a Stakeholder Dialogue, there are also risks involved: for the public sector, it is the risk of losing power, for example by talking to more radical groups or by supporting certain private-sector companies too much.

COMMON INTERESTS BETWEEN SECTORS



1.3.2 The private sector

The private sector's core motivation is growth and business opportunities, so profit orientation is at the forefront. Stakeholders from the private sector are predominantly guided by their company strategy, and are highly motivated to be loyal to the business. They depend on performance indicators and stock-exchange analysts. Efficiency and strategic purpose is critical to their decisions, and they always have to argue the business case. The private sector needs to be innovative and often creative. This leads to a fast, short-term, impatient decision-making model, which is participatory in some cases and hierarchical in others, depending on the organizational culture. At the core of decision-making is loyalty to the business case.

It is important to consider that there are differences between business associations and individual companies, between companies in developed and in developing countries, and

between privately owned, stock-listed companies, or public companies. The interests of large companies differ from those of small and medium-sized companies. While large companies are often well organized, small and medium companies are usually less organized, particularly in developing countries. Therefore, they have greater difficulty in speaking with a single voice, in public–private dialogues, for example. The least organized private-sector ‘companies’ are in the informal sector. This is often a very important stakeholder group, but has little capacity to organize itself and to voice its concerns.

The motivation to engage in Stakeholder Dialogues often lies in being able to influence the business environment (for example, in Stakeholder Dialogues with the public sector), to access new markets, to reduce investment risks, or to gain reputation through participating in Stakeholder Dialogues. Multinational companies’ interest in Stakeholder Dialogues is often driven by the motivation to be among the leading companies in Corporate Social Responsibility.

For reasons of reputation or risk management, the private sector can also initiate company-specific Stakeholder Dialogue to improve its relationship with stakeholders or customers. Such a form of exchange can be very important for a company to get feedback from customers and other stakeholders for environmentally or socially responsible strategies, or innovative product development. Collaboration with actors along a value chain can be another reason for joining or initiating Stakeholder Dialogues. This can contribute to long-term or short-term market development, as well as to risk and compliance management.

For the private sector, the benefit of Stakeholder Dialogues can turn into a risk if nothing follows from the Stakeholder Dialogue and the company or the association is accused of only paying lip service to stakeholder engagement. Another risk may lie in the fact that Stakeholder Dialogues require the investment of time, so the top management could see them as economically inefficient.

1.3.3 Civil society

Civil society organizations can include a wide variety of groups, such as national or international NGOs, women’s groups, indigenous peoples’ groups, farmers, unions, researchers, community organizations, and so on. These organizations represent different kinds of societal interests, groups and subcultures. Civil society organizations are indispensable for protecting, advocating and supporting justice, such as social and environmental protection or economic and social fairness and the prevention of social exclusion. These organizations support and further the participation and inclusion of underrepresented groups.

Civil society stakeholders can represent a diversity of interests, but often have similar rationales. Not-for-profit organizations in particular usually have a strong value orientation. They advocate on behalf of weaker groups, voiceless groups or the environment. Civil society organizations often expose the perceived misbehavior of the private and public sector, such as the abuse of law or malpractice and excesses. They often act through campaigning, awareness raising, education and capacity building.

Not all civil society organizations have similar goals and rationales: there are wide differences among them, with interests that are sometimes contradictory. Environmental NGOs focus on different concerns to human rights or social NGOs. National NGOs often have different interests and a different agenda to international NGOs. Globally active NGOs often have their

funding base in developed countries, and depend on maintaining their constituents' interests. They may have a more ambivalent relationship with public sector. NGOs in developing countries often have a strong focus on development, empowerment and capacity-building, and like to work closely with the country's public-sector, and, sometimes, private-sector organizations. However, there are also national NGOs opposing government policies who may not want to enter into a structured dialogue with the public sector. Community development organizations focus on the local area, and often represent the interests of the population in a particular geographical area. International NGOs can be supporters of development and function as donor organizations for smaller development-oriented NGOs or community development organizations.

Due to civil-society organizations' heterogeneity, their participatory approach and their resource shortages, they are often characterized by slow, participatory and democratic decision-making models, or have an analytical approach when decisions are largely based on research findings. The core element of decision-making in these groups is a loyalty to the group's values and principles.

Civil society organizations' motivation to engage in Stakeholder Dialogues is the possibility of influencing public and private actors towards their value based goals, of changing societal and global structures of inequity or disparity, or of improving their target group's situation. In Stakeholder Dialogues, these groups also see the chance for additional opportunities for advocacy and higher efficiency and effectiveness in implementing societal (or global) goals (social developmental, environmental protection, human rights, and so on).

However, participation in a Stakeholder Dialogue can be a risk, particularly for international NGOs focusing on advocacy and campaigning: it may pose the danger of losing acceptance among their members and constituencies that give them financial support and legitimacy. People may see the dialogue as a form of collaboration with the very organization or stakeholder group against which the NGO is advocating. Being part of the dialogue may mean a loss of face, and, subsequently, a loss of financial support. This may undermine the NGO's ability to campaign and advocate.

Overview: Navigating the interests of different stakeholder groups

<i>Stakeholder group</i>	<i>Rationale</i>	<i>Decision-making and organizational culture</i>	<i>Motivation to engage in Stakeholder Dialogues</i>	<i>Potential risks for engaging in Stakeholder Dialogues</i>
<i>Public sector</i>	<p><i>Guard the rule of law, ensure access to resources, deliver services</i></p> <p>Rights-orientation of law and order</p> <p>Access, Information, Stability, Legitimacy</p> <p>Designing and enforcing rules and regulations</p> <p>Service delivery</p> <p>Acting on behalf of the common good</p>	<p>Slow, bureaucratic, hierarchical, political</p> <p>Internal consultation processes are key</p> <p>Loyal to law and order</p> <p>Keeping to traditions, processes, procedures, structures</p> <p>Not necessarily innovative</p> <p>Protocol important</p>	<p>Opportunity to establish broader platforms to promote and implement regulations or voluntary behavior for the common good (i. e. standards, codes of conduct)</p> <p>Greater efficiency in the implementation of government regulations, public services, the management of public resources, or large infrastructure projects</p> <p>Opportunity to create a broader base for necessary regulations or restrictions</p>	<p>Danger of loss of reputation: when talking to more radical groups, or by supporting certain private-sector companies too much</p> <p>Withdrawal of mandate for engagement in Stakeholder Dialogues from hierarchy</p>
<i>Private sector</i>	<p><i>Grow and seek business opportunities</i></p> <p>Profit orientation, loyal to the business case</p> <p>Guided by company strategy</p> <p>Depend on performance indicators, stock-exchange analysts</p> <p>Efficiency and strategic purpose at the forefront</p>	<p>Fast, short-term, impatient decision-making</p> <p>Participatory or hierarchical, depending on the organizational culture</p> <p>Loyal to the business model</p> <p>Innovative</p> <p>Differences between business associations (often in MSPs) and individual companies; between businesses in developed and developing countries; between privately owned and public</p>	<p>Advocacy for enabling business environment</p> <p>Reputation management</p> <p>Compliance management</p> <p>Customer relationship management</p> <p>Long-term or short-term market development</p> <p>Risk management</p>	<p>Danger of not being able to argue the business case</p> <p>Danger of being accused of lip service, if nothing follows from the Stakeholder Dialogue</p>

		companies		
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Overview: Navigating the interests of different stakeholder groups

<i>Stakeholder group</i>	<i>Rationale</i>	<i>Decision-making and organizational culture</i>	<i>Motivation to engage in Stakeholder Dialogues</i>	<i>Potential risks for engaging in Stakeholder Dialogues</i>
<i>Civil society</i>	<p><i>Ensure social and environmental rights, development</i></p> <p>Reacts to injustice and concerns of overall society, provokes attention</p> <p>Ethical orientation, value orientation</p> <p>Advocacy on behalf of voiceless (vulnerable) groups, the environment, etc.</p> <p>Exposing perceived misbehavior of other sectors (private, public), watchdog, whistle-blower</p> <p>Campaigning</p>	<p>Slow, participatory (due to heterogeneity, participatory approach, few resources)</p> <p>Analytical: research as core element of decision-making</p> <p>Loyal towards the values and principles of the organization</p> <p>Loyal towards constituencies</p>	<p>Influence the private sector and government – beyond campaigning and charity</p> <p>Additional opportunities for advocacy</p> <p>Higher efficiency and effectiveness in implementing organizational goals (social, developmental, environmental, human rights, etc.)</p>	<p>Danger of losing reputation among constituencies for talking with the enemy'</p> <p>Loss of face, being perceived as sell-outs by members</p> <p>Internal conflicts</p> <p>Loss of rationale: campaigning, advocacy</p> <p>Danger of cooption</p> <p>Loss of financial support</p>

2 GETTING ACTIVE – MAKING STAKEHOLDER DIALOGUES WORK

At the beginning of a Stakeholder Dialogue is always an intention to change or improve an issue of common concern, solve a problem or tackle a challenge together. People, not necessarily institutions, create ideas and intentions, which have most often undergone a process of development based on conversations with several other people. Usually, only a small group of people can see the future possibility, and trust that Stakeholder Dialogues are the appropriate way to approach, engage and commit. Every official launch of a Stakeholder Dialogue has its own specific history that, ideally, is already a history of learning. But it is also a history of chance encounters, paired with strategic planning – the process and its impact cannot always be steered completely. Working with Stakeholder Dialogues most often are stories of courageous and passionate people committing to making a difference for the common good.

But even when courage and passion is strong, having background knowledge of the methodology for implementing Stakeholder Dialogues will help to achieve the desired results. Success depends, to a large extent, on the quality of the process. Regardless of whether the Stakeholder Dialogue is a singular consultation event, a stakeholder initiative or a long-term implementation partnership, every Stakeholder Dialogue requires a sequence of planning, implementation and review steps. Because they are an intervention into a complex system of actors, they require a very conscious process and communication design.

Stakeholder Dialogues provide a space for people to think together, a space that – if created in the right way – can help collective intelligence to emerge, can pave the way for collective responsibility in implementation, or can offer grounds for true social innovation. So, they must become more than just a meeting of different stakeholders, more than an entertaining event and more than a conference for networking. Well-designed Stakeholder Dialogues create a commitment for change. To meet these expectations, they require a well-designed process architecture. The term ‘architecture’ is important because the design of processes and communication creates a space not unlike the structural space of an architect-designed building: some buildings make people feel comfortable, while others may have the opposite effect.

Process architecture refers to the design of the overall preparation, implementation and review process of a Stakeholder Dialogue. This can be a sequence of informal and formal communication events that bring stakeholders together into a structured conversation and are designed to lead to a desired outcome. Stakeholders often have different opinions and world views, or, at times, standpoints that may even be controversial. The process architecture can be seen as a guiding structure, almost like a balustrade that keeps the complex set of actors relatively stable and within a frame of action that everybody understands. It helps to prevent chaos, but allows enough freedom for the different forms of communication that Stakeholder Dialogues require. The more difficulties, conflicts and differences of interest that can be expected among stakeholders, the more structure the process architecture needs to provide. It gives all actors the minimum degree of certainty that a Stakeholder Dialogue in a complex and uncertain environment requires: for the initiators and conveners as much as for the participating stakeholders. It helps the participants to develop a sense of cohesion, gives

orientation, and safeguards against unhelpful interventions. Process architecture includes communication design: internal and external communication, as well as the actual design of events, meetings and workshops.

What is process architecture in Stakeholder Dialogues?	
<i>Process architecture</i>	The design of the overall preparation, implementation and review process of a Stakeholder Dialogue: the sequence of informal and formal communication events (meetings, workshops, conferences, etc.) that bring stakeholders together into a structured conversation, and that are designed to lead to a desired outcome.
Key elements	
<i>Reliability</i>	What has been agreed upon in terms of meeting schedules should happen as planned; if delays or obstacles occur, the stakeholder groups need to be transparently informed of the reasons for these.
<i>Joint agreements</i>	Form and sequence of meetings and events needs to be planned together, or at least agreed upon by the key stakeholders.
<i>Flexibility based on collective reflection</i>	Although flexibility seems to contradict reliability, this does not need to be the case – process architectures need to be reviewed in a structured way and adjusted accordingly. Changes need to be transparently communicated and justified.

The underlying intent of process architecture is to enhance dialogic conversations: the **ability to think together** among people who matter and for whom the issue matters. This can become a fertile ground for collective intelligence. How these conversations take place depends on the situation, the context, and the people involved.

The form that the process architecture takes will depend on the phase of the Stakeholder Dialogue: preparation requires different process architecture than implementation. As the success of Stakeholder Dialogues hinges on result-oriented processes, it helps to distinguish different phases that require different sequences of actions. To know what is appropriate at specific times, it is important to develop methodological know-how that is built on process and change-management experience; a good understanding of the dialogical approach; and interest in self-reflection. Bringing actors together who have different backgrounds and interests into a Stakeholder Dialogue requires developing an affinity for dealing with diversity, as well as a willingness to develop communication and change-management skills.

2.1 The Dialogic Change Model

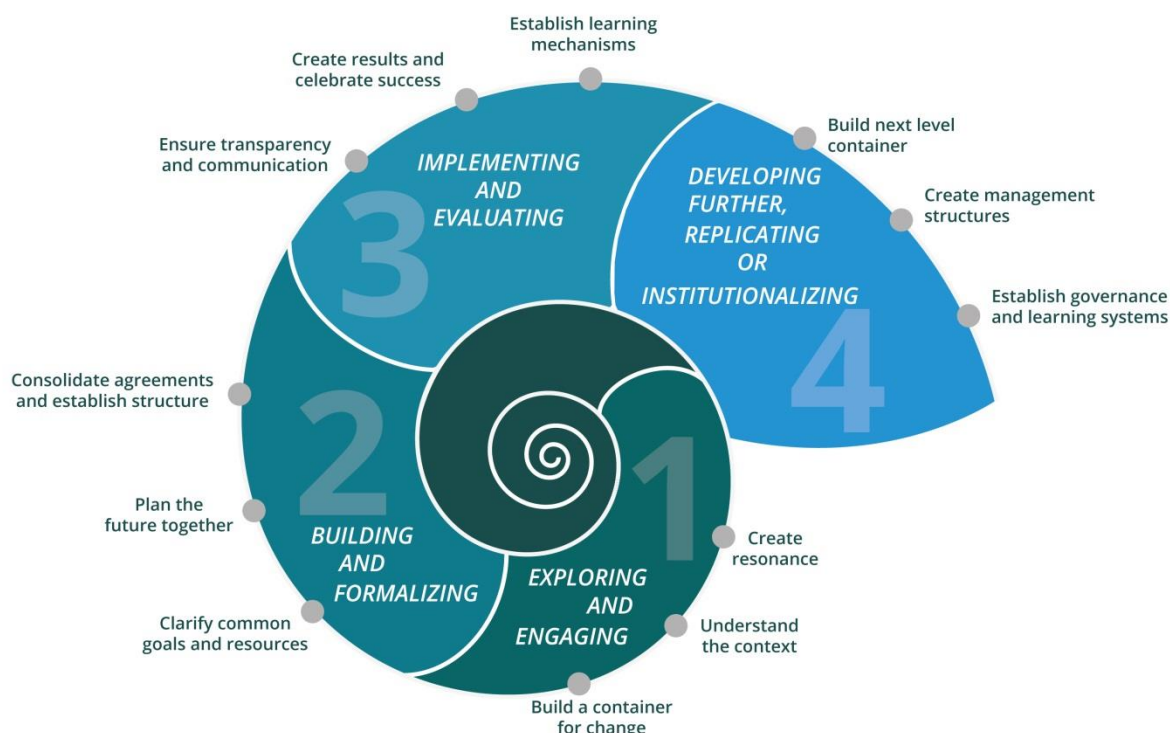
The **Dialogic Change Model**³ suggested here allows for result-oriented, structured planning and implementation of a Stakeholder Dialogue in four phases. It has been developed over time based on experience with successfully implemented Stakeholder Dialogues. It supports and observes the underlying principles of successful Stakeholder Dialogues.

Guiding questions for each of the four phases will help initiators, as well as the participating actors, to steer a result-oriented process. The checklist will support project teams with planning and implementation. Dividing Stakeholder Dialogues into four phases has proven helpful in taking all demands and requirements of the different phases of a dialogue process into account and preparing them adequately.

Overview: The four phases of Stakeholder Dialogues		
Phase 1	<i>Exploring and engaging</i>	Understanding the context, understanding stakeholders' different viewpoints, engaging them into preparatory conversations, raising energy for action, building the case for change
Phase 2	<i>Building and formalizing</i>	Clarifying goals and commitment, establishing resources, creating formal agreements, planning process and joint implementation
Phase 3	<i>Implementing and evaluating</i>	Implementing agreed-upon or recommended activities, creating showcases for change, evaluating progress and outcomes
Phase 4	<i>Developing further, replicating or institutionalizing</i>	Bringing the dialogue to the next level, expanding or replicating dialogue activities, creating long-lasting structures for change

³ Developed in 2006 by the Collective Leadership Institute

THE **DIALOGIC CHANGE MODEL:** IMPLEMENTING STAKEHOLDER DIALOGUES IN A RESULT-ORIENTED WAY



The different phases in Stakeholder Dialogues

The **Dialogic Change Model** is based on the ancient human knowledge of dialogue. It has taken the idea of creating space for collective intelligence through structured dialogue into the modern sphere of stakeholder engagement. Beneath the surface of the four phases in Stakeholder Dialogues is a wealth of knowledge about transformative communication processes. The model explains what needs to be taken into account to foster dialogic exchange and result-orientation at the same time. Because the success of Stakeholder Dialogues hinges on the design and implementation of result-oriented dialogic processes, it offers an integrated approach by combining change methodology, dialogic skill and reflection. The guiding principles are based on the dialogic practices of *voice, listen, respect and suspend*.

The **Dialogic Change Model** also offers outcome-focused, well-structured planning and attention to important details that can make such a process succeed or fail. It recommends the areas of attention in the four phases and suggests key questions for reflection.

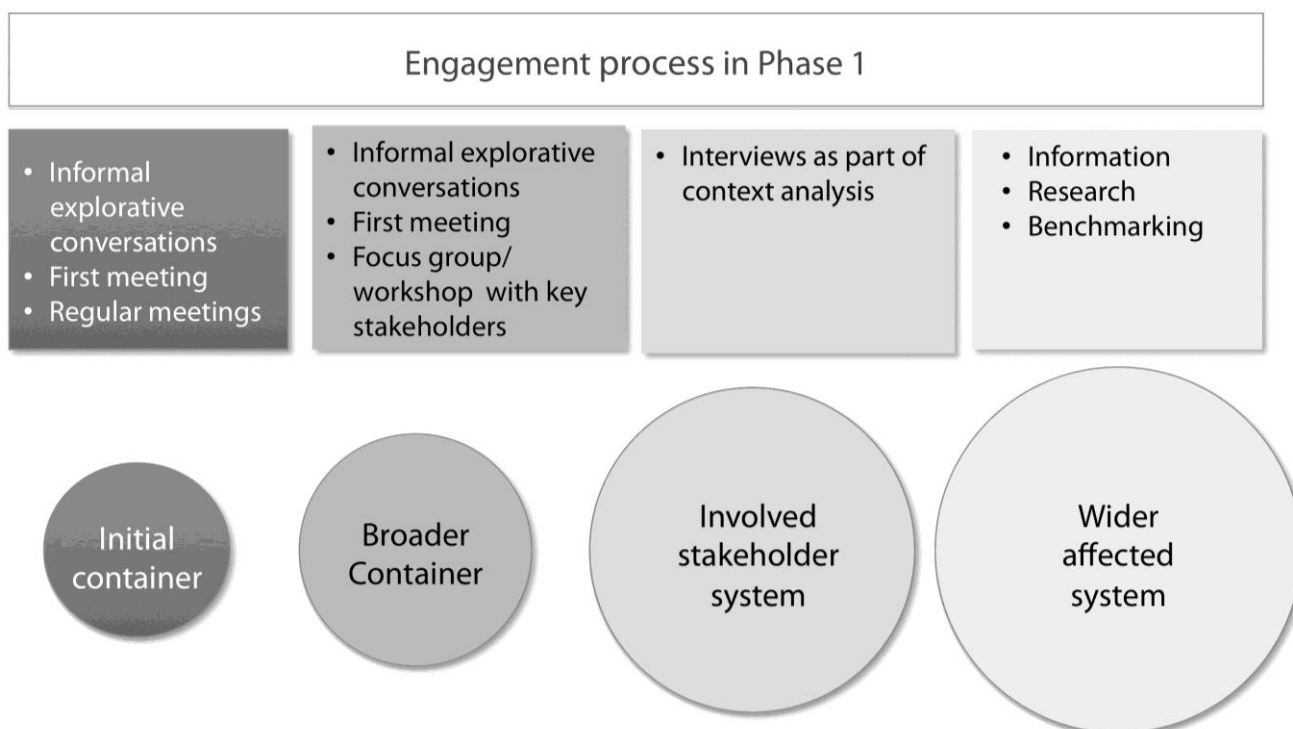
2.1.1 Phase 1: Exploring and engaging

Phase 1 is essentially about raising the energy for change and dialogue. In this phase, stakeholders explore the Stakeholder Dialogue's context, taking other existing initiatives and the people involved into account. This requires understanding the external context, the factors that will influence the dialogue, and the dynamics of the complex system in which the Stakeholder Dialogue will take place. Talking to selected but relevant stakeholders and opinion-leaders informally in this phase can help to understand the prospects and potential obstacles for dialogue and change. A small cross-sector team of engaged people, called the Core Group (*Container*), can meet at various opportunities, exchange ideas and receive inputs from interested and knowledgeable people in this phase.

➤ The Core Group as a ‘Container’

The term ‘*Container*’ refers to the function and relational quality of an initiating team or core group of interested actors in Stakeholder Dialogues. A good *container* exists if these actors are dedicated to the change envisaged, emotionally engaged with future possibilities and if they are committed to initiating and implementing the intended change jointly. Ideally, this group of people already represents – to some extent, at least – the diversity of stakeholders so that it can embody the range of interests in the change initiative. It is composed of people who are willing to respect each other and who are committed to the goal. In this way, the core group, in its function as a ‘*Container*’, creates a holding space for the planned change, an emotional home for the joint initiative and an initial pattern of the envisaged dialogue or cooperation. This core group requires attention: the more this group is able to provide coherent collective leadership, the more likely the Stakeholder Dialogue will be set on a route to success. Core groups that are “good” *Containers* help to bring about change by establishing ever broader *containers* for change. Such *Containers* can develop and sustain the kind of legitimacy that comes not from hierarchy but from the fact that core groups as *Containers* act in the interests of the whole, consistently.

