

Understanding Company-Community Relations Toolkit



| | | |
|----------|---|-----------|
| | Foreword | 3 |
| | Introduction | 4 |
| 1 | Understand: what is community support? | 11 |
| | Introduction | 12 |
| | Indicators explained | 13 |
| | Contextual factors explained | 17 |
| 2 | Measure: what is the current level of community support? | 19 |
| | Introduction | 20 |
| | Community support assessment process | 20 |
| 3 | Assess and respond: why is the current level of community support as it is and how can it be improved? | 29 |
| | Analyse the results and propose actions | 30 |
| | Report back to stakeholders and explore and agree next steps | 33 |
| 4 | Planning: how do I plan for this process? | 35 |
| | Who should conduct the community support assessment? | 36 |
| | When should a community support assessment be conducted? | 36 |
| | How often should you conduct the assessment? | 37 |
| | Leveraging existing information and processes | 38 |
| 5 | Additional tool: how to identify and address internal organisational challenges | 39 |
| | How to undertake