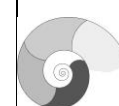
Informal dialogue is a melting pot for screening possibilities. As people are asked to shape the idea, they begin to commit. Central to Phase 1 is building trust, creating resonance and building the case for dialogue and change. So, the quality of an engagement process is the key element in Phase 1. Good relationship management and a broader understanding of the context are crucial. It is important to anchor the potential goal in as many minds as possible, particularly in the minds of people who are relevant for the success of such an initiative and need to be actively engaged. Formal structures for the Stakeholder Dialogue, agreements, or defined procedures are not a priority at this point. Creating structures too early can prevent the idea from taking root because structures often develop their own dynamic. This absorbs creativity; and actors who have not been involved from the beginning can perceive these structures as imposed.



The quality of trust and relationship building in Phase 1 is an important prerequisite for formalizing and implementing (see 5.6 “Engaging stakeholders: Building a Container for change”) the Stakeholder Dialogue in Phase 2. Success in the long run depends immensely on the flexible but careful design of Phase 1. Building a core group as a stable ‘*Container*’ in this phase is essential: a team of dedicated people that ideally contains important stakeholders and helps to move the Stakeholder Dialogue forward (see a good **container for change** above). Phase 1 of a Stakeholder Dialogue can last from two months to over a year. This depends on how much time and effort is needed for the engagement process and consulting with all relevant stakeholders in a complex system.

➤ In order to understand the importance of a good container, it helps to review one’s experiences of change processes. Very often, if a good container for change was missing, change did not happen, failed or was difficult to achieve.

Phase 1: Exploring and engaging	
	Understanding the context, the different viewpoints of stakeholders, engaging them into preparatory conversations, raising energy for action, building the case for change
Duration	From minimum two months for singular Stakeholder Dialogue events to over a year for Stakeholder Dialogues focusing on collaboration for implementation
Expected	Trust among key stakeholders



results	<p>Explicit resonance for the dialogic initiative or change process</p> <p>Credibility for implementation</p> <p>Participating stakeholders identified</p> <p>Context and external influencing factors explored</p>	
Areas of attention	Create resonance	
	Understand the context	
	Build a 'good' Container for change	
Most common difficulties or mistakes	<p>Lack of ownership of key stakeholders due to lack of involvement in project/initiative design</p> <p>Insufficient context analysis</p> <p>Neglecting important other actors in the field of operation</p> <p>Hurrying into agreements without real commitment of stakeholder partners (lip-service commitment)</p> <p>Actors and participating institutions do not understand the requirements/cultures and decision-making structures of the different stakeholder groups well enough</p> <p>Insufficient <i>Container</i> building (absence of committed core group to carry the process)</p>	
Readiness check: Phase 1	Have we identified relevant key stakeholders?	✓
	Have we created resonance among key stakeholders?	✓
	Are we aware of the factors influencing the endeavor?	✓
	Have we understood the context well enough?	✓
	Have we researched best practices that we can adopt or learn from?	✓
	Have we assessed potential threats to the initiative?	✓
	Have we assessed the resources required?	✓
	Is our <i>Container</i> strong enough?	✓

Area of attention: Create resonance

In the context of both formal and informal exchanges, the initiators of a Stakeholder Dialogue clarify the interest, commitment and participation of the actors in a specific area of activity during Phase 1. During this exchange process, the idea or the planned course of action becomes clearer. In informal bilateral conversations, the initiators can help to clarify the different possibilities for change and test for resonance with the relevant actors. This way, the common goal becomes clearer and is further developed with the help of stakeholder feedback.

The most important task at the beginning is establishing trusting relationships with potential partners. As much as possible, these actors should be involved in a joint thought process towards a mutual goal, as well as in a brainstorming about its implementation. The more actors are involved in the development of an idea, the more interest and readiness to take responsibility for the dialogue process will develop.

One of the biggest challenges can be bringing together different institutions and actors for one common goal. It must be clear whether there is a case for change and action, and how a stakeholder approach will help to achieve a goal most effectively. A central requirement for the future success of dialogue and collaboration is the development of a network of actors who are truly interested in change. It is especially important to win the support of stakeholders who are central to the success of a common goal when testing for resonance.

➤ Guiding questions for creating resonance

Who shares the common goal?

Which important stakeholders can support our cause?

What makes our cause attractive for the different actors?

Where is there already energy/willingness for change?

With whom do we need to speak?

Who can help to clarify goals and possible implementations?

Area of attention: Understand the context

In Phase 1, it is important to understand the initiative's context. A timely stakeholder analysis, conflict mapping and situation analysis is recommended (see 3.2 "Stakeholder analysis"). The objective of analyzing the field in this way is to understand formal and informal structures that have led to the current situation and to examine which structures and behaviors are currently impeding the change process.

Context analysis may include benchmarking; for example, evaluating similar experiences in other sectors, countries or subject areas. In some cases, technical studies or thematic situational analyses may be meaningful, the results of which can flow into the ongoing process. To insure that all stakeholders participate professionally on an equal basis, publications and/or information events can be planned. Such kinds of *capacity development* can be integrated into a Stakeholder Dialogue at any time.

If, as a result of the stakeholder analysis, it is discovered that certain stakeholders are insufficiently organized, it must be discussed how these stakeholder groups can be further strengthened. It is also relevant to the chosen strategy how familiar stakeholders are with the stakeholder approach. It may be necessary to reinforce stakeholders' knowledge of

cooperation, dialogue and process by holding *capacity-development* workshops on how to engage in Stakeholder Dialogues.

It is important to discover which political or high-level support the Stakeholder Dialogue requires, and to gain this support actively. This requires knowing how the Stakeholder Dialogue can be integrated into existing processes and structures in the corresponding field of action. This is particularly relevant for Stakeholder Dialogues that the public sector initiates.

➤ **High-level sponsorship**

High-level sponsorship is the lifeblood of high-stakes change initiatives like Stakeholder Dialogues. It is critical to obtain the support of high-ranking people from one or more of the stakeholder groups, or, in some cases, to ensure that there is patronage for the intended change. High-level sponsors need to support Stakeholder Dialogues, but may not need to be directly involved in them. But it is important that the people who are critical to this change endeavor can take a stand on its behalf.

It is necessary to re-analyze the situation in which change is to take place continually throughout the entire process. For this reason, in more complex processes, Phase 1 is never really complete: complex Stakeholder Dialogues cannot be planned in a linear way because they are mutual learning processes that need room to develop and change.

➤ **Guiding questions for understanding the context**

Which stakeholders do we need to involve?

What do we need to know about the current situation and about future events?

Which partners do we need to ensure the success of our cause?

Who has influence in the outcome of our initiative, and how can we influence them?

Are there existing best practices that we can adopt?

Do we have to do any research on the issue?

Who do we have to talk to in order to complete our understanding of the overall system?

What do we know about experiences in similar situations?

What are the potential difficulties?

Area of attention: Build a good *Container* for change

Stakeholder Dialogues need people who see collaboration and dialogue as an important resource and who are capable of implementing it. Building a good *Container* for change consists of creating a small core group (between two and six people) made up of a few dedicated stakeholders. Its role is to organize the collaboration and dialogue of all participating stakeholders reliably and to keep the dialogue process on track. It is beneficial if the core group is able to work together informally, and it is important for its members to build mutual trust and to create understanding of the needs and demands of the institutions they represent. Many stakeholder involvement processes fail or have little impact because there is no solid *Container* of people who feel collectively

responsible for fostering and holding the process from beginning (planning the participation) to end (taking action on the basis of the results of participation).

Since Stakeholder Dialogues can be a strenuous exercise, it is of crucial importance that people in influential positions not only approve of the process, but get actively involved or stay supportive. Developing a broader *Container* for change is the primary task for initiators, conveners and process facilitators: this means to extend the actively engaged group of supporters of the Stakeholder Dialogue beyond the core group.

Ideally, the core group acts as a source of energy for progress toward a common goal. This works best when it consists of highly motivated people whom the other stakeholders trust (view 5.6 “Engaging stakeholders: Building a Container for change”). The core group ensures that the common goal is kept on track but also makes allowance for the complexity of the specific political arena and considers possible points of conflict. It is also responsible for assuring a sustainable process design and for keeping this process as open as required to ensure authentic participation. This group provides a frame and a structure for the common goal – in other words, an informal ‘home’ for it. A core group as a stable *Container* will pave the way for the broader stakeholder *Container*. This can be seen as a microcosm of stakeholders from the various stakeholder groups that represent the macrocosm of the system in which change is to take place. Not all stakeholders are always equally interested in or committed to the common goal. Without being over-inclusive, it is nonetheless important initially to let all the relevant stakeholders participate in the dialogic change process. Personal engagement is key, one should therefore avoid creating a system composed only of delegates who may or may not be fully committed to a cause.

➤ Guiding questions for building a Container for change

Which actors do we need at the beginning of the dialogue?

Who are the people who can drive change?

Which actors represent the larger system?

What setting for the first meeting will enhance stakeholders’ commitment and process ownership?

What needs to be discussed during the first meeting?

What could compel the actors to support the Stakeholder Dialogue’s cause?

● Case examples: The Common Code for the Coffee Community (4C)

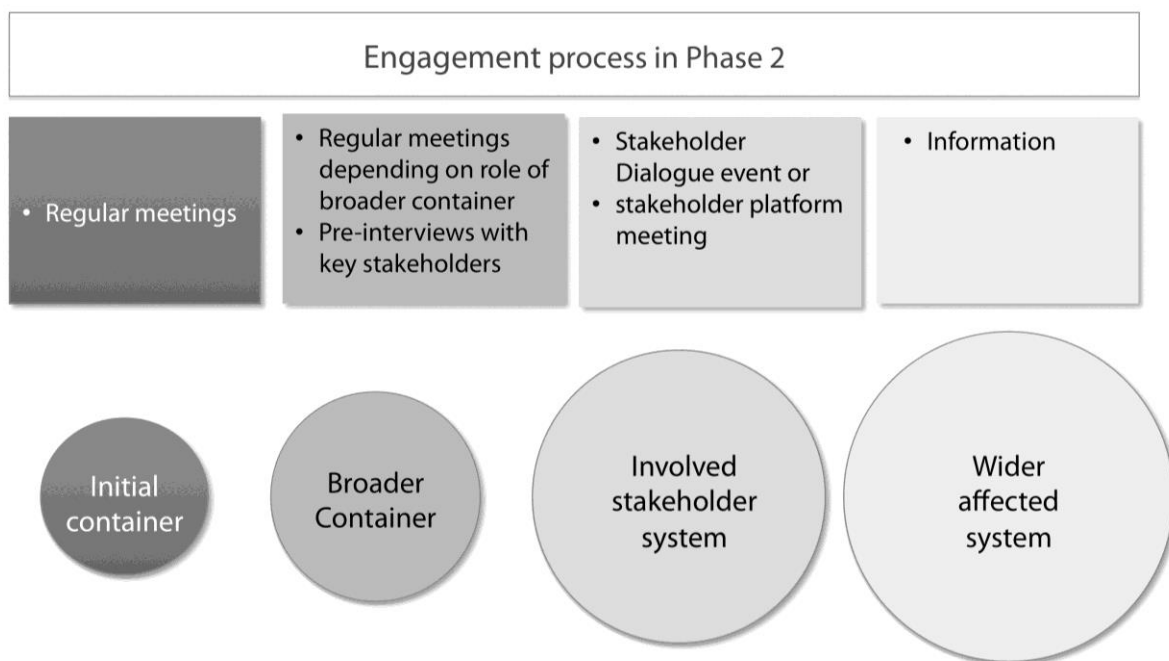
4C is a basic quality standard for sustainability in green coffee production for the mainstream coffee sector. It was developed by an international group of stakeholders, including coffee producers from most important coffee-producing countries, coffee roasters, and coffee traders, as well as international NGOs. They combined forces to develop a common standard and to lay out the conditions needed for its application.

➤ Phase 1: Exploring and engaging

When people met repeatedly to discuss similar issues and specific topics around coffee and sustainability, the idea of developing a long-term mainstream standard slowly began to take root. Representatives of the coffee industry recognized the increasing need to begin a shift toward a more sustainable form of coffee production. Through intensive conversations, the idea was born to develop a basic sustainability standard for mainstream green coffee market. In Phase 1, informal talks helped to map out the general contextual issues, analyze the actors involved, and identify stakeholders with a particular interest. Regular consultation with the stakeholders shed light on potential points of conflict and helped to identify the major challenges in the coffee sector. This phase concentrated on creating constructive relationships, identifying future opportunities for cooperation and building a solid initial *Container*, which could take responsibility for advancing the project. Premature formal structures or obligations would have created false expectations and criticism. This would have hindered the phase's exploration process. At this time, it was far more important to engender a sense of ownership in those closely involved in the project – for both the process and the driving force behind it.

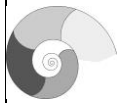
2.1.2 Phase 2: Building and formalizing

Whereas Phase 1 deals with the task of building trusting relationships and positive resonance between stakeholders, Phase 2 is geared more toward consolidating the system of stakeholder collaboration and formalizing stakeholders' commitment to change. The objective of Phase 2 is to find an appropriate formal structure for moving an initiative forward and to build a stable collaborative system for implementation. Goals are agreed upon jointly, and roles and resources are defined. Initial structures can be developed, project teams defined and regular meetings planned. This usually leads to agreements – the signing of a contract, a Memorandum of Understanding (MoU), a project plan or a public address in the interest of the change endeavor. The initiative shifts to a formalized process. In more complex Stakeholder Dialogues, there may also be issues of division of tasks, decision-making, resource allocation or internal and external communication strategies. Often, there is a need for an official launching ritual for a Stakeholder Dialogue. Phase 2 is, therefore, characterized by events, workshops or conferences. With an official event, and an agreed-upon, written document, the Stakeholder Dialogue officially comes to life. It is communicated publicly and the idea is promoted more formally.



The structure for the Stakeholder Dialogue needs to build confidence: contribution, roles and allocation of work as well as communication and process designs need to be agreed upon jointly. The plan for the way forward needs to offer a sufficient degree of ‘process safety’ in an otherwise unpredictable and complex environment. Phase 2 is more likely to be successful if Phase 1 has been done thoroughly and the potential partners have a common understanding of the collaborative or dialogic approach.

The work of stakeholders in the initial *Container* (the core group of initiators holding the intention for change) needs to be strengthened, commitment needs to be built beyond the initiators and complemented by a more formalized structure for implementation. This protects the Stakeholder Dialogue from being too vulnerable to unavoidable change of personnel. It also strengthens individuals’ ability to promote the intention of the Stakeholder Dialogue within their respective institutions. It enhances the learning and communication capacity, and thus the ability to solve difficulties.

Phase 2: Building and formalizing 	
	Clarifying goals and commitment, establishing resources, creating formal agreements, planning process and joint implementation
Duration	From one day (workshop) to several months (sequence of workshops), characterized by meetings/workshops/conferences with all stakeholders
Expected results	Depending on the form and purpose of the Stakeholder Dialogue, anything that shows commitment and gives structure to move forward, e.g.:

	<p>Recommendation and clarity on the use of Stakeholder Dialogues</p> <p>Agreements to collaborate</p> <p>Project or activity plans</p> <p>Agreements on implementation procedures</p> <p>Formal structures to steer the process (e.g. committees, expert working groups, etc.)</p>	
Areas of attention	Clarify goals and resources	
	Plan future together	
	Consolidate agreements and establish structures	
Most common difficulties or mistakes	<p>Rushing into signed agreements and road maps without proven operational commitment of stakeholder partners</p> <p>Absence of joint problem- or situational diagnosis as a basis for joint process planning</p> <p>Process design not jointly agreed on but determined by one party</p> <p>Too much focus on technical/legal/structural issues instead of on building collaboration and dialogue (process management, relationship management, trust-building)</p> <p>Insufficient taking into account of existing rules, regulations and procedures</p>	
Readiness check: Phase 2	Do all stakeholders have a common understanding of the goals?	✓
	Have we sufficiently considered the different viewpoints of stakeholders?	✓
	Have we jointly analyzed the current situation with all stakeholders?	✓
	Have we created a setting for the stakeholder meeting (context, program, space) that enhances commitment and ownership?	✓
	Have we generated and maintained sufficient high-level support?	✓
	Have we consolidated the results in an appropriate form of agreement?	✓
	Have we agreed on roles and responsibilities for further	✓

	implementation?	
	Have we developed a realistic implementation plan and follow-up meetings?	✓
	Have we transparently documented results, agreements and planning?	✓

Area of attention: Clarify goals and resources

The interest and commitment of stakeholders that has been built up informally during Phase 1 is formalized in Phase 2. Here, the goal is to strengthen the core group's role, to clarify which stakeholders are willing to participate actively in collaboration and dialogue, and to determine who will contribute (and how) to reaching the common goals. The purpose and goals of a Stakeholder Dialogue that were held mainly by a small group of stakeholders (the *Container*) at the beginning in Phase 1 now need to be discussed, agreed upon, and, finally, held by a larger number of stakeholders. This may require modifying or adjusting purpose and goals so that all stakeholders can identify with the way forward.

It is important to create a climate for shaping the Stakeholder Dialogue goal and – in the case of stakeholder initiatives or partnerships – to agree officially on the different contributions by stakeholders. This usually requires a series of workshops with important representatives from the different stakeholder groups present. In such meetings, all participants gain a clear understanding about individual and overall objectives, and about how the common goal can also enhance the different stakeholders' institutional goals. It is important to stress that not only financial contributions are valid. Resources can be employed in many different ways: networks, in-kind contribution, working time, office space, expertise, access to funding, etc.

It makes sense to ensure transparent documentation of meeting results and to consider the concerns, suggestions and expectations of different partners. Ideally, this generates a sense of affiliation and commitment of stakeholders to the purpose of the Stakeholder Dialogue. A preliminary plan for further dialogue and collaboration should be agreed upon and the distribution of tasks may be agreed in writing.

Here, it is important to be aware of the different sub-objectives and interests. Real commitment only comes about with actual involvement and the perception that it is possible to make a difference. Nonetheless, doubt and occasional mistrust by different stakeholder groups cannot always be avoided: this is a normal part of a complex endeavors. Most important for the success of a Stakeholder Dialogue is how the core group keeps common goals alive.

➤ Guiding questions for clarifying goals and resources

Which actors represent the larger system and need to be included in the dialogue?

How can it be guaranteed that stakeholders feel their views are being taken seriously?

How can stakeholders be encouraged to develop ownership of an initiative?

What will make the actors feel they are receiving competent guidance?

What do we want to achieve with the dialogue?
What resources can each actor bring in?

Area of attention: Plan future together

In Phase 2, the Stakeholder Dialogue becomes visible from the outside – sometimes in the form of large public events, in which all significant stakeholders participate. It is important to plan the events so that visible results can be reached within one or two days. This requires a communication structure adapted to creating tangible results.

To develop ownership among all participating stakeholders, it is crucial to discuss both the analysis of the current situation and the planned changes together with all stakeholders. It can be helpful to bring in external assessments of the situation at stake. However, the most powerful base for collective change is a joint diagnosis of the situation. Only then will the case for change become rooted among all participating stakeholders.

Stakeholder Dialogues become successful if people engage emotionally: with the possible future, with the form of dialogue and collaboration, and with each other. The design of meetings, events or conferences needs to take this into account. It may also be useful to integrate expert input on individual topics to keep all participants equally informed. It can be useful bringing results of context analysis, benchmarking or research from Phase 1 into the stakeholder events. This may be also useful in mobilizing more stakeholders for future change. Content *capacity-development* as well as methodological know-how about Stakeholder Dialogues should be integrated into the process design for Phase 2.

In Phase 2, a common vision for the future needs to be embedded in the participating stakeholder groups. Quite often, the dialogue process can lead to changes in the way forward, and already-planned procedures may need to be re-modeled. The core group is responsible for collecting ideas and translating them into feasible proposals. This group must also make sure all stakeholders are equally heard.

➤ Guiding questions for planning the future together

Have we taken enough time for Phase 1?
Are enough stakeholders prepared to shape the future together?
Have we gathered all necessary perspectives and expertise to shape the future together?
Which type of processes would assist the actors in jointly shaping the future?
How can we design stakeholder events that enhance commitment?

Area of attention: Consolidate agreements and establish structure

Consolidating agreements is of utmost importance: while the structure of dialogue and collaboration in Phase 1 is more formal and loose, it is crucial that this finds a more formal expression in Phase 2. The form of agreements can be different according to the form and purpose of the Stakeholder Dialogues, e.g. setting milestones for collaborative work or clarifying the roles of certain stakeholders in the dialogue process or implementation.

It is important that the participating stakeholders reach a transparent agreement that is perceived as trustworthy and dependable. The form and regularity of internal communication between the participating stakeholders and with the public can also be laid out at this point.

The signing of a *Memorandum of Understanding* is only one possibility of formalizing a Stakeholder Dialogue. In other cases, it may be jointly created project or implementation plans that bring a certain formal structure into a dialogue process. In more conflict-prone situations, the agreement may just be that another meeting will take place.

In Phase 2, it may be meaningful to formalize the core group and to equip the members with a mandate by all stakeholders. In more complex Stakeholder Dialogues, more elaborate organizational structures are often needed. These may consist of a steering committee, a task-force and regular stakeholder meetings or expert working groups to discuss specific thematic issues. It is crucial to transparently document all agreements, results and decisions made during Phase 2 and to distribute this documentation to all participating stakeholders (see 4 “Ensuring dialogue- communication in Stakeholder Dialogues”).

➤ Guiding questions for reaching joint agreements

What support do the participating stakeholders have for the road ahead?

Which type of agreement is suitable for a specific process? (Agreements, Memorandums of Understanding, project plans, pictures, joint project- or implementation plans)

Which type of agreement will guarantee the ongoing trustworthiness and dependability of the collaboration process?

How can a plan of action be developed, so that all participants are inclined to support it?

What milestones are still ahead?

Are roles and responsibilities for the implementation of the initiative clear?

Is there an agreed-upon internal and external communication strategy?

Is clear planning and documentation available to all stakeholders?

Have follow-up meetings been planned, guaranteeing process dependability?

● Case example: Common Code for the Coffee Community (4C)

➤ Phase 2: Building and formalizing

The joint initiative to create an international sustainability standard for the mainstream green coffee market took concrete form in 2003 with a kick-off Stakeholder Dialogue event. The purpose was to test and consolidate the commitment of the stakeholders involved at that point. In a follow-up event the collaboration became more formalized, clear working and communication structures were established, and a project secretariat was mandated to support the management of the initiative. The latter took on the role of a neutral stakeholder broker, and was responsible for coordinating and supporting communication, consensus-building and decision-making.

The steering committee eventually took over responsibility for decision-making. Initially, there were about 20 steering-committee members, but this number grew to approximately 45 stakeholders, representing the entire supply chain.

The actual development of the standard took place in working groups, which consisted of representatives from the public and private sectors as well as from civil society. Difficulties were numerous: obstructions, coalition-building and conflicts nearly caused the initiative to fail on several occasions. The sensible and service-minded actions taken by the project secretariat, in close collaboration with an external consultancy, made a decisive contribution to helping the initiative get through these difficulties. Participants were thus able to refocus on common goals and start moving the project forward again. In 2004, it was possible to write up the first draft of a code of conduct.

2.1.3 Phase 3: Implementing and evaluating

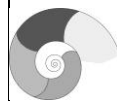
The key to achieving tangible results towards a common goal through Stakeholder Dialogues is not only joint development and planning, but also the implementation and evaluation of results. This phase can be seen as the actual implementation of planned activities and includes the establishment of an internal Stakeholder Dialogue monitoring system to ensure results and learning. Its focus is on creating visible results in a reasonable timeframe so that all actors involved can see the success of the Stakeholder Dialogue. A decisive factor for a successful dialogue and collaboration in implementation is the degree of joint implementation (respectively sufficiently coordinated implementation) and the opportunity for joint review. If the implementation is complex, a secretariat or support team can be appointed to assist in the coordination of implementation and the monitoring of results.

If a Stakeholder Dialogue never moves past the stage of discussion and exchange of ideas, it may be a sign that the stakeholders can discuss the issue, but are not willing enough to implement actual change. However, for Stakeholder Dialogues to deliver, it is crucial that stakeholders perceive visible change during the dialogue process; otherwise they might lose interest in the dialogue and in implementing change. So, results orientation is a key factor for success. Visible results – even small ones – are the guarantee that stakeholders will stay involved in the process and will solve conflicts and problems constructively. It helps – particularly at the beginning – to concentrate on easily achievable results. The goal of a well-structured Phase 3 is to show that change is possible.

During the implementation, there must be opportunity to regularly reflect on the original initiative as well as on the ongoing process. Sometimes it becomes apparent during the implementation that certain contextual aspects were not adequately considered or that important stakeholders were not yet included in the process. At this point, it may therefore be helpful to take up the approach used in Phase 1 again to clarify the context fully, extend capacity building or integrate new stakeholders into the process. Phase 3 often shows how different stakeholders use decision-making. Much patience and consideration for differences among stakeholders is therefore required during this phase. The core group, or a dedicated project team, should be responsible for communication, keeping the common goal clear and driving the agreed upon action. Phase 3 can take months or years, and is concluded when the agreed-upon goals have been reached.

The complexity of a process often becomes evident during this phase, sometimes in the form of a crisis (view chapter 4 “Ensuring dialogue- communication in Stakeholder Dialogues”). Crisis symptoms may include criticism from external parties, stakeholders voicing new, previously unspoken interests, negative press, counter initiatives, endless non-productive discussions, or a group of actors threatening to back out of the dialogue process. Political

interests can often hold up an initiative's development or complicate consensus-building. The more stability and trusting relationships have been created in Phase 1 and 2, the better such phases of instability can be overcome.

Phase 3: Implementing and evaluating		
	Implementing agreed-upon or recommended activities, creating showcases for change, evaluating progress and outcomes	
<i>Duration</i>	From several months to years, depending on the issue, characterized by regular review meetings with all relevant stakeholders	
<i>Expected results</i>	Depending on the form and purpose of the Stakeholder Dialogue and area of implementation: Showcases of success Achieved milestones Project implementation reports Public communication and media coverage Established monitoring systems	
<i>Areas of attention</i>	<i>Ensure transparency and communication</i>	
	<i>Create results and celebrate successes</i>	
	<i>Establish learning mechanisms</i>	
<i>Most common difficulties or mistakes</i>	Uncoordinated implementation (lack of proper process management) Insufficient communication between partners or implementing stakeholders Implementation plans that are too ambitious, instead of focusing on small, achievable successes Lack of transparency in the communication and decision-making process Too little focus on maintaining the core group's commitment Loss of motivation of participating partners	
<i>Readiness check: Phase 3</i>	Have we identified areas in which success stories are more likely?	✓
	Is the implementation plan in place and are we keeping up with it?	✓

	Have we agreed with all stakeholders on internal and external rules of communication?	✓
	Have we designed measures to foster relationship-management and trust further?	✓
	Can we show success, and have we found the appropriate way of celebrating success?	✓
	Do we have a system in place to monitor progress and the quality of the dialogue process?	✓
	Are we keeping up with capacity-building needs?	✓
	Have we included additional relevant stakeholders, if required?	✓
	Do we have a system of regular review meetings with all stakeholders in place?	✓

Area of attention: Ensure transparency and communication

In Phase 3, Stakeholder Dialogues need sufficient structure and attention to value-base, relationship management and goal clarity. They can make use of project management tools, operational planning and workshop protocols familiar to most institutions. Frequent review meetings are equally crucial to keep stakeholders engaged. The frequency of such meetings depends on the situation and the type of Stakeholder Dialogue. More complex Stakeholder Dialogues often require secretarial support for organizational purposes. An office can be situated in a mutually trusted organization, chosen by representatives from the various stakeholder groups, or outsourced to an external organization (view chapter 4 “Ensuring dialogue- communication in Stakeholder Dialogues”).

Additionally, a continuous communication of progress is of utmost importance in Phase 3, making the process as transparent as possible for all stakeholders. This can take the form of a newsletter, regular meeting reports or progress updates to all stakeholders. Observing agreed-upon communication policies helps to keep or rebuild trust. Stakeholder Dialogues are fragile systems: transparent and reliable communication can act as the stabilizing factor.

Phase 3 is a big challenge for the core group or, in complex Stakeholder Dialogues, the project secretariat, responsible for moving an initiative forward. There is major pressure on this group to produce results. There is the danger that this group reacts negatively to ‘disturbances’, or for it to see criticism as ‘corrective action’. The better the core group acts as a good *Container* and has learned to reflect on its role and its relationship to the system as a whole, the better it will cope with the increasing complexity. Constructive criticism can easily and transparently be integrated into the process, although temporary slowdowns can be expected if matters need to be clarified. In this phase, questions of inclusion and involvement

of additional stakeholders may be raised again. For complex Stakeholder Dialogues it is helpful to agree on mechanisms of stakeholder inclusion.

- In Phase 3 of the development of the Common Code for the Coffee Community more and more actors in the coffee chain became interested in the initiative and requested to participate at the initiative's steering committee meetings. This, however, would have disabled the committee to function properly. The participating stakeholders therefore agreed on a transparent mechanism of how to include additional stakeholders. Each stakeholder group, in this case, civil society, industry and producers, defined criteria of representation that would regulate membership in the steering committee.

Clear process planning is central to Phase 3. This promotes real cooperation and transparent communication. During the implementation phase, Stakeholder Dialogues require a transparent process architecture, including a series of workshops, events, expert meetings, task forces, etc.

- The development of the **Common Code for the Coffee Community** required expert input and content work. At the end of every steering committee meeting the project secretariat suggested an activity for a few months ahead. It showed all activities, like e.g. the implementation of expert working groups, research or visits to producing countries for dissemination or consultation workshops. The stakeholder-composed steering committee could comment on the roadmap and amend it, if necessary. Between the steering committee meetings which took place 3 times per year, all participating stakeholders received a regular update on implementation of the activity plan.

➤ Guiding questions for ensuring transparency and communication

- How do we keep stakeholders regularly informed?
- Which aspects of the implementation need to be reliably transparent?
- What are indicators of good communication?
- How can we ensure continuity of trust?
- What additional support do we need to implement an initiative successfully?
- What measures can help to engender trust and strengthen working relationships?
- Are additional capacity-building measures required?
- Have guidelines been established for internal/external communication?

Area of attention: Create results and celebrate success

During Phase 3, it is essential to highlight the achievements of a Stakeholder Dialogue. 'Prototypes' – examples of future broader results – must be created, and they must be visible to stakeholders and non-participating actors alike. In a Stakeholder Dialogue, it often makes sense initially to focus on easy-to-reach results. But this does not necessarily mean that one should lose sight of larger, more important goals. Stakeholders stay engaged when they can readily relate to joint successes, and can thus overcome difficult situations together. Success

should be celebrated in Phase 3, and, where possible or appropriate, with effective publicity. The more stakeholders involved can spread an initiative's philosophy and achievements, the more likely it will be to continue to support the implementation phase and future endeavors. It is important for stakeholders to agree formally on the form of communication to be used, e.g. with media, to avoid recurring mistrust and conflict within or between stakeholder groups. No confusing or misleading results should be communicated.

➤ **Guiding questions for creating results and celebrating success**

In which areas can we achieve quick results more easily?

How can we best convey the showcases to participating stakeholder and the public?

How can we learn from positive results?

Which wider audience do we need to keep informed about progress?

Area of attention: Establish learning mechanisms

Similar to other change projects and initiatives, Stakeholder Dialogues require establishing some form of learning mechanisms, for example procedures for monitoring and evaluation. During the implementation phase, it is important jointly to spell out the form of such mechanisms. Nonetheless, it is equally important that all stakeholders understand and comprehend the learning mechanisms chosen. For example, different stakeholder groups often have different understandings of monitoring and evaluation. It is therefore recommended to invest time in agreeing on how results are to be tracked, how general stakeholder satisfaction (with results and with the stakeholder process) is measured, and how stakeholders can collectively learn to improve the impact of the dialogue process. This will help to avoid stakeholders from getting the impression that the process is controlled from the outside. Activity- and impact-monitoring are especially suited to the task of measuring results and effects. Process-monitoring instruments that focus on self-assessment are particularly appropriate for ensuring the quality of Stakeholder Dialogues. It is crucial that any learning or monitoring framework is designed as continuous. For example, it may be helpful for stakeholders to agree jointly on the monitoring or assessment criteria used in such a process.

➤ Guiding questions for establishing learning mechanisms

How can we determine if we are on the right path?
 How can we integrate stakeholder feedback?
 How can we ensure that stakeholders feel their input is taken seriously?
 How can we ensure that we collectively learn from experience?
 What is the internal monitoring and evaluation system?
 How can progress best be measured?

● Case example: Common Code for the Coffee Community (4C):

➤ Phase 3: Implementing and evaluating

The main focus of Phase 3 was the practical implementation of the code of conduct that had been jointly laid out in Phase 2. This required the creation of more formal work structures. Participants defined roles and responsibilities more closely, outlined rules of participation for the private sector and developed a verification system as well as a capacity-development program. This was decisive in ensuring that interested producers were respected, integrated and involved in the long term. Lack of trust and stereotypes still present at this stage also caused some degree of difficulty in negotiations. However, the stakeholders' overall engagement in the process kept the dialogue process on track. Once again, the project secretariat and the process-support team played an important role in keeping things in balance. A final goal in this phase was securing a sustainable exit strategy for the initiative by developing a self-financing system and a platform for capacity development on the implementation of the code of conduct.

2.1.4 Phase 4: Developing further, replicating or institutionalizing

Once a Stakeholder Dialogue has reached the agreed-upon results, the question remains whether an initiative should stop there, or if it should be further developed. If the desired goal has been achieved, success should be adequately celebrated: participation and contributions of individual stakeholder groups should be acknowledged and appreciated. Many Stakeholder Dialogues terminate successfully after Phase 3.

Some Stakeholder Dialogues may want to consolidate their outcomes into sustainable structures. This can mean taking the endeavor to the next level, replicating it at another location, integrating a new issue or further institutionalizing the dialogue on a more formal level. If taking the initiative or project to the next level seems to be a worthy option, Phase 4 needs to concentrate on building appropriate structures without losing sight of the crucial role of people and process. It is about creating the next-level *Container* by inviting and integrating new participants. This often requires building new structures and developing a governance system that represents the stakeholder groups. Sometimes, it can make sense to set up an institution with the appropriate management structure.

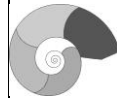
An important factor in the transition from a Stakeholder Dialogue to a more institutionalized structure is that in principle, the future setup stays faithful to the key features of the initiative. It needs to ensure that the major aspects of Stakeholder Dialogue – transparency, stakeholder

representation, dialogue, ownership, consensus-building and outcome orientation – are also reflected in the institutionalization. Although the new structure will have its own dynamic and build a new identity around itself, its origins need to be recognizable, whether this is reflected in the governance structure, the openness towards continued dialogue and learning or the willingness to integrate stakeholder perspectives.

When a Stakeholder Dialogue is further developed, new stakeholders need to be integrated into the process, especially when the implementation of change is handed over to a third party. Previously uninvolved actors must quickly understand the urgency and importance of an initiative and be able to emotionally connect with the larger goal.

The process from the more loosely structured initiative to an institution is not necessarily an easy process. Replication or institutionalization often requires a professional management structure. Roles change and decision-making structures have to become more efficient. Existing management structures require additional legitimacy and credibility. Therefore, it is recommended that the original core group remains actively involved in Phase 4 of a Stakeholder Dialogue, progressively handing over their function to new actors and transferring the process step by step into its future structure.

A decisive factor for the success of Phase 4 lies in how many steps have been taken to integrate new actors over time and to allow them to participate in the initiative's success. Such actors are, by far, more interested in taking the idea further. The major challenge in Phase 4 is keeping the spirit of change alive.

Phase 4: Developing further, replicating or institutionalizing		
	Bringing the dialogue to the next level, expanding or replicating dialogue activities, creating long-lasting structures for change	
Duration	Unlimited, depending on issues at stake, purpose and structure	
Expected results	Depending on the form and purpose of the Stakeholder Dialogue and area of implementation: Extending the goal and stakeholder participation Institutionalizing a successful dialogue form Using the experience gathered in dialogue in another process	
Areas of attention	<i>Build next-level Container</i>	
	<i>Create management structures</i>	
	<i>Establish governance and learning systems</i>	
Most common difficulties or	Insufficient <i>Container</i> -building for scaling up, replicating or institutionalizing	

mistakes	Insufficient engagement process for the integration of new stakeholders Insufficient attention to the need for institutionalized and professional management structures Insufficient investment into integrating the goal/content/objectives into stakeholder institutions Fragmented success stories rather than system-wide solutions Insufficient adjustment of strategies to a new situation	
Readiness check: Phase 4	Have we thoroughly assessed the scaling-up and replication potential?	✓
	Have we sufficiently integrated new stakeholders for collaboration?	✓
	Have we found the appropriate structure for institutionalization?	✓
	Have we evaluated the new situation?	✓
	Have we evaluated and re-adjusted our strategies?	✓
	Have we created a new and emotionally engaged core group?	✓
	Do we keep up relationship management and trust building?	✓
	Have we designed an appropriate governance structure?	✓
	Have we designed a system for learning and evaluation?	✓

Area of attention: Build the next-level *Container*

When the time comes for broad-based dissemination of the result of a Stakeholder Dialogue, to replicating its success or to institutionalizing the form of collaboration between stakeholders, new challenges are bound to arise. It is not always possible for the core group or a project secretariat that successfully implemented a Stakeholder Dialogue to manage an initiative's long-term implementation as well. They may have done their best to take the initiative to this point; now other people need to take over and continue. In such cases where a politically consensual outcome has been achieved and publically portrayed as thus, interest in a particular topic may fade away. This may result from, for example, a lack of know-how or a lack of resources. This is why main actors in Stakeholder Dialogues who see the need to continue the dialogue in a different form need to communicate the prospects of such new tasks in a timely manner to all participating actors. If new stakeholders need to be engaged, it is helpful when the original core group, or the project secretariat can accompany this process.

They can lobby for new supporters and participants, spread ideas, and promote change. It is important to establish a new network of interested and dedicated parties, to create a feeling of trust and to design the new process architecture accordingly. Taking a Stakeholder Dialogue to the next level requires building a new, next-level *Container* of dedicated people. To do this, it may be necessary to repeat some of the steps of Phase 1, 2 and 3.

➤ Guiding questions for building the next-level Container

Can we replicate the process at another location?

Did we correctly assess the Stakeholder Dialogue's potential for formalization or institutionalization?

Are there cooperation partners present who will promote the development, formalization or institutionalization of the Stakeholder Dialogue?

Who are the new stakeholders that need to be integrated to increase the impact?

What strategies need to be adapted or reviewed?

How can we create a broader interest group that identify with the initiative?

How can we help currently involved stakeholders to become messengers for the further development?

What alliances need to be maintained?

How can ownership, trust and commitment be sustained?

Area of attention: Create management structures

Some Stakeholder Dialogues have served their purpose after Phase 3 and do not need to be continued. However, others may warrant the further development of more formal structures, or institutionalization, due to the success of the dialogue. Some aspects from Phases 1 and 2 may need to be reinitiated at this point, such as:

- Further context analysis
- A new engagement process
- Adjustment of agreements
- Creation of management structures

The dialogue now needs a larger 'home', an institutionalized management and implementation structure, and, possibly, additional funding. In some cases, the sustainability of results requires creating an institution or a stakeholder-governed body. This means that an institution is created, or that formal or regulative processes are adopted from the forgoing Stakeholder Dialogue into existing institutional procedures. Such a transition is not always easy, and may lead to new problems or conflicts. Travelling this rough road can be difficult, but it can be made easier if there is a sufficient degree of continuity in the composition of the main supportive stakeholders, the core group or a project secretariat.

➤ Guiding questions for creating management structures

What form of structure does developing the Stakeholder Dialogue further require?

Do we need to create an institution or a legal body, or can we integrate the form of dialogue and

collaboration into existing institutional procedures?
 What is the management structure that can sustain outcomes?
 How can we ensure the sustainability of results?
 What is an appropriate process architecture for continuation?
 Have we sufficiently attended to people in the creation of new structures?

Area of attention: Establish governance and learning systems

By institutionalizing or replicating the Stakeholder Dialogue, new challenges arise. Stakeholders or supporters expect increased results and impact. The public, or actors who are not directly involved with the dialogue, may question whether the dialogue is representative enough. Political supporters might demand stronger proof of results, which could make external evaluation necessary. The visibility of the Stakeholder Dialogue continues to increase, and with it the possibility for criticism. When Stakeholder Dialogues are developed further or institutionalized, they require new, adapted learning and management structures such as councils or steering committees, and executive committees that consist of equal numbers of representatives from each stakeholder group involved. Decision-making processes must become more formalized: *governance* structures must be created, the treatment of external criticism must be formalized in complaint mechanisms and results orientation must be regularly attested for.

Every institutionalization poses the risk of the initiative losing its forward drive, but too little structure can also put future implementation in danger. It is important to communicate the purpose and function of a Stakeholder Dialogue, as well as an enduring vision for the future, to find the right balance between ample room for creativity and sufficient structure and organization. For motivation to stay high, crises to be overcome and the original goal to be kept in the forefront, institutionalized management structures must also serve as reflection and learning structures

One of the biggest challenges in Phase 4 is the constant renewal of an initiative's spirit of change. It may be helpful at this point to recall the approach in Phase 1 as well as to adapt the processes for building confidence, trust and willingness for change.

➤ Guiding questions for building governance and learning structures

What are the learning structures that the continuation of the Stakeholder Dialogue requires?
 What governance structure does a Stakeholder Dialogue require?
 What expertise is required for successful collaboration?
 How can we integrate further capacity-development measures?
 How can we measure the progress of success?
 Have we re-evaluated/adapted our strategies for Phase 4?
 Have we evaluated the lessons learned and integrated them into the next Phase?

- **Case example: Common Code for the Coffee Community (4C):**

- **Phase 4: Developing further, replicating or institutionalizing**

The definitive step for converting this initiative into an institution was completed in Phase 4 when the 4C Association was founded in 2006. A steering body was appointed, and a board of directors and a director were elected. In addition, a management structure was established to enable the enforcement of the code of conduct and to coordinate training aimed at coffee producers. The 4C Association was thus accessible for membership to the entire coffee sector. The greatest challenges of this phase were to build a supporting structure for the institution while accepting equal involvement from all three sectors; to create a self-financing organization; and to apply, enforce, and develop capacity for the implementation of the code of conduct through a credible verification system.

3 ENSURING DIALOGUE – COMMUNICATION IN STAKEHOLDER DIALOGUES

3.1 Understanding levels of communication in Stakeholder Dialogues

Attending to the quality of communication is a crucial factor for success in Stakeholder Dialogues. This includes communication among participating stakeholders as well as with external actors. Communication processes in Stakeholder Dialogues may differ, depending on whether they are for internal or external purposes.

- **Internal communication** refers to communication between actors or institutions that are directly involved in the Stakeholder Dialogue.
- **External communication** refers to communication with the general public or with other stakeholders, who are relevant but not directly involved in the process.

Each of these levels of communication has a direct influence on the course of a Stakeholder Dialogue and, therefore, also on its results. Regular and authentic communication is indispensable for building trust. Mistrust leads to delays, and, in some cases, can undermine the stakeholder consultation or cooperation all together. Quality communication is the ‘oil’ for creating cohesion among the otherwise diverse, and at times conflicting or mutually distrustful, stakeholders. It can overcome difficult situations and contribute to a sense of belonging in an otherwise complex endeavor. For the core group in its function as a good Container, dialogic competence is crucial for finding an appropriate and efficient form of internal communication that engenders trust and a sense of collective leadership, and permits an uncomplicated, informal collaboration (view 5.6 “Engaging stakeholders: building a Container for change”). Similarly, the core group needs to create good communication with other stakeholders and ensure that the stakeholders all agree on the form of external communication.

The following paragraphs highlight important aspects of communication in Stakeholder Dialogues.

3.1.1 Internal communication

Communication within the core group

It is an enormous asset for the success of a Stakeholder Dialogue if the core group (the small group of initiating Stakeholder Dialogue facilitators) becomes more than an official committee or a task force: the more informal the style of communication between members of the core group is, the more it becomes a good Container for change, the better the chance that the members can reflect together, quickly discuss and address challenges, or adjust strategies. An atmosphere of mutual trust and support is crucial. This is greatly enhanced by acknowledging diversity in the core group as a cross-sector team that brings the dialogue process further. An investment in team-building can pay off. Relationship-building is key.

Communication with participating stakeholders

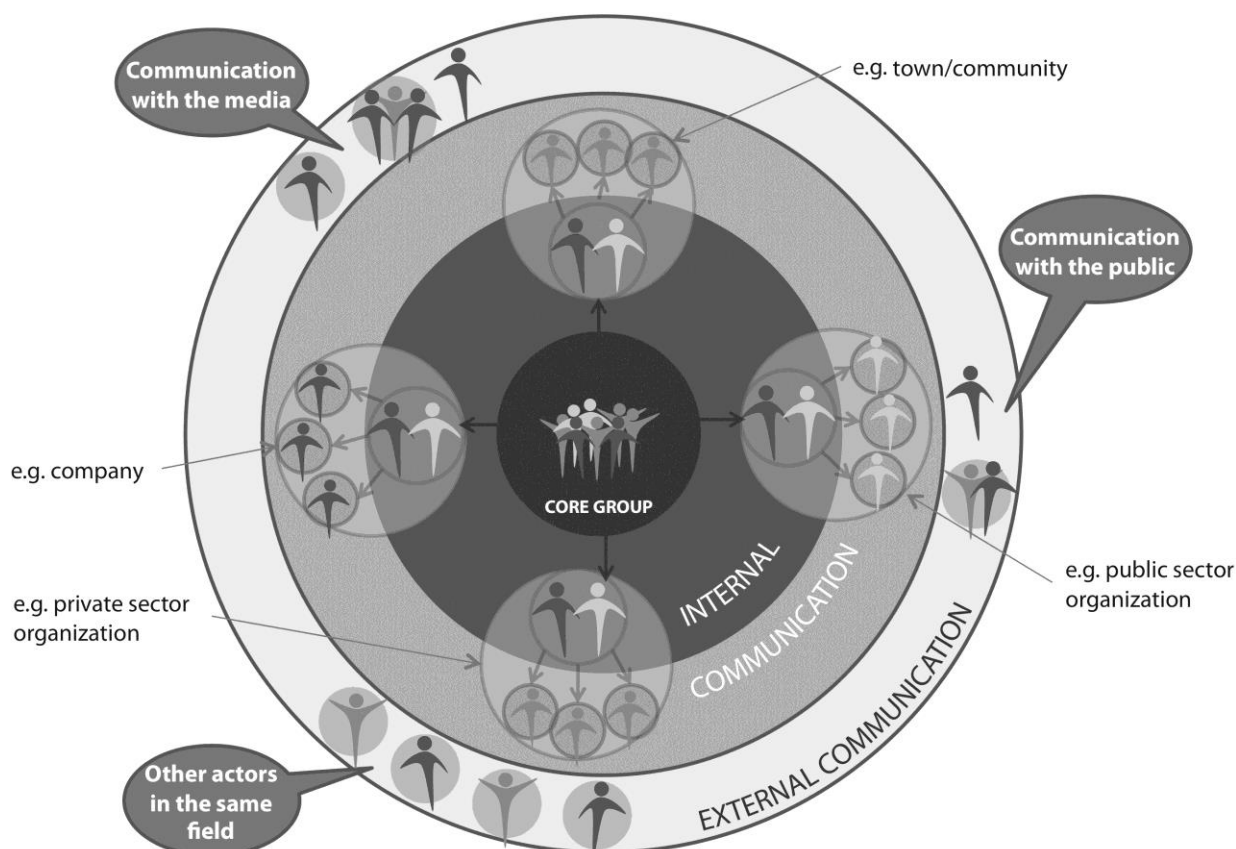
In addition to communication within the core group, communication between the core group and other stakeholders who participate directly in the Stakeholder Dialogue is important. This

is particularly true in the Phases 2 and 3 of the Stakeholder Dialogue process. It is important that all participating stakeholders feel well informed and well looked after. The more open and transparent the form of communication, the more constructively feedback and criticism can be handled. It is helpful to agree on the form and sequence of internal communication among all participating stakeholders.

Communication between participating stakeholders and their institutions

Stakeholders directly involved in a Stakeholder Dialogue represent participating institutions. Examples are company employees, public servants, association members or representatives of civil society organizations. This implies that they are not necessarily representing their own personal beliefs, but rather, and primarily, the interests and perspectives of their employers. However, people engage in Stakeholder Dialogues as people: they develop a sense of understanding for the complexity of the situation and for other points of view. But these individuals do not always have the required decision-making power in their organizations to be able to agree on a course of action on behalf of their organizations. Some concessions may first need to be approved by their superiors. This process can prove difficult and tenacious in many Stakeholder Dialogues. So, all stakeholders should be made fully aware of this eventuality and approach it with sufficient understanding. Members of the core group can support communication between participating stakeholders and their institutions. Thus, the need for information about, and confidence in, the Stakeholder Dialogue by other actors within participating stakeholder institutions needs to be considered. Interest, trust and confidence can be built by information consisting of recent results and achievements or simply of an update on the state of affairs. This aspect should be carefully considered during each of the four phases to keep silent supporters on board and to prevent active critics from becoming obstructers.

THE STAKEHOLDER SYSTEM



CEO, management, board, or mayor of the corresponding business, organization, institution, club, association or administrative office



Communication to maintain high-level support

To ensure the continued backing of high-level supporters of a Stakeholder Dialogue process – politicians, for example – it is essential to keep them informed. This can take different forms and depends on the relationship between members of the core group and the supporting hierarchy or patronage. Key to success is to ensure that any progress or success in the Stakeholder Dialogue also becomes the success of the high-level supporters.

Communication with critical participating stakeholders

It is equally important to plan and maintain steady communication with potential critics of the initiative carefully, as well as with important individuals within the specific field.

3.1.2 External communication

External communication consists of all communication between the Stakeholder Dialogue system and its environment regarding goals, courses of action and results. This may include communication with non-participating but observing actors, the general public and the media. External communication is often one-dimensional, meaning that information mostly flows in one direction, e.g. information about the course of the Stakeholder Dialogue. The form and content of information that should go to non-participating stakeholder always needs to be agreed upon among the participating stakeholders.

Communication with non-participating actors

Non-participating actors often observe Stakeholder Dialogues closely. These observers may be actors who have not yet decided to participate in the dialogue; individuals who are only indirectly interested in the topic; people who doubt the dialogue's chances of success or the initiative's validity; or people who have been consciously or unconsciously excluded. The degree of observation depends on the topic and on the political importance of the Stakeholder Dialogue. In Stakeholder Dialogues that have a more political dimension, and where progress can, or should, have an effect beyond participating stakeholders, attention to the need for appropriate external communication is key. Criticism from non-participating actors can have a negative effect on the Stakeholder Dialogue, bring the fragile system into discredit, and endanger the Stakeholder Dialogue process as a whole. Such communication should be strategically planned. This may involve withholding certain information, on one hand, if communicating it to the outside world would mean a loss of trust within the group of stakeholders directly involved. On the other hand, it may be in the interest of the Stakeholder Dialogue to make certain information public, if it will have a positive effect on the process and advance it further. At the end of Phase 2, or in Phase 3, it is often important that stakeholders agree on the form of communication that should take place with the public or non-participating stakeholders.

Communication with the media

In some Stakeholder Dialogues, especially in political processes, observation by the press plays an important role. In other cases, Stakeholder Dialogues receive relatively little media attention – but an upbeat portrayal of achievements by the press could facilitate the implementation of goals. In general, the media should not be informed of a Stakeholder Dialogue process too early, unless this is unavoidable for political reasons. Generally, the media should be informed after initial successes result from the Stakeholder Dialogue. These successes are often more tangible in Phase 3.

Levels of communication in Stakeholder Dialogues: Internal communication

Internal communication refers to communication between stakeholders or with institutions that are directly involved in the Stakeholder Dialogue, individuals and the institutions they represent

<i>Recommendations for</i>	<i>Purpose</i>
<p><i>Communication within the core group</i></p> <p>Ensure that members of the core group are fully informed about all relevant issues</p> <p>Plan Stakeholder Dialogue jointly</p> <p>Conduct regular formal or informal meetings (or conference calls)</p> <p>Emphasize team-building/relationship-building</p> <p>Cultivate informal communication</p> <p>Ensure joint reflection</p>	<p>Build trust</p> <p>Keep core group engaged</p> <p>Show reliability</p> <p>Create confidence</p> <p>Build the core group into a good Container for change</p>
<p><i>Communication between core group and participating stakeholders</i></p> <p>Ensure that all relevant stakeholders can track and see progress</p> <p>Ensure that changes in the process are communicated and justified appropriately</p> <p>Keep stakeholders regularly informed (progress reports, newsletters, meeting documentation, etc.)</p> <p>Create appropriate settings for face-to-face meetings or telephone conferences</p> <p>Attend to relationship-building during meetings</p> <p>Agree on the form and sequence of communication and information among participating stakeholders</p>	<p>Enhance credibility through transparency</p> <p>Build trust</p> <p>Show openness to feedback</p> <p>Keep stakeholders on track and engaged</p> <p>Show reliability</p> <p>Create confidence</p>
<p><i>Communication between participating stakeholders and their institutions</i></p> <p>Consider the different information needs of different stakeholder groups</p> <p>Provide information in different forms (e.g. short and crisp for private sector, reports for public sector, background information for civil society)</p> <p>If required and permitted, let the core group support by presenting progress reports or important content to stakeholder institutions</p>	<p>Build the support-base in the management of participating stakeholder institutions</p> <p>Enhance credibility of the Stakeholder Dialogues</p> <p>Build confidence that participants' time is time well spent</p>
<p><i>Communication between core group and high-level</i></p>	<p>Ensure support</p>

<p>support</p> <p>Keep high-level supporters up to date with results</p> <p>Keep them engaged and consider an important role for them in stakeholder meetings</p>	
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Levels of communication in Stakeholder Dialogues: External communication	
<p><i>External communication refers to communication with the general public or with other relevant stakeholders who are not directly involved in the process.</i></p>	
Recommendations for	Purpose
<p><i>Communication between Stakeholder Dialogue participants and observing, non-participating actors</i></p> <p>Decide among participating stakeholder how to communicate with non-participating actors</p> <p>Keep interested but non-participating actors regularly informed</p> <p>Develop mechanisms of bringing external feedback into the Stakeholder Dialogues</p> <p>Withhold information from the outside if this would mean losing trust among participating stakeholders</p>	<p>Build trust in the course of action</p> <p>Keep external actors sufficiently informed</p> <p>Show progress</p> <p>Create confidence</p>
<p><i>Communication between Stakeholder Dialogue participants and the media</i></p> <p>Avoid involving the media at an early stage, before results have been produced</p> <p>Agree on media involvement among all stakeholders</p> <p>Focus on success stories when involving media</p>	<p>Enhance credibility</p> <p>Make results known</p> <p>Broaden support</p> <p>Pave the way for the engagement of additional stakeholders</p>

4 GETTING REFLECTIVE – CREATING A CULTURE OF LEARNING

Stakeholder Dialogues require patience and persistence, but, when managed well, they can build the cross-sector stability we need to address global challenges. But any attempt to initiate, implement or facilitate Stakeholder Dialogues is an intervention into a fragile and often controversial system of actors. So, it requires careful attention to the quality of process, the quality of relationships and interaction among stakeholders, as well as to the quality of the formal and informal structures that are created to make the Stakeholder Dialogue work. They are based on principles and can be implemented by following a recommended methodology, but there is no single blueprint for a successful Stakeholder Dialogue. A complex or controversial system of actors is too unpredictable to be addressed by the contents of a simple toolbox. After all, people's passion counts in this process.

However, understanding methodology and instruments can offer just the degree of orientation that key actors need. Learning in time and adjustment of process designs is an important faculty to develop. A key to learning is structured reflection: certainly by key actors, and by the core group, but ideally by a wider group of people involved in a Stakeholder Dialogue. Reflection can be a challenge, because most highly engaged actors will be overworked and not used to spending time for reflection. Hence, developing a culture of learning requires attention right from the start. If a core group as a good Container has established a pattern of regular reflection on process and progress, and sees the task in front of them as a learning space, this culture will more easily be reflected also in the collaboration with a wider group of stakeholders.

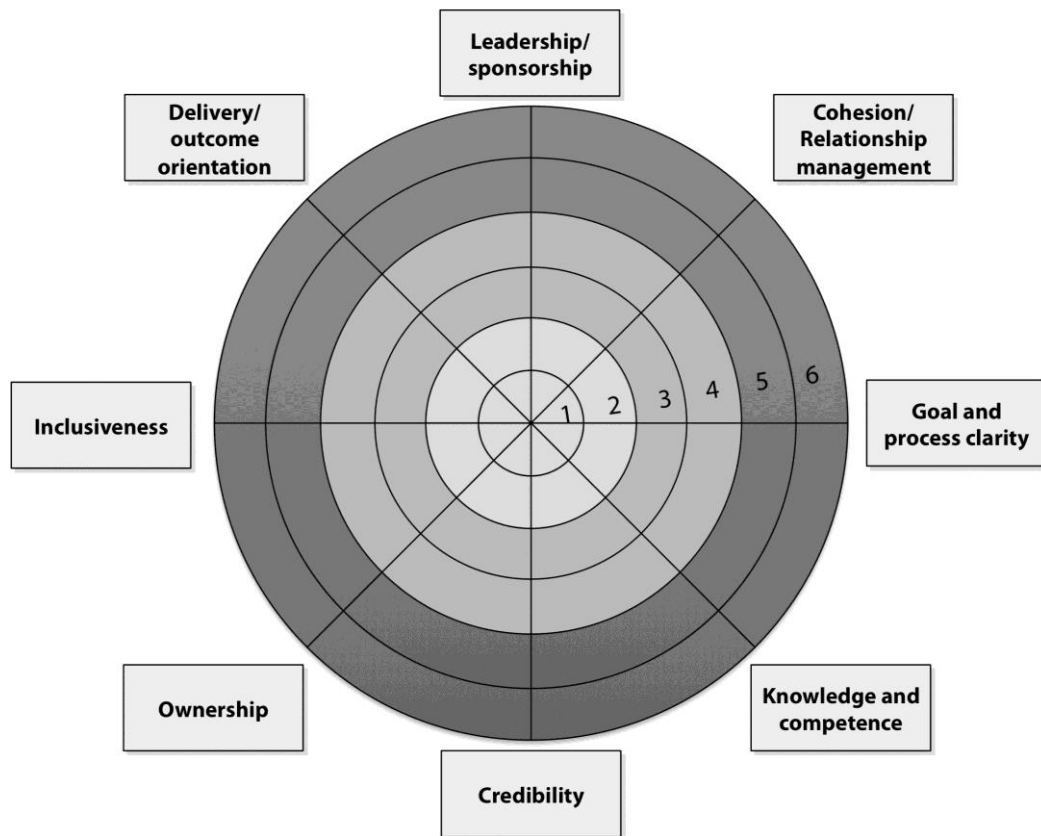
4.1 Understanding key factors for successful Stakeholder Dialogues

Stakeholder Dialogues may be influenced by external factors that the initiators have little power to change, such as political instability or economic crises. But most factors crucial for the success of Stakeholder Dialogues can actually be influenced to a certain degree. These factors – in combination – can determine the quality of a Stakeholder Dialogue and, eventually, its success. Paying attention to them helps to maintain the dynamic, to keep stakeholders sufficiently involved and finally to achieve tangible outcomes or successful implementation.

The key factors for successful Stakeholder Dialogues may differ depending on the form of the dialogue, its purpose, or the stakeholders involved in it. However, a network of factors seems to be strong contributors to success throughout the different forms of Stakeholder Dialogues. They are based on the experiences of a large number of practitioners, and are summarized here in a form that should give guidance to other practitioners.

The factors are interrelated and mutually supportive. They can be seen as lenses through which a group of initiators or conveners can look at the quality of their Stakeholder Dialogue process and review which areas require attention. None of the factors is entirely distinct from another – they influence each other, but they all are leverage points for the improvement of process quality and, subsequently, leverage points for the effect that a Stakeholder Dialogue can have. How much emphasis needs to be placed on each of the factors depends on the form and purpose of the Stakeholder Dialogue.

THE EIGHT KEY SUCCESS FACTORS FOR STAKEHOLDER DIALOGUES



The 8 key factors for successful Stakeholder Dialogues: Overview

<i>Leadership and high level sponsorship</i>	Stakeholder Dialogues are change initiatives and need to be strongly led: not by one person, but usually by a group of initiators or conveners. Because there is no disciplinary hierarchy between stakeholders, leadership is a capacity that a core group of stakeholders in its function as good Container needs to develop jointly. High-level support is essential for impact.
<i>Cohesion and relationship-management</i>	An often undervalued factor is creating a sense of belonging. This involves making sure stakeholders feel that they are part of something larger. Relationships require attention throughout Stakeholder Dialogues. Protocol, boundaries and territories must be respected.
<i>Goals and process clarity</i>	People engage when they see the bigger picture and understand how they can contribute to positive change. Stakeholder Dialogues may look unpredictable, so stakeholders want to know what to expect, when. Keeping the goal high helps stakeholders to connect emotionally; clarity on process planning provides the minimum level of certainty that people require to stay engaged.
<i>Knowledge and competence</i>	Most Stakeholder Dialogues take place around content issues. Expertise and information need to be provided in a way that helps stakeholders to see the issue's full picture. Capacity-building, particularly for weaker stakeholder groups, helps to strengthen their voices and improves the quality of their contribution.

<i>Credibility</i>	Credibility is composed of different aspects: the reputation and position of the initiators or conveners of Stakeholder Dialogues; the transparency in communication among participating stakeholders and the public; the reliability with which recommendations or inputs from different stakeholders are taken into account; and the degree of representation of stakeholders involved.
<i>Inclusivity</i>	Stakeholder Dialogues that exclude important stakeholders will lose credibility, cause distrust among non-participating stakeholders, or have reduced impact. Integrating the concerned or affected, but weaker, stakeholder groups ensures that outcomes are based on a broader picture.
<i>Ownership</i>	People implement what they have helped to create. Ownership develops when the goal of the Stakeholder Dialogue is relevant to all stakeholders and when they perceive that their contribution counts. Keeping people engaged is an important road to success. Authentic participation, in the way contributions are handled, workshops are run and communication takes place, ensures ownership.
<i>Delivery and outcome-orientation</i>	Focus on outcomes is a prerequisite for commitment. In Stakeholder Dialogue process planning, it is important that tangible results are always visibly achieved: this can range from a basic agreement to meet again, to documented recommendations, or from agreed-upon action plans, to progress reporting on implementation.

4.1.1 Key factor 1: Leadership and high-level sponsorship

Leadership in Stakeholder Dialogues is different from leadership within organizations. Although hierarchical differences and differences in influence and power play an important role in Stakeholder Dialogues, there is no disciplinary hierarchy between stakeholders, no leader who has the final say in what needs to happen. Leadership is, therefore, a capacity that stakeholders need to develop jointly. Stakeholder Dialogues thrive on a combination of passionate drivers and a spirit of collective responsibility for change. But they also need to take influential actors into account: obtaining their support can be a crucial success factor.

4.1.2 Key factor 2: Cohesion and relationship-management

An often undervalued factor is creating a sense of belonging to an effort geared at the common good. Stakeholders commit when they feel that they are part of something larger. Stakeholder Dialogues are more than the collaboration between different actors – they develop a life of their own, and become a Stakeholder Dialogue system with its own internal rules. The degree of cohesion is an important contributor to success. If participating stakeholders do not identify strongly with the dialogue and cooperation process, its effect will remain low. If this is the case, stakeholders will rarely implement results developed during the dialogue; they will refrain from taking results back to their institutions; and external influences will easily jeopardize the process. So, relationships require attention throughout Stakeholder Dialogues. Protocol, boundaries and territories must be respected. As shown in Chapter 3, the oil in Stakeholder Dialogues, and a cornerstone for the appropriate level of cohesion, is trust – if participating stakeholders learn to trust the process despite differences in opinion and waves of occasional mistrust (which will always be a feature), the Stakeholder Dialogue has a chance to succeed.

4.1.3 Key factor 3: Goal and process clarity

People engage when they see the bigger picture and understand how they can contribute to positive change. Clarity about goals and about process are Siamese twins in Stakeholder Dialogues. Although the purpose of bringing stakeholders together is often clear to the core group, this does not necessarily mean that the goal is understood or even agreed upon between all invited stakeholders. Often – particularly in stakeholder consultation, for example – the goal remains vague, and participating stakeholders feel more like observers than engaged participants. But even when the goal seems to be clear, it needs to be developed further, adjusted, or reshaped by all main stakeholders involved. Developing an agreed-upon goal and pushing the Stakeholder Dialogue towards outcomes requires a solid process architecture. Stakeholder Dialogues may look unpredictable, so stakeholders want to know what to expect, and when: keeping the goal high helps stakeholders to connect emotionally, and clarity on process planning provides the minimum level of certainty that people require to stay engaged. Goal and process clarity support each other: the less developed, more changeable and more distant the goal, the more reliability the process needs to offer.

4.1.4 Key factor 4: Knowledge and competence

Most Stakeholder Dialogues focus on content issues. Expertise and information need to be provided in a way that helps stakeholders to see the issue's entire picture. Capacity-building, particularly for weaker stakeholder groups, helps to strengthen stakeholders' voices and

improves the quality of their contribution. Stakeholder Dialogues build on the emergence of collective intelligence and the assumption that integrating different interests and competence leads to joint progress. Both aspects require expertise, experience and knowledge in the understanding of content, as well as the capability to collaborate constructively. If Stakeholder Dialogues lack knowledge and competence, the consultation, decision-making or implementation process they intend to deliver will be inadequate for the achievement of the goal.

4.1.5 Key factor 5: Credibility

Stakeholder Dialogues need credibility to be effective. Credibility involves a number of factors, such as:

- the reputation, neutrality and credibility of the initiator, convener or facilitator;
- an adequate representation of stakeholder groups in the dialogue process;
- the transparency of decision-making procedures;
- the transparency in communication among participating stakeholders and the public;
- the reliability with which recommendations or inputs from different stakeholders are taken into account;
- how well the stakeholders are represented;
- the significance of participating in the dialogue for its participants, as well as the significance of the issue that the Stakeholder Dialogue aims to address; and
- how embedded the Stakeholder Dialogue is in relevant societal processes.

The more credible a Stakeholder Dialogue is, the more likely participants will be to identify with the goal and the process and to justify their participation in the Stakeholder Dialogue to their constituencies, organizations, superiors, etc.

4.1.6 Key factor 6: Inclusivity

Stakeholder Dialogues that exclude important stakeholders will lose credibility and will cause mistrust among non-participating stakeholders. They will also be less effective, because stakeholders who are important for implementing or supporting results are absent from the dialogue process. Integrating stakeholder groups with weaker voices, such as small or informal businesses, communities, women's groups, small NGOs, and so on, is important to ensure that participants can base their decisions on a broader picture. Inclusivity, however, does not mean including everybody: the art is to find out, in Phase 1, which stakeholders can help to create the change in thinking and acting that the Stakeholder Dialogue requires.

4.1.7 Key factor 7: Ownership

People implement what they have helped to create. Ownership develops when the goal of the Stakeholder Dialogue is relevant to all stakeholders and when they perceive that their contribution counts. Keeping people engaged is an important road to success. If participants in a dialogue process have the impression that their time is being used to deliver recommendations whose implementation is unclear, if their concerns are not heard, their perspectives not integrated, or if the implementation of decisions and plans is not transparently linked to the agreements achieved during the Stakeholder Dialogue, they will withdraw, reduce their engagement, fail to implement decisions, or just observe the dialogue

without much engagement. Authentic participation in the way contributions are handled, workshops are run and communication takes place, ensures ownership.

4.1.8 Key factor 8: Delivery and outcome-orientation

Focus on outcomes is a prerequisite for commitment. When planning and implementing Stakeholder Dialogues, it is important to make sure that tangible results are always visibly achieved. If stakeholders get the impression that a dialogue process is not meant to deliver, or that the use of their inputs is not transparent, they will most likely withhold their engagement. Not every Stakeholder Dialogue can have the same level of outcome and delivery. However, it is important to keep in mind that the focus on outcomes is a prerequisite for commitment. In the planning Stakeholder Dialogues, it is, therefore, extremely important to ensure that outcomes become visible, no matter how small they are. These small outcomes can range from an agreement to meet again, to agreements on action plans, and small success stories in progress-reporting on implementation. It is helpful to assess the delivery capacity of a Stakeholder Dialogue system in Phase 1, and to keep track of this throughout all subsequent phases.

4.2 Process-monitoring in Stakeholder Dialogues: self-assessment

The purpose of process-monitoring is to keep track of the quality of the process design and of the key success factors for Stakeholder Dialogues. It helps to check if the Stakeholder Dialogue is leading towards the expected outcome regularly – a commitment to progress. Guiding questions are:

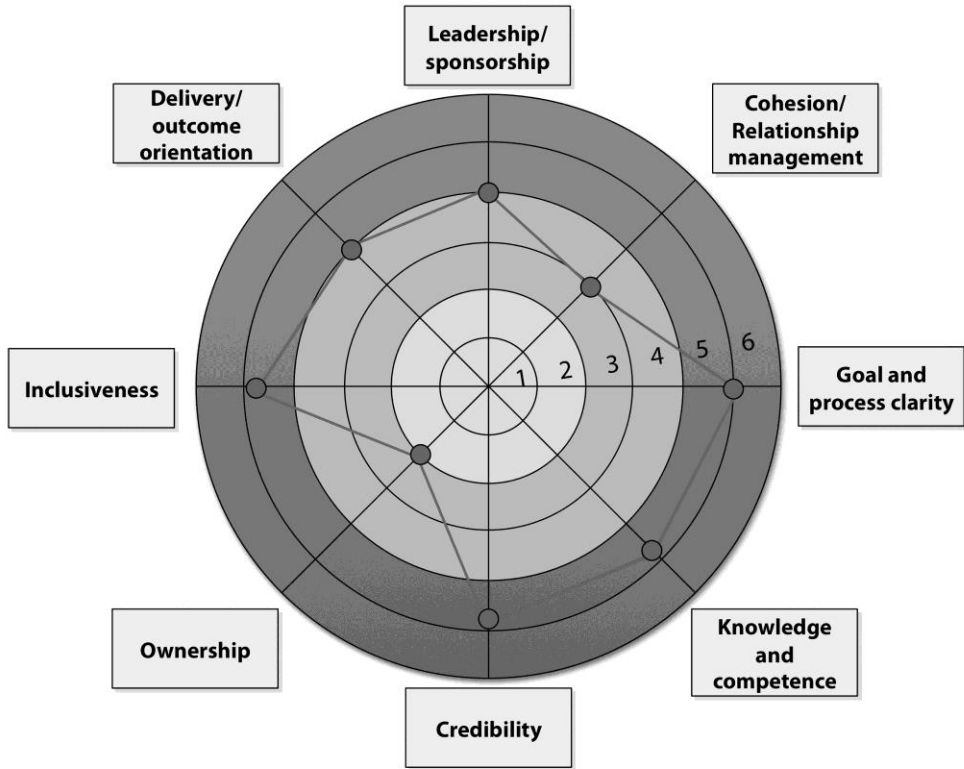
- What is the quality of process design and management of the Stakeholder Dialogue?
- Does the process we have designed lead to the expected result and effect?

Process monitoring is best done in the form of a self-assessment. It is never a completely objective measurement, but rather a subjective assessment of a Stakeholder Dialogue's current status. The result may serve as a starting point for a future learning process, and initiate a dialogue concerning success-oriented process management between the core group members or involved stakeholders. The self-assessment tool below, when used throughout the entire process of a Stakeholder Dialogue implementation, can provide interesting documentation of the process, and show learning, adjustment, progress and the overcoming of setbacks.

It is important to make sure that those using this tool understand its key factors, and, if necessary, that they adapt them to each specific Stakeholder Dialogue. The basis for the following self-assessment tool are the key factors for successful Stakeholder Dialogues described in Chapter 4.

The critical success factors are interrelated and mutually supportive. They are interrelated and mutually supportive, and can be seen as lenses through which a group of initiators or conveners can look at the quality of their Stakeholder Dialogue process and review areas that require attention. None of the factors is entirely distinct from another – they influence each other, but they all are leverage points for the improvement of process quality and, subsequently, leverage points for the effect that a Stakeholder Dialogue can have. The amount of attention that each of these factors needs depends on the form and purpose of the Stakeholder Dialogue.

PROCESS MONITORING – SELF ASSESSMENT



1	Absent
2	Very little in place
3	Not sufficiently in place
4	Somehow in place, but with room for
5	Almost fully in place
6	Fully in place

Key success factors and guiding questions for assessment						
Leadership/sponsorship	1	2	3	4	5	6
• There is a strong and committed core group functioning as a good Container and representing the collaborating actors.						
• There is appropriate high-level sponsorship for the Stakeholder Dialogue.						
• There are enough committed participants beyond the core group. High-level management in the collaborating institutions is committed to goal and process.						
Cohesion/relationship-management						
• Relationship-management gets sufficient attention. People can meet as people and feel fully respected.						
• Informative and inspiring communication is in place.						
• The relationship between participating stakeholder representatives and their respective institutions gets sufficient attention.						
Goal and process clarity						
• The contribution of the Stakeholder Dialogue to an overall goal is clear to all stakeholders.						
• Participating stakeholders are sufficiently aligned behind the overall goal.						
• Process designs and participation patterns are transparent and reliable.						
Knowledge and competence						
• Knowledge and information about all necessary content areas is available and sufficiently distributed. Content capacity building is built into the process design.						
• Capacity building for the methodology of Stakeholder Dialogues is built into the process design.						
• Sufficient resources for the Stakeholder Dialogue process and implementation are available.						
Credibility						
• Initiators, the core group and/or a process-management team have a sufficient mandate and are trusted by all stakeholders.						
• All relevant stakeholders are adequately represented.						
• Decision-making procedures are transparent, agreed upon by stakeholders (if possible), adequately efficient, and take into account different stakeholders' organizational cultures.						
Ownership						
• The relevance of goal, objectives and outcomes is regularly reviewed with all main stakeholders.						
• All stakeholders contribute their points of view and/or decision-making input equally. Decision-making takes place on the basis of consensus building.						
• The contributions of different stakeholders are sufficiently acknowledged.						

Inclusivity						
<ul style="list-style-type: none"> Weak stakeholder groups are adequately integrated into the process. Stakeholder Dialogue meetings and events are conducted in a way that ensures that all voices are heard. 						
<ul style="list-style-type: none"> There is an agreed-upon procedure in place on how to deal with critical voices and complaints. Critical voices are either integrated, or good relationships with them are maintained. 						
<ul style="list-style-type: none"> Stakeholders with high influence have become sufficiently interested in, and integrated into, the Stakeholder Dialogue. 						
Delivery and outcome-orientation						
<ul style="list-style-type: none"> Stakeholder meetings are designed to allow collaborative task completion and always have meeting results reviews. Decisions made in the Stakeholder Dialogue are implemented collectively or by the participating stakeholder institutions. 						
<ul style="list-style-type: none"> Clear roles and implementation, or steering structures, are in place. 						
<ul style="list-style-type: none"> Stakeholders have agreed on implementation-monitoring and progress-review procedures. Progress reviews take place regularly. 						

How can the process monitoring self-assessment be used?

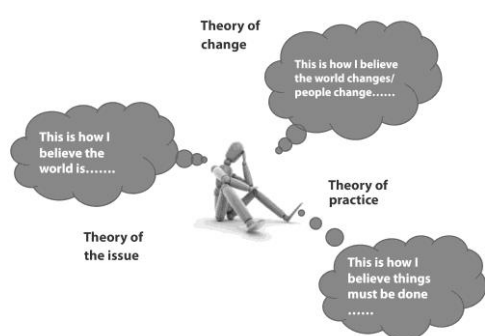
Option 1:	<p>Everyone participating in the self-assessment should be familiar with the key factors for successful Stakeholder Dialogues.</p> <p>Then use the spider chart and jointly assess the factors on a scale of 1 to 6.</p> <p>Initiate a discussion about why the situation is assessed as it is and what can contribute to an improvement.</p>
Option 2:	<p>Everyone participating in the self-assessment should be familiar with the key factors for successful Stakeholder Dialogues.</p> <p>Go through the questionnaire and check the list of relevant indicators for the key factors in the different phases.</p> <p>Assess individually and let individuals mark their own spider charts on a scale of 1 to 6.</p> <p>Bring the results together and initiate a discussion about why the situation is assessed as it is.</p> <p>Explore the differences in assessments.</p> <p>Discuss what can contribute to an improvement. Agree on action to take.</p>

5 RESOURCES

These resources provide background knowledge about concepts and approaches that have proved helpful for initiating and implementing Stakeholder Dialogues. They can be seen as the kind of background music that sets the tone for a successful change process. Each section in this chapter focuses on a particular aspect of change with relevance to implementing Stakeholder Dialogues, as described in Chapter 2.

Note that this chapter is not a substitute for change-management tools: there is ample literature available on this subject, and there are many different schools of thought on organizational and social change. Rather, these resources focus on a particular aspect that is neglected in conceptual thought on leadership and change management: the practical process steps of engaging a variety of actors in a successful dialogue and change process.

5.1 Stakeholder Dialogues and theories of change

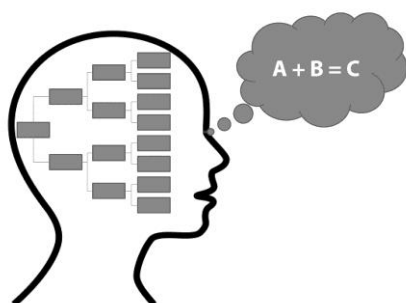


Most people build their action for change on an implicit model of change: often, a not entirely conscious belief in how and when change comes about and how people can best be influenced to change. This is built on the assumption that there is a causal process through which change comes about as a result of an intervention. Most initiatives, strategies and actions follow such an implicit or explicit ‘theory of change’: a way in which practitioners believe that individual,

intergroup, and social/ systemic change will happen and how a specific action or intervention will produce positive results.

➤ Implicit theories of change

We all distil our life experience in a certain way. We use this distillation to draw conclusions from our experience about how the world works, how it would be best to go about things, and which would be the best structure to work in. Most often, we unconsciously assume that what we are most used to or what we find most comfortable must be the best way of operating for everybody. Based on how we see the world and what we want to change or achieve (our implicit **theory of the thing**), we develop our implicit **theory of change**, and finally develop our **theory of practice**.



Depending on where we have chosen to find our mental ‘home’, depending on the stakeholder group we operate in, our theories of change and theories of practices may differ enormously. This, not surprisingly, is a serious obstacle to Stakeholder Dialogues that are designed to lead to concrete change. Understanding one’s own theories of change, therefore, helps one to notice the different paradigms among stakeholders, to respect them, and to address them accordingly as facilitator. Reflecting

about one’s own implicit theories of change helps not only to clarify one’s own preferences,

but also to accept that other stakeholders may have very different implicit theories of change. The following table suggests questions that can help a group of stakeholders, such as the core group, to reflect on their implicit theories of change.



Reflective questions for a Stakeholder Dialogue Core Group on implicit theories of change

<i>Theory of the 'thing'</i>	<p>What is the situation that needs to change?</p> <p>How did the current situation come about?</p> <p>What are we trying to achieve?</p> <p>What do we believe about how the intended change will manifest?</p> <p>What then is our 'theory of the thing'?</p>
<i>Theory of change</i>	<p>How do we believe change comes about?</p> <p>How do we believe people change?</p> <p>How do we change ourselves?</p> <p>How are we trying to influence reality?</p> <p>What then is our 'theory of change'?</p>
<i>Theory of practice</i>	<p>How do we usually do things?</p> <p>What do we believe works best?</p> <p>Which approach do we normally feel comfortable with?</p> <p>What then is our 'theory of practice'?</p>
<i>Intention</i>	<p>Why are we trying to do this?</p> <p>What is our larger purpose for it?</p> <p>How does our intention fit into a larger picture?</p> <p>What larger story is our intention to change something a part of?</p>
<i>Attention to the system</i>	<p>Who is involved?</p> <p>Who or what are we trying to influence?</p> <p>How do others see the issue?</p> <p>Which theory of the thing do they hold?</p> <p>Which theories of change do others have?</p> <p>Which theories of practice do they have?</p>

<i>Attention to the self: one's own profile</i>	Who am I? How does my internal world influence what I see, what I am trying to do and how I do it? What is my own theory of change?
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5.2 Stakeholder Dialogues and different dimensions of change

Often, there is a difference in how the individual believes change happens, and the underlying model of change of a particular professional intervention strategy, such as a project, initiative, or program. For example, somebody may firmly believe that change happens on the very personal level of insight, but is engaged in a project that is designed to change structures and regulations.

The model below helps you to become aware of the different dimensions of change that need to be taken into account for Stakeholder Dialogues as an approach to social or global change. Based on our implicit 'theories of change', we tend to focus on one or two particular dimension of change: where we think change most likely begins, or how we think people can best be brought to change⁴. We assume that others would think alike; if they do not, we try to convince them that our preferred dimension of change is the most important one.

However, all four quadrants of the dimensions of change in the model below offer complementary, rather than contradictory, perspectives. The right sides of the quadrants focus more on empirical observation, while the left sides of the quadrants consider subjective interpretation. The upper quadrants target more individual change, the lower quadrants collective change. Each by itself offers only a partial view of reality, and all of the four perspectives are equally valid at all levels of existence.

It is important to realize that people involved in a Stakeholder Dialogue may have preference for very different dimensions of change. Subsequently, they may focus their attention on one, or at least not all, of the quadrants. Stakeholder Dialogue facilitators, however, need to know their own preferences, but also need to learn to respect the differences. They can act from their area of strength, but still need to build Stakeholder Dialogues as change initiatives in a way that integrates all four dimensions of change.

⁴ Inspired by Ken Wilber's Integral Theory, see Wilber, 2003

The four dimensions of change in Stakeholder Dialogues

	SUBJECTIVE	OBJECTIVE
INDIVIDUAL	<i>Transforming individual consciousness</i>	<i>Changing behavior patterns</i>
	Self-awareness, personal and spiritual growth Reflection and contemplation Individual education Transformation of mental models and belief systems Broaden knowledge and competence Individual skills-development Individual value-orientation	Broad education Influencing through information Influencing through requirements Setting conditions Offering incentives Developing and making available new technologies Influencing behavior through technology
	Underlying assumption: ‘People change by themselves ... consciousness determines the being ...’	Underlying assumption: ‘People need to be influenced to change habitual patterns of behavior ...’
COLLECTIVE	<i>Transforming culture and relationships</i>	<i>Changing structures and systems</i>
	Changing dysfunctional collective patterns of thought and action Collective reflection Changing or reviving collective value systems Promoting reconciliation, inclusion and participation Interpersonal communication Awareness of interdependence Respect and recognition	Reforming regulations and policies Creating bodies, organizations, institutions Creating laws Changing organizational structures Institutional restructuring Re-allocating resources Developing systems to measure change
	Assumption: ‘only as a result of a transformation of collective patterns of thought and respectful dialogue people will act in a different way’	Assumption: ‘structure determines consciousness ... and behavior’

The model above can be used by Stakeholder Dialogue facilitators in the following way:

Self-awareness

Reflect on your preference, identify the dimension of change that you are convinced is the starting point for change. Also reflect in which area you are particularly strong, and which dimension of change you tend to leave to other people. Consider widening your scope of abilities so that you can work in all of the quadrants comfortably.

Systems awareness

Notice and observe different actors' implicit theories of change, and the dimensions of change that certain stakeholder groups may want to focus on. Respect and acknowledge the differences, and explore, if possible, the underlying assumption. Try to create an understanding for the integration of all quadrants.

Process competence

Learn to become more aware of which dimension of change is important at what time to bring into a Stakeholder Dialogue. Become attentive to what makes a Stakeholder Dialogue successful, and try to integrate the different dimensions of change. Include the different dimensions of change into the process design.

Example for integrating the four dimensions of change into process designs for Stakeholder Dialogue events:

➤ Transforming individual consciousness:

Stay aware of the importance of personal encounter in Stakeholder Dialogues as a pre-requisite for change of attitudes and the willingness to collaborate. Hence, try to create possibilities for personal encounter during Stakeholder Dialogue events between different actors who might not know each other or may have conflicting interests. This could be informal-pre-meetings, small table discussions, informal gatherings or content work in task forces composed of different stakeholders.

➤ Changing behavior patterns:

Identify the significance of information for the success of Stakeholder Dialogues. Include content-capacity building, if required. Develop communication strategies that ensure all stakeholders involved understand technical or scientific aspects of a required change.

➤ Changing structure and systems:

Be courageous about meeting set-ups, and stay aware of the influence that physical structure has on results. For Stakeholder Dialogue events, create a space in which people can talk **with** each other, and do not become passive listeners or observers. Stick to programs, announcements and process plans, as they create a reliable structure that helps participants in a Stakeholder Dialogue to handle complexity.

➤ Transforming culture and relationships:

Ensure that the more powerless stakeholders are listened to and that they have the opportunity to "tell their story". Design elements of exposure of participating actors to each other's world-views

and experience.

5.3 Developing dialogic competence – the four action modes

In a dialogic approach, intervention is a very consciously designed communicative action designed to produce positive change in a stakeholder system. Every intervention, even the smallest, reflects on the functionality of the system. Entering into Stakeholder Dialogues is a challenge to the setup of existing organizational and inter-organizational systems with their relational and communicative structures. It is often, at times, a challenge for participating actors: they expose themselves to communicating with people whom they may under normal circumstances never meet. In changing stuck communicative structures lies the chance to change the nature of the system as a whole, ideally to improve its function. From this point of view, Stakeholder Dialogues are an attempt to create new communicative (and delivery) structures that can help to correct malfunctioning structures for the common good. Stakeholder Dialogue facilitators can perform their task better when they understand and explore helpful and unhelpful communicative structures before and during a Stakeholder Dialogue.

Stakeholder Dialogues bring actors with different perspectives and diverging interests together. In addition, communication in Stakeholder Dialogues usually takes place in a non-hierarchical context. Power differences do exist in such dialogues, but there is, most often, no line of authority between different stakeholder groups. Agreements and achievements must be reached through consensus and collaboration. This makes developing the core group's dialogic competencies paramount, so that its members learn to understand which communication patterns can move a dialogue forward and which ones can hinder it. This will allow them to use communication constructively, create lasting trust, avoid or overcome crises, and maintain a shared orientation between all stakeholders.

The dialogic approach is the foundation for consensus-oriented communication structures: it helps to improve collaboration, to make implementation of agreements more effective, and to achieve visible results.

The following models can help Stakeholder Dialogue facilitators to both develop their own dialogic competence and encourage a constructive communication between stakeholders.

The **four action modes** describe observable communicative behavior. The **four dialogic practices**⁵ describe an underlying dialogic capacity – a mix between inner stance and communicative competence – which determines one's ability to contribute constructively to effective communication.

Stakeholder Dialogue facilitators need to develop their dialogic competence when they want to have a significant effect on the success of a Stakeholder Dialogue. They need to:

- recognize their strengths and weaknesses in the dialogue and expand their competence to enact all modes and practices;
- determine which of the four action modes and the four dialogic practices are present or missing in the Stakeholder Dialogue (and possibly need special attention); and
- learn how they can help to bring in all aspects of constructive stakeholder communication (modes and practices) to strengthen result-orientation.

⁵ The models are based on the Action Positions of David Kantor, www.davidkantorthetheory.com, and the dialogic practices developed by William Isaacs (1999)

In the following section, both concepts – the four action modes and the four dialogic practices – are presented with reference to **self-awareness**, **systems awareness** and **process competence**.

The four action modes

The action modes are based on decades of interpersonal communication research. This research has shown that communication is most effective when all four action modes are present in communication in a dynamic balance.¹⁸

The action mode ‘**move**’ has as its underlying intention the setting of **direction**: it makes proposals, initiates, suggests, and pushes things forward. If one party lacks this movement, other parties might dominate it. If one party is constantly in move mode, the Stakeholder Dialogue system might become unbalanced, because direction will mainly be set by one actor. In dealing with dominating moves it is important to help the protagonists understand other actors’ points of view.

The action mode ‘**oppose**’ has as its underlying intention **correction**, and shows a different way of seeing things. Unheard or ignored, it can turn into opposition. If continuously ignored, this may turn into violent opposition. In Stakeholder Dialogues, this movement in its mild form is reflected in any action that seeks to counteract positions, suggests different routes to take, blocks the process, or threatens to exit the Stakeholder Dialogue. A continual pattern of move/oppose in a Stakeholder Dialogues blocks progress, and will finally lead to failure. In dealing with opposition it is important to inquire into the underlying intention of correction.

The action mode ‘**follow**’ has as its underlying intention **completion**: it aims at consensus, integration, and is most often shown through confirming addition or agreement. Without some kind of following movement, Stakeholder Dialogues cannot succeed, as consensual agreements are the cornerstone of success. However, if a continuous pattern of move/follow develops, this might be as detrimental to the Stakeholder Dialogue in the long run as constant move/oppose patterns would be. Move/follow patterns seem to be effective and fast in the short term, but they usually lack the different perspectives and corrective views necessary for quality decision-making. In dealing with premature consensus or completion it is important to deliberately ask for differences.

The action mode ‘**bystand**’ has as its underlying intention the bringing in of a different perspective. It is more than just observation, but an active search for **perspective** and collective wisdom, often as an attempt to inquire into the situation and into the interests of participating actors, or to describe observations that can take the conversation forward. When this action mode is missing, participants in a Stakeholder Dialogue lack the ability to look from a distance and assess their joint progress. But if it is well-developed, regular reflection becomes part of the process.

If any of these four movements are missing or out of balance, a Stakeholder Dialogue will similarly become imbalanced. Dissatisfaction will arise, results will not be achieved, crises will become more common, and mistrust will spread.

All four action modes are necessary to move the dialogue along. Stakeholders enact the action modes temporarily as the conversation progresses. The person who opposed in one instance may make a constructive suggestion (move) in another, or inquire into a problem (bystand) later on. Without a **move**, there is no direction. Without the **follow** there is no completion. Without the **opposition**, there is no critical thinking and correction, and without the

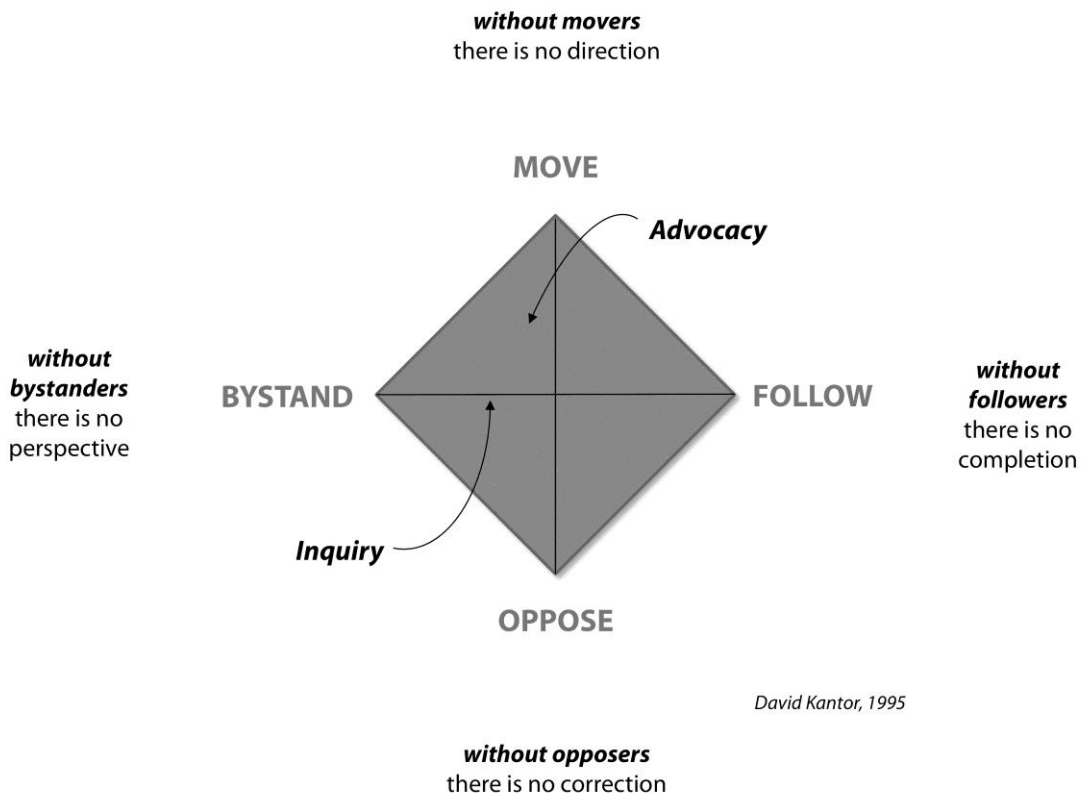
bystanding, there is no perspective, and no breakthrough to new solutions or a deeper understanding.

Stakeholder Dialogues require the skillful presence of the four action modes and their underlying dialogic practices. This can ensure a balance between **inquiry** – seeking to understand oneself, a situation and other points of view – and **advocacy** – arguing for a certain aspect at stake and making oneself understood.

The following tables summarize the characteristics of each action mode and elaborate how their presence or absence will manifest in Stakeholder Dialogues.

‘Move’ and **‘oppose’** are closely interlinked and often form a communication pattern which can take place between stakeholder groups – for example, between the private sector and civil society or between individual participants (when one individual makes a suggestion and another constantly challenges him or her). These patterns are quite common in Stakeholder Dialogues and can bring them to a standstill or even cause them to fail completely. Stakeholder Dialogue facilitators have the important function of guaranteeing that disagreement is sufficiently heard, that groups that want to move forward can develop an understanding for other points of view. They also need to ensure that all actors really support a decision made and that action follows commitment. It is important to understand what drives major criticism, to inquire into it, and to redirect it into more solution-oriented conduct.

THE FOUR ACTION MODES



The four action modes – aspects to consider for Stakeholder Dialogue facilitators

<i>Action movement</i>	<i>Characteristics and underlying intention</i>	<i>Aspects to consider for Stakeholder Dialogue facilitators</i>	
MOVE	<p>The basic characteristic of ‘move’ is the need to push things forward. The underlying intention is to give direction and ensure progress and achievements.</p>	<i>Self-awareness</i>	<i>Hints for systems awareness/process competence</i>
		<p>Individuals who are strong in making things move often give direction, make suggestions, or initiate action. The absence of this movement means a lack of focus, determination and result-orientation.</p>	<p>If stakeholders are passive and do not bring the process forward:</p> <p>If a stakeholder group appears to be lacking in this movement, it may be because the group has difficulties expressing itself or is badly organized. It could also be that despite its widespread influence, a stakeholder group has little or no interest in change.</p> <p>If stakeholders try to determine outcomes:</p> <p>If a stakeholder group is constantly trying to influence the course, this can create an imbalance in the stakeholder system. Other participants will feel threatened, or gain the impression of having little influence on the agenda that the other stakeholder group is pushing. There is the danger that the dominated group may withdraw from the dialogue process.</p>
	<i>Important questions</i>		
		<p>Am I moving change forward?</p> <p>Am I considering other points of view?</p> <p>Am I leaving sufficient room for innovation?</p>	<p>Is the Stakeholder Dialogue result-oriented?</p> <p>Are we getting things done?</p> <p>Are all stakeholders as engaged as they should be?</p> <p>Can they express themselves adequately?</p>

<i>Action movement</i>	<i>Characteristics and underlying intention</i>	<i>Aspects to consider for Stakeholder Dialogue facilitators</i>	
OPPOSE	The movement of ‘oppose’ is strongly characterized by its underlying intention to correct. This can be both positive and negative. On the positive side, this movement challenges that which already exists, asks critical questions from another point of view, or indicates oversights. On the negative side, things may be brought into question simply out of principle.	<i>Self-awareness</i>	<i>Hints for systems awareness/process competence</i>
		Individuals with a well-developed movement of ‘oppose’ are critical and easily find faults – but they also make sure that all aspects of a situation are taken into account. Individuals with an underdeveloped ‘oppose’ movement tend to lack a critical eye. An overdeveloped ‘oppose’ mode risks permanently counteracting positions and making antagonism a routine practice.	Communication can become compromised in a Stakeholder Dialogue if too little understanding is shown for others’ opinions. This can result in threats of breaking off the dialogue, public attacks on the dialogue’s content, or a subtle undermining of the initiative’s progress.
	<i>Important questions</i>		
		Do I give constructive criticism? Am I able to handle criticism well? Am I oriented towards finding solutions?	Are all stakeholders’ points of view adequately acknowledged? How can I assure that even critical points of view are brought to attention?

Action movement	Characteristics and underlying intention	Aspects to consider for Stakeholder Dialogue facilitators	
FOLLOW	<p>The movement of ‘follow’ is essentially an element of completion through confirming addition or agreement. Without some kind of following movement, Stakeholder Dialogues cannot succeed, as consensual agreements are the cornerstone of a successful dialogue.</p>	<i>Self-awareness</i>	<i>Hints for systems awareness/process competence</i>
		<p>Individuals with a well-developed movement of ‘follow’ are quick to agree and are often consensus-oriented. Underdeveloped, this movement can lead to endless discussions. An overdeveloped ‘follow’ lacks the ability to engage in critical discussions.</p>	<p>Some Stakeholder Dialogues easily achieve agreements without controversial discussion. However, if a continuous pattern of move/follow develops in a Stakeholder Dialogue without any concerns being brought forward, it must be asked whether all important aspects are truly being addressed. It may also be the case that one stakeholder group is imposing its agenda on the others. Move/follow patterns seem to be effective and fast in the short term, but may lack the difference of perspectives more sustainable solution require.</p> <p>On the other hand, if agreements cannot be reached, Stakeholder Dialogue facilitators must question if the interest in a common goal has been verified in the first place. Informal talks should be used to determine if criticism regarding certain issues has been withheld and if these issues need to be brought up again in the agenda.</p>
	<i>Important questions</i>		
		<p>What can I agree with in good conscience to move the issue forward? Can I support suggestions even when they are not my own?</p>	<p>How can I determine whether support is sound and sincere? How can I encourage consensus?</p>

Action movement	Characteristics and underlying intention	Aspects to consider for Stakeholder Dialogue facilitators	
<div> BYSTAND </div>	<p>The movement of ‘bystand’ is an active search for perspective and collective wisdom, often as an attempt to inquire into the situation, into the interests of participating actors, or to describe observations.</p>	<i>Self-awareness</i>	<i>Systems awareness/Process competence</i>
		<p>Individuals with a well-developed movement of ‘bystand’ have an inner desire to listen to different perspectives and to mediate between different standpoints. Often, facilitators seem to have a natural tendency to bystand actively. In Stakeholder Dialogues in which actors become confrontational (pattern: move/oppose), it helps if facilitators can see both sides of a situation and unearth the true reasons for discord. Stakeholder Dialogues need their participants to be able to reflect on and rethink their positions.</p>	<p>If a stakeholder group’s tolerance for differences of opinion is low, or if it has little patience for dealing with different opinions or mindsets, it can be difficult to create an atmosphere of mutual respect. Stakeholder Dialogue facilitators can positively influence such a situation by demonstrating respect and tolerance and by assuring that all opinions are heard and respected.</p> <p>If too many stakeholders passively observe as bystanders and do not partake actively, the dialogue cannot be successful. Results will only be generated by selected stakeholders, and the focus will not be on achieving joint results.</p>
		<i>Important questions</i>	

		<p>How can I distance myself from the situation and observe it from a bird's eye view?</p> <p>Am I able to understand a point of view that I don't share?</p>	<p>How can I assure that different points of view are respected?</p> <p>How can I turn passive stakeholders into active and engaged participants?</p> <p>How can I create a forum for different opinions?</p>
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The four action modes interact with each other: the conscious development of one aspect simultaneously supports the development of the other aspects.

That which is true for Stakeholder Dialogue facilitators is naturally also true for other participating stakeholders: the better developed one's communication skills, the more opportunity there is for reflecting together, the quicker a dynamic balance in communication can be developed, and the easier it will be to move forward in a solution-oriented Stakeholder Dialogue.

How to use the model

The level of self-reflection

It is important that Stakeholder Dialogue facilitators know their preferred action modes and underlying dialogic practices. Awareness of the consequences of these preferences helps them to accept their own limitations and supports them in knowing when and how they can bring people in who have different strengths. Considering different perspectives is one of the primary tasks of Stakeholder Dialogue facilitators – this can play a deciding role in a dialogue process. It can be useful to reflect on how to bring one's own action modes and dialogic practices into a dynamic balance by considering one's own strengths and the extent to which other aspects still need to be developed.

Evaluating the quality of communication in Stakeholder Dialogues

It is helpful to observe communication patterns in the stakeholder system, to notice opposing moves in their underlying intention of correction, and generally to be alert to patterns developing that, if sustained, could endanger the dialogue. The task of Stakeholder Dialogue facilitators is to discover what action modes or dialogic practices are missing, to ascertain who can bring in that which is needed, and to determine how to bring this in.

The level of understanding different actors

These models are useful for understanding differences among actors. In private companies, for example, there is a tendency to emphasize move/follow patterns. Civil society organizations are sometimes not only founded with the rationale of opposing movements (or letting the silent speak), but can also have a culture of internal dispute rather than quick agreements. The Stakeholder Dialogue facilitator's task is to become aware of the differences, acknowledge them when needed, and make them transparent, if this furthers mutual understanding. Finally, they help those involved in a dialogue to become more open to differences and to overcome patterns that hinder communication.

6 TOOLS

The tools in this practical guide assist Stakeholder Dialogue facilitators in the structured planning and implementation of successful and result-oriented dialogic processes. On the basis of the conceptual chapters and the background resources they provide practical instruments that help initiators or members of core groups assess and design the process steps they need to move a Stakeholder Dialogue forward. Each section in this chapter focuses on a particular instrument with relevance to implementing Stakeholder Dialogues, as described in the previous chapters.

Note that tools should never be rigidly applied. They are not an end in themselves, but should only be used as supportive instruments in a conscious process design that requires a broader understanding of the purpose of Stakeholder Dialogues. As all tools they help to reduce complexity so that the complex and often controversial environment of Stakeholder Dialogues can be approached with more confidence and ease. In that way, they can guide action, cultivate reflection and function as early warning systems, if things become difficult. They raise awareness for the details that often require attention in Stakeholder Dialogues.

This compilation of tools is not a substitute for project-planning and management tools as they are widely available in private sector, public sector, civil society and development cooperation. These can be used as relevant or applicable. The chapter only provides tools that are specifically used for Stakeholder Dialogues.

6.1 Checklist for the Dialogic Change Model

The following checklist is a tool for planning Stakeholder Dialogues by following the four phases of the **Dialogic Change Model**. It includes the most important aspects involved in the planning of the individual phases. The checklist may also be used after you have completed one or more of the phases, as a tool for reflecting on the process. Initiators, implementers or the core group should use this checklist jointly as a group to reflect on its different aspects.

For the checklist the following answer categories can be used:

1	Strongly
2	Mostly disagree
3	Partly disagree
4	Partly agree
5	Mostly agree
6	Strongly agree

If one or more of the questions in a particular phase are answered with number below 4, discuss which aspects of the phase require more emphasis or attention, need to be redone or can only be implemented with some delay.

PHASE 1: EXPLORING AND ENGAGING	1	2	3	4	5	6
1.1 Create resonance						
1.1.1 Have we invested sufficient time in creating bonds with all relevant actors and gathered their different opinions and points of view?						
1.1.2 Have we been able to get the idea across to potentially relevant actors through formal and informal conversations?						
1.1.3 Have we been able to convince relevant actors of the urgency of the initiative, and of having them take part in the shaping of the initiative's goals and objectives?						
1.1.4 Have we conducted small meetings with relevant actors to create resonance for affirming the initiative's common goals despite remaining unresolved questions?						
1.2 Understand the context						
1.2.1 Have all stakeholder groups that can provide us with a comprehensive view of the current situation and of possible future developments been consulted?						
1.2.2 Do we have all necessary information about the issue at stake?						
1.2.3 Have we conducted a Stakeholder Analysis and assessed what needs to be done for our engagement process?						
1.2.4. Are we well aware of the different factors or actors that may have an important influence on the initiative (positive or negative)?						
1.2.5 Are we aware of any results from similar initiatives elsewhere and have we evaluated previous experiences?						
1.2.6 Have we found out why change has not occurred earlier and what the impeding factors had been?						
1.2.7 Have we explored potential conflict situations that might arise?						
1.3 Build a Container or change						
1.3.1 Have we been able to convince and motivate the relevant stakeholders to become part of the core group to start the dialogue process?						
1.3.2 Have we invested sufficiently into Container-building for the core group and has this had the effect we envisaged?						
1.3.3 Are we maintaining a balance between developing internal plans or a structure for the initiative while preserving a certain degree of structural openness?						
1.3.4 Is the initiative's existing initial Container willing and able to consolidate the composition and role of its individual members?						
1.3.5 Is the core group as an initial Container sufficiently mandated?						

1.3.6 Have we obtained sufficient high-level sponsorship for the initiative?						
1.3.6 Have we promoted the Stakeholder Dialogue approach to various stakeholder groups relevant for or affected by the envisaged change system?						
1.3.8 Has the core group had the chance to understand the perspective of different stakeholders?						
1.3.9 Have we ensured that the core group and important actors are knowledgeable enough about the methodology of Stakeholder Dialogue?						
1.3.10 Have we assessed the need for expert information or capacity building regarding the issue at stake for relevant stakeholders including the core group and have we planned the necessary steps?						
1.3.11 Has a proper location and setting for the first Stakeholder Dialogue event been chosen in a way that the purpose of building stakeholder ownership and commitment can be fulfilled?						

2. PHASE 2: BUILDING AND FORMALIZING	1	2	3	4	5	6
2.1 Clarify goals and resources						
2.1.1 Have we sufficiently considered the motivation and requirements for participation of different stakeholder groups?						
2.1.2 Are the stakeholder invited to the first Stakeholder Dialogue event sufficiently representing the larger system of involved or affected actors?						
2.1.3 Have we done all necessary steps in preparing for the first Stakeholder Dialogue event ensuring the best possible engagement process?						
2.1.4 Have we engaged professional facilitation of the Stakeholder Dialogue event and agreed on an event format and program that fosters engagement?						
2.1.5 Have we taken all dimensions of change sufficiently into account (encounter, information, relationship building and event structure) ?						
2.1.6 Have we secured a sufficiently high-level opening for the event that shows high-level commitment to the process?						
2.1.7 Has the initiative been properly described so that all involved actors will feel adequately consulted/cared for?						
2.1.8 Has the initiative been properly described so that all involved actors will feel adequately consulted/cared for?						
2.1.9 Is the common goal of the initiative clear to all participating stakeholders?						
2.1.10 Does our engagement process promote the development of ownership for the initiative?						

2.1.11 Have the resources the various actors can contribute been explored/agreed upon?						
2.1.12 Are joint objectives, sub-objectives and interests defined in such a way that an initial planning and distribution of roles and responsibilities can be made formal among the stakeholders?						
2.2 Plan future together						
2.2.1 Are all relevant stakeholders sufficiently informed with respect to the initiative's area of action so that they can actively partake in consultation or collaboration efforts ?						
2.2.2 Have we provided the participating stakeholders with all necessary information and expertise required for shaping the future initiative?						
2.2.3 Have we, apart from bringing in information and expertise, planned the event in a way that participating stakeholders can jointly assess the current situation as a basis for shaping the future together?						
2.2.4 Do the steps taken in the process guarantee that the involved stakeholders feel their opinions and comments are taken seriously, causing them to stay committed to the advancement of the dialogue process?						
2.2.5 Is the planning process designed in such a way that stakeholders feel supported in their willingness to shape the future together?						
2.2.6 Has enough room for encounter, exchange of experience, exposure to each other's perspective and joint learning been given?						
2.2.7 Is further consultation or collaboration planned in such a way that synergies can be achieved quickly and visible results can be attained?						
2.3 Consolidate agreements and establish structures						
2.3.1 Does the initiative's form and implementation of the project goals (agreements, memorandum of understanding, project plan, press release, implementation plan etc.) support stakeholder identification with the shared objectives?						
2.3.2 Does the form of the agreements made guarantee the credibility and reliability of the said agreements?						
2.3.3 Have realistic milestones been jointly agreed upon?						
2.3.4 Have roles and responsibilities been accorded for further collaboration?						
2.3.5 Has a realistic timeframe been agreed upon?						
2.3.6 Is there sufficient attention on early results to be showcased as success stories for all participating stakeholders to witness?						

3. PHASE 3: IMPLEMENTING AND EVALUATING	1	2	3	4	5	6
3.1 Ensure transparency and communication						
3.1.1 Has the communication structure been established that permits a good internal communication and information flow within the initiative?						
3.1.2 Are all of the initiative's major implementation areas sufficiently transparent in their planning?						
3.1.3 Are advancements in implementation recognized and accordingly communicated to the participating stakeholders?						
3.1.4 Is the core group functioning as a good Container supporting the constant, active participation of the stakeholders?						
3.1.5 Are we leaving enough freedom for providing feedback and integrating it into the process constructively?						
3.2 Create results and celebrate success						
3.2.1 Are we picking the 'low-hanging fruits' sufficiently?						
3.2.2 Have all relevant actors in the sector been duly informed of successes?						
3.2.3 Are opportunities to learn from one another and from successes being exploited?						
3.2.4 Have successes in the dialogue process been recognized as such and duly celebrated?						
3.2.5 Do we reliably follow the agreed upon plan or process design?						
3.2.6 Has an agreement been reached about how successes should be communicated to the public in a way that avoids misunderstandings?						
3.2.7 Is the general public properly informed and are communication channels that are important to the progress of the initiative being used constructively?						
3.2.8 Have we sufficiently involved high-level sponsorship into the celebration of successes?						
3.3 Establish learning mechanisms						
3.3.1 Has the core group in its function as a good Container developed the introspection and self-awareness to determine if we are on the right track?						
3.3.2 Is feedback from stakeholders being sufficiently integrated into the process to give them a feeling of participation in the process?						
3.3.3 Do stakeholders still feel their input is being taken seriously?						

3.3.4 Does an internal monitoring and evaluation system exist, which benefits the process?						
3.3.5 Do we regularly assess the quality of our process?						
3.3.6 Does an internal system for strategic learning exist that all key stakeholders are part of?						

4. PHASE 4: Developing further, replicating or institutionalizing	1	2	3	4	5	6
4.1 Build the next-level Container						
4.1.1 Is there a need to scale-up or replicate the initiative?						
4.1.2 Have current strategies and procedures been reviewed and, if needed, adapted for the next implementation phase?						
4.1.3 Does this up-scaling, replicating or institutionalizing of the Stakeholder Dialogue require new stakeholders to participate, and have they been identified?						
4.1.4 Has a strategy been developed for creating a wider involvement of stakeholders?						
4.1.5 Are stakeholders who have been identified as important messengers for the advancement of the initiative been sufficiently coached/ integrated into the Container (if they were not already in it)?						
4.1.6 Are alliances required for the initiative's advancement being adequately sought after/supported/identified?						
4.1.7 Is the ownership and commitment of existing stakeholders being safeguarded in any way?						
4.2 Create management structures						
4.2.1 Has the potential extended field of action been sufficiently explored and is the potentially new or changing context well enough understood to properly plan the next steps?						
4.2.2 Are all key actors aware of the requirement of adequate management structures and has this been discussed with key stakeholders?						
4.2.3 Has enough time been planned for preparing institutionalization, replicating or scaling-up?						
4.2.4 Has a structural/organizational form been identified, which the initiative's next implementation phase will require?						

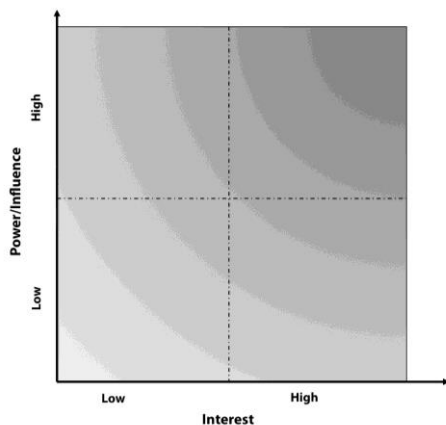
4.2.5 Is the new Container well-poised to withstand difficulties and balance this transitional phase?						
4.3 Establish governance and learning systems						
4.3.1 Have financial support and capacity-building needs for scaling up been identified?						
4.3.2 Have the structures for learning and proper reflection been preserved, despite increased management structure and the integration of new key actors?						
4.3.3 Has the correct design been identified for the continuation of the joint dialogue process, allowing for the adequate form of structure, professionalization and openness required by further expansion?						
4.3.4 Has the wider system of stakeholders been informed about successes from the past process so that they can become supportive of the next level development?						
4.3.5 Have monitoring and evaluation systems been installed?						
4.3.6 Have governance system been established that follow the form of stakeholder participation of the past process?						
4.3.7 Is the new structure or set-up of the initiative assessed as sustainable in the long-run?						

6.2 Stakeholder analysis

Stakeholder analysis is an important instrument that is used to identify and analyze all key actors who are relevant to a particular dialogic change initiative. It is best done in the team that intends to initiate and conduct the Stakeholder Dialogue. The purpose of applying this instrument is to develop a strategic view of the human and institutional landscape and the relationships between different stakeholders.

Although this instrument can be used throughout all phases of the Stakeholder Dialogue, it is crucial to conduct a stakeholder analysis at the outset of a dialogue initiative to have a clear understanding of the context as well as potential support or impediments. There are many methods for carrying out a stakeholder analysis. The following paragraphs show two different tools for conducting stakeholder analysis that have proven helpful in the preparation of Stakeholder Dialogues. They can be used individually or in combination.

6.2.1 The interest/influence grid⁶



The use of the interest/influence grid is particularly helpful in determining what type of engagement process is required to create sufficient interest in the Stakeholder Dialogue. Stakeholders should be encouraged to incorporate their positions into the dialogue, and stakeholders' support (whether institutions or individuals) is imperative to the dialogue.

The instrument is a basis of a discussion process, for example among the core group. Its members need to determine the level of interest of different stakeholders in the purpose of the Stakeholder

Dialogue (the larger common goal) and the level of influence they have in making the goal achievable.

<p>Step 1: <i>Create a list of the stakeholders relevant to the success of the Stakeholder Dialogue initiative</i></p>	<p>The first step is to create a general list of important stakeholders. These can be stakeholders already active in the field of work, in a dialogue process, or actors/organizations who are potentially interested in cooperation.</p> <p>There is no need to be overly comprehensive, but it is important to focus on the most relevant stakeholders (institutions or individuals) who can make the Stakeholder Dialogue succeed or fail.</p>
<p>Step 2: <i>Assess stakeholders' influence and interest</i></p>	<p>Categorize stakeholders according to their potential interest in and influence on the goal, and place them on the grid accordingly. It is important to make a realistic assessment of the current situation (do not place them where you think they should be, but where they are according to your assessment). Cross-check your results if you have placed most stakeholders in the high interest/high influence quadrant: is this the reality?</p> <p>When plotting stakeholders' positions on your grid, consider marking the stakeholders who you see as advocating or supporting your initiative in green, and those whom you expect to block or criticize your initiative in red.</p>
<p>Step 3: <i>Consolidate and interpret your findings</i></p>	<p>After discussing the results of your interest/influence grid, consolidate the conclusions. Consider the following questions related to the key stakeholders for the success of the Stakeholder Dialogue:</p> <p>Are key stakeholders interested, or is there a need to raise their interest in the goal?</p> <p>Are key stakeholders interested, but have little influence?</p> <p>Are key stakeholders influential, but show little interest?</p>

⁶ inspired by:

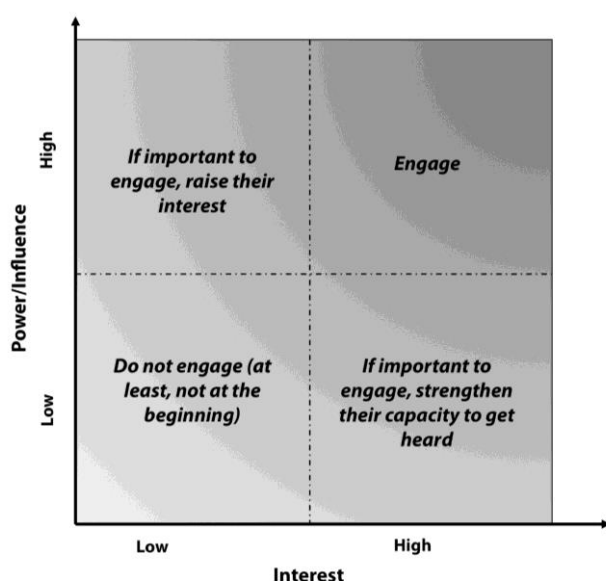
www.changingminds.org/disciplines/change_management/stakeholder_change/interest_influence.htm

	Are there key stakeholders you do not know enough about to be able to assess their interest or influence?
Step 4: <i>Develop a good understanding of how best to engage the most important stakeholders</i>	<p>Discuss the findings and explore, how your may have an influence on changing stakeholders' positions on the grid:</p> <p>How can you raise the interest of stakeholders you need and whom you placed at low interest?</p> <p>How could you convince powerful stakeholders to support you?</p> <p>How can you support stakeholder with little influence, but high interest?</p>

Develop your engagement process accordingly. Be aware that the key stakeholders you need to implement the Stakeholder Dialogue need to be in the right quadrants of high interest and low influence, or high interest and high influence. If not enough stakeholders are interested in the goal and the initiative, it may not make sense to continue. Once you understand stakeholder views, you can decide how best to engage them.

High-influence, high-interest stakeholders:

These are the people you must make the greatest effort to engage fully.



High-power, low-interest stakeholders:

Invest enough work into keeping these stakeholders informed at least. It is best to gain their interest, but do not overload them with information. Build good relationships if you do not need to involve them directly. If you need them in the dialogue process, make all efforts to raise their interest in the issue. How actively these stakeholders should be pursued needs to be driven by the importance of having them involved in the dialogue.

Low-influence, but interested stakeholders:

If these stakeholders' interest is high, there must be a reason. For example, they may be affected groups, or advocacy groups such as small businesses that are interested in a better business environment, communities, and so on. Often, these stakeholders have important information, perspectives or experiences. But they may lack the capacity to make their voices heard, so they need support in doing this. They may also be badly organized and need institutional strengthening to increase their influence. Stakeholders in this quadrant can become important supporters of the Stakeholder Dialogue. Engage them, support them, and keep them adequately informed to keep their level of interest in your initiative high. You must

assess how important the point of view or experience of these actors is to the dialogue: this should be a criterion for actively involving them in the process

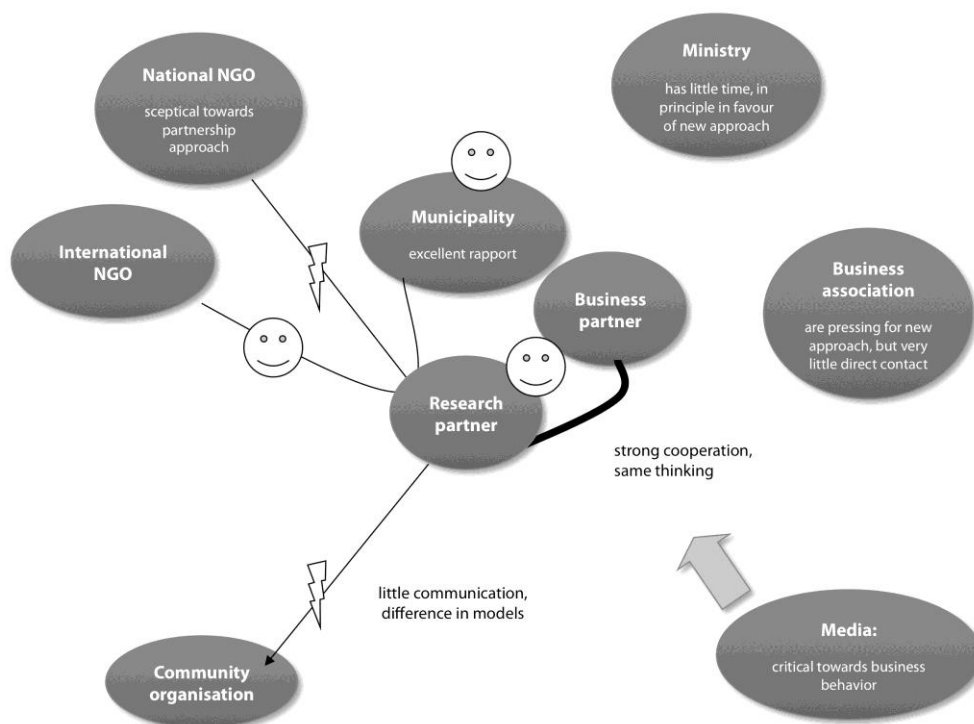
Low-influence, low-interest stakeholders:

Keep considering these stakeholders, but do not bore them with excessive communication. Do not involve them in the Stakeholder Dialogue, but review this approach periodically, because their status can also change.

It is important to use an inclusive and transparent approach in the stakeholder engagement process to build ownership and commitment. Stakeholders will be engaged in different ways in the various stages of the Stakeholder Dialogue: through gathering and providing information, consulting, dialogue, working together, and so on. If it is not possible to have all stakeholders involved from the outset, then a strategy for gradual involvement may be needed.

6.2.2 Mapping a stakeholder system landscape

In the first phase of stakeholder engagement, it can be extremely helpful to get a better understanding of the situation by creating a map or landscape of the collaborative system of relevant stakeholders. It is important to create a realistic picture of the current situation.



The purpose of mapping the stakeholder system is to:

- understand the system of stakeholders better;
- understand better where dialogue and collaboration is already happening;
- diagnose existing behavior or relationship patterns; and
- build a better basis for designing an engagement strategy.

<p>Step 1: <i>Determine if the one carrying out the stakeholder analysis is part of the system</i></p>	<p>Determine whether you are acting as the initiator of a Stakeholder Dialogue; if you are just one actor among other stakeholders; or if you are an external actor supporting dialogue and collaboration in a system of stakeholders. In any of the cases, because you want to intervene in the system through initiative or leadership, put yourself in the center. If you are not part of the system, but you want to intervene at a later stage, determine the most important actor and start the map with this actor.</p>
<p>Step 2: <i>Determine the stakeholders' relationships to the dialogue or cooperation initiative and to each other</i></p>	<p>Ask yourself: What other important stakeholders are in the system? What is our working relationship with them like? Draw the stakeholder actors one by one, assessing your working relationship with them by showing their distance from you, using thin or thick arrows; by showing one-way or mutual relationships; or by writing remarks about the relationships between you and the other actors.</p>
<p>Step 3: <i>Determine which other actors can potentially influence the system</i></p>	<p>Think about the other actors in the system. Assess their importance to, and influence on, the possible success of what you plan to do.</p>
<p>Step 4: <i>List external influences on the stakeholder system</i></p>	<p>Think about what other aspects or outside influences could have an effect on your initiative, and draw them into the picture.</p>
<p>Step 5: <i>Evaluate the stakeholder mapping</i></p>	<p>When you have mapped the system, have a look at it from a distance and discuss your results and interpretation. Draw conclusions about whether, and how, you want to engage the different stakeholders. Some guiding questions here are: How does the stakeholder system work? Is dialogue and collaboration well established, or how is it malfunctioning? What do you need to do to build outcome-oriented dialogue and collaboration? Where is the energy for the purpose of the Stakeholder Dialogue in the system? How could you expand this energy by engaging all relevant or important actors?</p>
<p>Step 6: <i>Discuss intervention possibilities</i></p>	<p>Develop an intervention strategy on the basis of your map and decide on the next few steps to take. Then, review the process, review the map, and assess what has changed or what you see differently now. Revise your strategy.</p>

6.3 Agreements in Stakeholder Dialogues

The unique value of Stakeholder Dialogues lies in the contribution that all stakeholders can make to the process. While Phase 1 in a Stakeholder Dialogue is characterized by informal working structures, it is important in Phase 2 that the commitment to dialogue and collaboration is consolidated in a more formal agreement. This can be a formal document that shows the scope of the commitment, such as a strategy paper, a documented joint statement of the current situation and the way forward, or a declaration of a joint interest in the goal. Agreements formalize and consolidate the results of the more informal building up of engagement in Phase 1. They strengthen further cooperation and dialogue, offer guidance and support in the case of unavoidable conflicts, and serve as an orientation in the complex environment of the Stakeholder Dialogue. So, they are important for fostering the cohesion among collaborating stakeholders.

Stakeholder agreements:

- require those who are involved in the drafting and signing to have a clear mandate (this mandate can be acquired by a single organization or by the larger system);
- need to be developed jointly and consensually among key stakeholders;
- should reflect the form of dialogue and cooperation, whether formal or informal;
- should be based on mutual respect and the principles of equality between different stakeholders;
- do not need to be legally binding, but show and convey the commitment;
- can (but do not need to) develop from less to more formal agreements, such as from a declaration of interest to a memorandum of understanding or a formal contract;
- are based on voluntary commitments; and
- should, if they formalize structures, ensure optimal representation of stakeholder interests (which has to be reflected in all temporary working structures such as steering committees, task forces or working groups).

The type of agreement suitable for a Stakeholder Dialogue depends on the form of the dialogue. The more the dialogue moves towards collaboration and joint implementation, the more detailed and comprehensive agreements will be necessary. This means formalizing working structures, internal and external communication, roles and mandates, finances, or other contributions. It also requires setting a timeline for implementation. The more binding the agreements, the more important it is to have them approved by senior management in the institutions involved.

Agreements must be worded well to be easily and correctly understood by all stakeholders. Typical legal language should be avoided as much as possible. The formal nature of agreed-upon conditions and commitments regarding the cooperation can be increased step by step during the course of a dialogue. Very formal agreements should only be made, if Phase 1 (exploration and consultation) of Stakeholder Dialogue has been completed, which means sufficient trust has been built and stakeholders are prepared to cooperate.

The following list shows examples of agreement types, in ascending order of formality. Most of these forms of agreements are not specific to Stakeholder Dialogues, but are also used in other forms of cooperation.

Declaration of interest:

Often used by private-sector stakeholders to show their interest in dialogue and collaboration pragmatically.

Agreement on next steps:

In complex or fragile Stakeholder Dialogues, this is a good way of consolidating and agreeing jointly on the next meeting and the process ahead.

Commented documentation of stakeholder workshop results

Where more formal agreements may still be too contentious, documentation sent around to all stakeholders for comments can serve as a form of agreement that makes meeting results transparent.

Minutes of meetings

In smaller Stakeholder Dialogue rounds, meeting minutes are a pragmatic form of process- and results-documentation that creates commitment and cohesion.

Declaration of membership

Particularly for stakeholder platforms, this form of agreement is a typical way of showing commitment to both the group of stakeholders and the public. It is sometimes preceded by an agreement on membership rules.

Joint declaration of cooperation

This is particularly for stakeholder initiatives. It is a way of showing, internally and externally, the commitment to collaborate and achieve results. A declaration of cooperation should include important elements of the implementation of the results. Such a declaration can, depending on the context and goal of the Stakeholder Dialogue, be made public, or just communicated among the participating stakeholders.

Joint project plan or plan of operations

Stakeholder Dialogues with emphasis on implementation require joint and agreed planning of the dialogue and cooperation process. This can include roles and responsibilities, activity planning and forms of monitoring.

Agreements on steering structures or governance mechanisms

Steering structures are important for implementing complex Stakeholder Dialogues. They are used in stakeholder initiatives, and sometimes in stakeholder partnerships. Agreements here define the terms of reference for steering structures and representation of stakeholders in the structure. These terms includes selection procedures, sequence of meetings and a definition of decision-making responsibilities.

Memorandum of Understanding

A Memorandum of Understanding (MOU) is a form of consolidating cooperation commitment between two or more stakeholders. It can include detailed paragraphs on the form of cooperation.

Joint press statement

A joint press statement makes the dialogue or cooperation known to the public. This can be a way of showing commitment to each other, but also to the public, in Phase 2 or 3. These are only issued when the first results of the process have been achieved.

Cooperation contract

A legally binding contract specifying roles and responsibilities, resource contribution and allocations, duties and obligations. Most often used in stakeholder partnerships.

6.4 Steering and implementation structures

Steering and implementation structures are most relevant to Stakeholder Dialogues that have a focus on collaboration and implementation. Stakeholder platforms for implementation, stakeholder initiatives and stakeholder partnerships require transparent and stakeholder-composed steering, implementation or governance mechanisms.

The construction of such structures should only begin after a consolidated and successful Phase 2 and should follow the purpose of the Stakeholder Dialogue: the initiation and implementation of change. Lean and non-bureaucratic structures are recommended, but this depends on the type and context of the Stakeholder Dialogue. Too much structure can create an administrative or political advocacy culture in Stakeholder Dialogue with too little emphasis on results. Too little structure can endanger the implementation capacity of a dialogue process.

The steering structure is an important contribution to the legitimacy of the Stakeholder Dialogue, and the implementation structure is a prerequisite for delivery and outcome-orientation. There is no blueprint for the establishment of steering and implementation structures in Stakeholder Dialogues, but the following list shows possibilities that have proved effective.

High level sponsorship:

This secures high-level commitment and can have degrees of formality. A formal arrangement of high-level sponsorship would be an officially announced patronage. Less formal arrangements can include the endorsement of content, goal and process of a Stakeholder Dialogue by the respective hierarchy in the institutions of the participating stakeholders.

Steering committees:

Steering committees need to be composed of the different participating and/or affected stakeholders. Members of a steering committee need to be enabled to take ownership of the process and results. The selection of members for the steering committee depends on the context of the Stakeholder Dialogue, and may include official representatives selected by the different stakeholder groups. It is important that members of the steering committee are sufficiently engaged. Mere official representation, with little interest in results, can jeopardize a Stakeholder Dialogue. In complex Stakeholder Dialogues, it may be helpful to introduce ‘rapporteurs’. These are ‘speakers’ selected from the steering committee members by each group of stakeholders. They manage the communication between the stakeholder group, the implementation structures (and project secretariats) and steering committees.

(Project) secretariats/process management teams:

(Project) secretariats facilitate implementation and communication among stakeholders, and between the steering committees and the implementing institutions. They can, but do not need to be, composed of different stakeholders. Emphasis here is on professional management of implementation, but they need to earn the trust of all stakeholders and of the steering committee. Secretariats guarantee reliability of processes and transparency of communication, they prepare and document all stakeholder meetings, and they push implementation forward. They follow agreed-upon planning and reporting procedures. Members of secretariats must be authentically service-oriented, interested in the goal and neutral among the different interests of stakeholders. External facilitators can support secretariats.

Task forces or expert working groups:

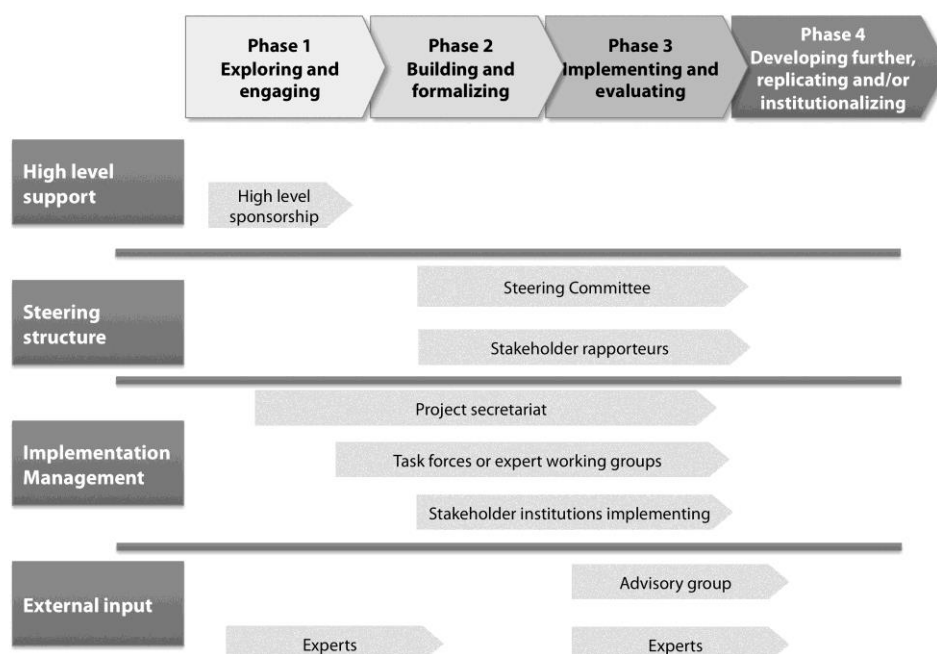
Many complex Stakeholder Dialogues require content work on specific issues, be it research, preparation of decisions or recommendations to the steering committee. Task forces are often composed of different stakeholders to ensure that the expertise and interests of different stakeholder groups are represented. Expert working groups do not necessarily need to be composed of different stakeholders, but often require specific, sometimes external, expertise. Task forces and expert working groups should be endorsed by steering committees.

Advisory groups:

Complex stakeholder groups with contentious or politically sensitive content often establish advisory groups. These can be composed of non-participating stakeholders who have an interest, but no stake, in the issue. Examples are funder representatives, interested research organizations, representatives from other stakeholder initiatives, and so on.

Experts:

In addition to members of expert working groups Stakeholder Dialogues can, particularly in Phase 1 and Phase 3, involve external experts on certain issues. All expert input should be carefully planned, particularly in Stakeholder Dialogues with low trust among stakeholders. The project secretariat should take care of the way in which expert input is presented so that participating stakeholders do not feel bullied or manipulated.



7 DEFINITIONS

Stakeholder Dialogue: Stakeholder Dialogues are a methodology for designing and implementing consultation and cooperation in complex change processes that require different interest groups to be included and integrated. Well-structured Stakeholder Dialogues can create and cultivate ownership of change towards sustainability.

Stakeholder: Stakeholders are people or institutions that have an interest in a particular course of development, or a particular decision, either as individuals or as representatives of a group. This includes people who influence a decision, who are key players in implementation, or who are affected by the development.⁷

Container: The term ‘Container’ refers to the function and relational quality of an initiating team or core group of interested actors in Stakeholder Dialogues. A good container exists, if actors are dedicated to the change envisaged, emotionally engaged with future possibilities and if they are committed to initiating and implementing the intended change jointly. A good Container creates a holding space for the planned change, an emotional home for the joint initiative and an initial pattern of the envisaged dialogue or cooperation.

Initial Container: A group of people who initiate change- in this context in the form of a Stakeholder Dialogue. The cross-sector core group can be such an initial Container.

Broader Container: The broader Container is composed of people who the core group begins to engage, and who are supportive of the Stakeholder Dialogue. They may get involved in promoting the Stakeholder Dialogue and can take the dialogue process beyond those who form the initial Container.

Involved Stakeholder System: These are usually those actors who participate in one or several Stakeholder Dialogue events, such as consultation meetings, workshops, planning meetings, etc.

Wider affected system: These are the directly involved stakeholders or other actors who may be affected by the change initiative.

Core Group: The group of actors initiating the Stakeholder Dialogue. Ideally a core group already represents the different stakeholder groups involved. In Phase 1 members of the core group will engage high-level sponsors, decision-makers who are crucial to the success of the Stakeholder Dialogues, but it also aim to get into conversations with selected key stakeholders, most often in a more informal way (e.g. in bilateral meetings or small focus-group meetings). Ideally the core group remains in place throughout all phases.

Project secretariat/Process management team: Project secretariats are mandated teams who facilitate the implementation of a Stakeholder Dialogue as well as the communication among stakeholders, for example between the steering committees and the implementing institutions. Project secretariats or process management teams can be, but need not necessarily be composed of different stakeholder groups. But they need to be trusted and mandated by all stakeholder involved.

Capacity Building: In the setting of international cooperation, capacity building stands for the further development of both individual and organizational competencies through e.g., training, coaching, or professional development support, which enable one to more successfully work towards and accomplish a particular mission or objective.

⁷ Hemmati 2002: 2

Process design/ Process architecture: Process architecture refers to the design of the overall preparation, implementation and review process of a Stakeholder Dialogue.

Engagement process: An engagement process starts with establishing and cultivating the initial Containers of commitment in which people who are critical to achieving the goal can take a stand together on the dialogue's behalf.

Collective Leadership: Collective Leadership for sustainability is the capacity of a group of leaders to contribute to a more sustainable future through assuming joint and flexible leadership in service of the common good. It takes place by various individuals on a collective scale towards the larger and integrated goal of economic, social and environmental sustainability. At the core of collective leadership is the human capacity to dialogue and transform differences into progress: it enables the transcendence of self-centered views – a pre-requisite to successfully addressing the challenges of globalization and sustainability.

Result monitoring: The purpose of result monitoring is to keep track of the activities agreed upon and to assess the results achieved.

Impact monitoring: The purpose of impact monitoring is to look beyond activities and results, and to assess if the Stakeholder Dialogue has had the effect it was expected to have.

Process monitoring: The purpose of process monitoring is to keep track of the quality of the process design and key factors for success. It helps to check if the Stakeholder Dialogue is leading towards the expected outcome – a commitment to progress.

8 LINKS AND LITERATURE

This chapter is dedicated to helping you, the reader, continue your journey on the path towards collective leadership by providing you with a list of informative and inspiring literature on many of the topics discussed in this book.

Selected literature on stakeholder engagement, dialogic change and cross-sector partnerships

Corporate Social Responsibility. Balancing Tomorrow's Sustainability and Today's Profitability

David E. Hawkins (2006), Palgrave Macmillan, New York.

With this book, David E. Hawkins deals with the necessity of balancing short-term economic results with a strategy oriented towards sustainability. He underlines his thoughts by showcasing different examples relevant for business men and women, such as risk management, ethical trade, entrepreneurship, eco-efficiency, resource distribution or community relations. This book offers thought-provoking impulses for alternative approaches within entrepreneurship as well as for strategies for the integration of economic goals in long-term societal needs.

The New Broker: Beyond Agreement. Brokering Partnerships for Development

Michael Warner (2003), Overseas Development Institute, London.

The New Broker offers its readers an introduction into the “art and science” of partnership-brokering: Chris, an employee at an oil-drilling company, visits a goldmine in South America. Here he witnesses efforts to negotiate a partnership agreement between the mining company and different actors on local governance level, civil society and private business. Written in the style of a novel, this book points out negotiation techniques and possible in partnership agreements. Thereby Warner demonstrates the complex challenges partnership brokers face and fleshes out theoretical approaches with a real human background.

A turning point for responsible supply chain management in the coffee sector: The Case of the Common Code for the Coffee Community – an international multi-stakeholder partnership for sustainable coffee, Petra Künkel, Stanislava Cholakova and Vera Fricke (2007), in: *Enhancing the Effectiveness of Sustainability Partnerships*

Editors: The National Research Council of the National Academies (2009), The National Academies Press, London

Or: ☞ www.collectiveleadership.com

After a 4-year stakeholder process in the coffee sector, in 2006 producers, roasters and traders from the coffee sectors agreed on the “Common Code for the Coffee Community (4C)”, a basic quality standard and verification system for the entire value chain of the coffee mainstream-market. Petra Künkel accompanied the process as a consultant and process facilitator. In this article she pinpoints decisive factors for the coming about and success of multi-stakeholder partnerships. The authors furthermore delineate how a very complex and fragile stakeholder initiative benefits from a careful and thoughtful process design.

Open Space Technology. A User's Guide

Owen Harrison (1997), Berrett-Koehler Publishers, San Francisco.

Owen Harrison, founder of the *Open Space Technology* (OST), in this handbook documents background, procedures and preconditions for the application of the interactive OST. He describes in detail the logistical and material requirements for the implementation of an OST event. The book offers checklists for practical application. Furthermore, Harrison examines the situations where the OST can be applied and offers a guideline assisting in the decision for or against the use of this method in individual working or group processes.

Putting Partnerships to Work

Michael Warner und Rory Sullivan (2004), Greenleaf Publishing, Sheffield

Showcasing various practice examples, *Putting Partnerships to Work* illustrates how partnerships with the private sector can be established and implemented efficiently. The book is based on the work of the secretariat of the Natural Resources Cluster of Business Partners for Development, project-based initiative set up to study, support and promote strategic examples of cross-sector partnerships worldwide (www.bpdweb.com). Along with the positive results from established partnerships and insights from this program, the authors also depict risks and cost that can occur with this form of cooperation. The book furthermore features an implementation tool for the establishment and monitoring of partnerships.

The Necessary Revolution

Peter Senge (2008), Doubleday, New York.

In *The Necessary Revolution*, Peter Senge tackles innovative approaches of individuals and enterprises striving to deal with current social and ecological challenges in a sustainable manner. By means of practice examples he points out how enterprises can design their performance in a more sustainable manner. The book contains a number of strategies for developing visions and competencies with regard to more social, economic and ecological sustainability.

Multi-Stakeholder Processes for Governance and Sustainability. Beyond Deadlock and Conflict.

Minu Hemmati (2002), Earthscan Publications, London.

Multi-Stakeholder Processes for Governance and Sustainability is a guideline for the organization and implementation of multi-stakeholder processes. In order to meet the complex challenges of sustainable development, Hemmati and her co-authors explain how actors of integrative stakeholder processes equally provide space for social, economic and ecological aspects and how they can deal with risks in a constructive manner. This book contains detailed examples as well as suggestions for designing Stakeholder Dialogues.

Enhancing the Effectiveness of Sustainability Partnerships

Editors: The National Research Council of the National Academies (2009), The National Academies Press, London

The Round Table "Science and Technology" of the National Academies targets the mobilization of science and research practices that promote sustainable development. One of the working focuses lies on the effectiveness of multi-sectoral partnerships in linking academic knowledge with concrete action for sustainable development. In the context of a symposium in 2008, a group of experts of the round table discussed 11 showcase examples on stakeholder partnerships for sustainability. *Enhancing the Effectiveness of Sustainability*

Partnerships is a summary of this symposium and contains excerpts of these showcases as well as highlights of the discussion rounds during the event.

Solving Tough Problems.

Adam Kahane (2004), Berrett-Koehler Publishers, San Francisco.

In *Solving Tough Problems*, Adam Kahane delineates strategies for solving complex and conflict-bearing problems beyond conventional paradigms. People often out of habit chose to solve problems by consulting handed-down knowledge and best-practice examples. According to Kahane, in the case of more complex problem situations such an approach can lead to a stalemate. He explains how an environment allowing for profound dialogue, constructive action and creative solutions can evolve.

The World Cafe: Shaping Our Futures Through Conversations That Matter

Juanita Brown and David Isaacs (2005), Berrett-Koehler Publishers, San Francisco

The *World Café* is a method for bringing groups into a cooperative and constructive dialogue. Enterprises, government bodies, communal institutions and NGOs increasingly make use of this procedure to work on questions and issues relevant for a various stakeholder groups. Juanita Brown and David Isaacs, the founders of the World Café method, illustrate the core principles of the method and its practical implementation by means of showcase examples and selected café -dialogues.

On Dialogue

David Bohm (1996), Routledge, New York. London

David Bohm, former Emeritus professor at the University of London, describes dialogue as a multi-facetted process beyond conventional ideas of conversational parlance and exchange. In this piece, he defines his notion of “dialogue”, presenting a working manual for those engaging in dialogue and a theoretical foundation for reflection about the dialogic world view.

Selected literature on collective leadership, leadership for sustainability and sustainable (organizational) change

Leading Change. The Argument for Value-Based Leadership

James O'Toole (1995), Ballantine Books, New York

Management theorist James O'Toole proposes a vision of leadership based on values and respect, targeted at the welfare of their followers. He furthermore depicts why this approach to leadership is effective in complex organizational set-ups and how leaders can constructively deal with individuals resisting fresh and open approaches to change.

The Leader of the Future. New Visions, Strategies, and Practices for the Next Era.

Editors: Frances Hesselbein, Marshall Goldsmith, Richard Beckhard (1996), Jossey-Bass Publishers, San Francisco.

The Leader of the Future features numerous essays by lead executives, consultants and renowned authors on organizational development and change management. They share their vision, insights and ideas on, amongst others, how leaders emerge, how leadership roles fostering change are defined, how leaders can motivate their followers and how leaders can lead their organization into a sustainable future.

Leadership and Spirit. Breathing new Vitality and Energy into Individuals and Organizations.

Russ S. Moxley (2000), joint publication by Jossey-Bass Publications, San Francisco and Center for Creative Leadership, Greenboro.

Where individuals feel uninspired in their jobs, leaders are required to provide space for their followers to gain perspective, release their very individual strengths, commitment, creative and development potential. In his book, Moxley explains how leadership and spirit must and can be linked in order to foster committed and creative workforce. He underlines his explanations by analyzing prevalent leadership practices that cause the needed spirit in leadership to wither.

Spiral Dynamics. Mastering Values, Leadership, and Change.

Don Edward Beck and Christopher C. Cowan (1996), Blackwell Publishing, Malden, Oxford, Carlton.

Spiral Dynamics presents a framework for understanding the dynamic forces in human interaction, be it at work, education, personal lives or geopolitics. It is based on biopsychological system concepts and provides a toolkit for managing differences in people for more productive and sustainable organizations, communities and living together.

Global Leadership: Portraits of the Past, Visions of the future.

Editors: Michael Harvey and JoAnn Danelo Barbour (2009), The James MacGregor Burns Academy of Leadership, Maryland.

Global leadership contains numerous essays by different contributing authors on past and future leadership models, in different thematic and cultural contexts. The book is a volume in the International Leadership Association series “Building Leadership Bridges”.

Leadership is Global – Co-Creating a More Humane and Sustainable World

Editors: **Walter Link, Thais Corral and Mark Gerzon (2006), Global Leadership Network.**

Leadership is Global comprises of 21 essays on sustainability-oriented leadership. The focus lies on how to optimize cooperation between individuals, organizations and cultures and overcome conflict constructively. During many years, the authors have gained experience in the fields of governance, civil society empowerment, education and learning, economic development as well as cross-sector and cross-cultural partnerships. Based on their experiences, they share their view on how leadership can promote integration and sustainability in a globalised world.

The Dance of Change. The Challenges of Sustaining Momentum in Learning Organizations.

Peter Senge et al. (1999), Nicholas Brealey Publishing, London

The Dance of Change addresses managers and executives of every level and every sector. It outlines how leaders can cooperate to anticipate the challenges that profound, true organizational change and how to build needed personal and organizational capacities.

The Change Handbook

Peggy Holman, Tom Devane, Steven Cady and Associates, Berrett-Koehler Publishers (2007), San Francisco

This manual features profiles of more than sixty methods such a World Café, Appreciative Inquiry, Future Search, Six Sigma and many more. The different authors illustrate approach and application of each method and flesh out the theory with case studies. A comparative

chart provided assists in the selection of the appropriate method, additional chapters describe how to best mix, match and sustain results.

Primal Leadership. Realizing the Power of Emotional Intelligence.
Daniel Goleman, Richard Boyatzis, Annie McKee (2002), Harvard Business School Press, Boston.

A leader's emotions and attitude, as the authors argue, are contagious and have determining influence on energy and enthusiasm of their co-workers and thus on an organization's success or flounder. Showcasing the examples of different leaders, they illustrate how emotional intelligence in leadership leads to sustainable organizational and business results. Doing so, they highlight six leadership styles and methods (i.e. coaching, pacesetting) that leaders can employ to connect to their followers establishing better relationships and motivation at the workplace.

The Sustainability Champion's Guidebook. How to Transform your Company.
Bob Willard (2009), Ney society Publishers, Gabriola Island (British Colombia)

The Sustainability Champion's Guidebook is an easy to use manual presenting seven items helpful for enterprise leaders, such as change processes, sustainability practices, possible derailers and organizational change methods. Each item is broken down into seven implementation steps or seven methodological examples, making them easily applicable for practitioners.

Mind and Heart. Mapping your Personal Journey Towards Leadership for Sustainability.
Petra Künkel (2008), Books on Demand, Norderstedt.

Mind and Heart leads the reader to the aspects of leadership that need to form and emerge out of the very selves of us. Künkel delineates how leaders can use life and leadership experience to actively shape their contribution to sustainability - their personal leadership journey. Building on her own leadership journey and intensive conversations with 14 leaders from 8 different countries, she demonstrates how to develop one's own humanity as a gateway to leadership for sustainability.

The Art of Thinking Together: a pioneering approach to communicating in business and in life. William Isaacs, (1999), Crown Business, New York

Modern conversation is a lot like nuclear physics, argues William Isaacs. Lots of atoms zoom around, many of which just rush past each other. But others collide, creating friction. Even if our atomic conversations don't turn contentious, they often just serve to establish each participant's place in the cosmos. One guy shares a statistic he's privy to, another shares another fact, and on and on. Each person fires off a tidbit, pauses to reload while someone else talks, then fires off another. In *Dialogue and the Art of Thinking Together*, Isaacs explains how we can do better than that.

Theory U: Learning from the Future as It Emerges
Otto Scharmer (2009), Berrett-Koehler Publishers, San Francisco

In this ground-breaking book, C. Otto Scharmer invites us to see the world in new ways. What we pay attention to, and how we pay attention is the key to what we create. What often prevents us from 'being present' is what Scharmer calls our blind spot, the inner place from which each of us operates. Becoming aware of our blind spot is critical to bringing forth the profound systemic changes so needed in business and society today.

Selected online resources on (cross-sector) partnership initiatives and the partnership approach

The Partnering Initiative

➤ www.thepartneringinitiative.org

The *Partnering Initiative*, a program of the International Business Leaders Forum, promotes cross-sector partnerships in the field of sustainable development. The website furnishes an introduction into the benefits and risks of cross-sector partnerships and an overview of relevant definitions. Furthermore, a number of publications are available for download: tool books e.g. for the effective planning and implementation of partnerships or the role of partnership brokers, case studies about successes and challenges of various partnership initiatives: as well as background papers on different aspects of cross-sector partnerships. The publications are currently available in 13 languages.

The SEED Initiative

➤ www.seedinit.org

SEED is an initiative founded in 2002 by IUCN, UNEP and UNDP supporting cross-sector partnership initiatives in developing countries. *SEED* awards particularly promising partnerships and promotes them also financially. The website features learning material, tools, case studies, further links and publications on different thematic clusters. Additionally, practitioners can access the partnership cycle, a toolkit for planning partnership initiatives effectively and sustainably. These are accessible as online tools under

➤ www.entrepreneurstoolkit.org/index.php/Main_Page and

➤ www.empowering-partnerships.org/

Business Partners for Development

➤ www.bpd-waterandsanitation.org

The international cross-sector network *Business Partners for Development (BPD) Water and Sanitation* works for the improvement of the access to clean water and sanitation facilities in marginalized communities. The website suggests publications as well as links to project partners working specifically on water and waste water management, cross-sector partnerships and public-private partnerships. The handbook for dialogue with enterprises in the field of wastewater management available for download illustrates strategies and examples of sustainable wastewater management systems. The website is available in English, Spanish and French.

The Centre for Partnership Studies

➤ www.partnershipway.org

Based on a holistic partnership approach, the *Centre for Partnership Studies* conducts research, develops and teaches regarding the relationship between institutions, humans and nature. On their website, they offer methods for structuring institutions and interpersonal relationships with view to a sustainable dealing with nature. Numerous articles, audio- and video files are available in English and Spanish.

Selected websites on Stakeholder Dialogues

Democratic Dialogue Network

➤ www.democraticdialoguenetwork.org

The *Democratic Dialogue Network* is an initiative of the regional office for Latin America and the Caribbean of the United Nations Development Program (UNDP). It offers support to government and civil society actors in establishing Stakeholder Dialogues, democratic dialogues and capacity building measures. As a methodological tool, a handbook for the systematic establishment and implementation of Stakeholder Dialogues is available for download in French, English and Spanish. The entire Website is available in English and Spanish.

Collective Leadership Institute

➤ www.collectiveleadership.com

The *Collective Leadership Institute* (CLI) e.V. supports the design and result-oriented implementation of cross-sector partnerships and Stakeholder Dialogues. Alongside process-oriented research for the further development of the stakeholder approach the CLI offers competence development for the implementation of partnership processes for public, private and civil society as well as for organizations working in international development. The website, available in German and English, features publications on Stakeholder Dialogues for download.

www.StakeholderDialogues.net

StakeholderDialogues.net is a learning space that is directed towards practitioners from the private sector, the public sector, and civil society organizations. It conveys the methodology that empowers you to make stakeholder collaboration work, face global challenges, and secure your competitiveness while operating in a sustainable way. Unlike conventional approaches, StakeholderDialogues.net equips you with an integrated system that makes a difference and has a real impact on your multi-stakeholder environment. With StakeholderDialogues.net the CLI builds a global network for change by activating networks and fostering mutual support among change agents.

Global Knowledge Partnership

➤ www.globalknowledge.org

The multi-stakeholder network *Global Knowledge Partnership* concentrates on knowledge management and ICT for development. Main focus of their programs and activities is education, poverty reduction and resource mobilization. Numerous publications on Stakeholder Dialogues and case studies on i.e. partnership initiatives using digital technology are available on their site.

Synergos

➤ www.synergos.org

The *Synergos Institute* works on cross-sector cooperation with view to poverty reduction and social progress. Geographic focus of their work is the developing world. The Synergos website is furnished with many multimedia features such as videos, photo galleries. The online library is sorted according to countries and thematic areas. Additionally, a comprehensive selection of links leads to further thematically related organizations and programs.

AccountAbility

➤ www.accountability21.net

AccountAbility is a network of institutions of different sector collaborating to promote sustainability on global markets through responsible competition, good governance and cross-sector cooperation and Stakeholder Dialogues. The Accountability tools and concepts (i.e., the AA1000 Standard for Stakeholder Dialogues and sustainability) are accessible in up to 8 languages. The entire website is available in English, Spanish and Chinese.

Future Search

➤ www.futuresearch.net

The worldwide network *Future Search* offers information on the innovative planning tool of the same name, which brings together people of different institutions and sectors into a dialogue-oriented process. The approach has been tested in many countries and cultural contexts, case studies are available for download. On top of that there are reading suggestions and videos i.e. on a UNICEF project in South Sudan.

CONTACT

Collective Leadership Institute (CLI)

Contact Person: Patricia Scannapieco

Phone: +49 (0) 331 581 65 96-15

Email: [patricia.scannapieco\[at\]collectiveleadership.com](mailto:patricia.scannapieco@collectiveleadership.com)

Arab Countries Water Utilities Association (ACWUA)

Contact Person: Rami Salameh

Email: [Rami_Salameh\[at\]acwua.org](mailto:Rami_Salameh@acwua.org)

Arab Network for Environment & Development (RAED)

Contact Person: Essam Nada

Email: [E.Nada\[at\]aoye.org](mailto:E.Nada@aoye.org)

German Water Partnership (GWP)

Contact Person: Azmi Ghneim

Email: [Ghneim\[at\]germanwaterpartnership.de](mailto:Ghneim@germanwaterpartnership.de)



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German Water Partnership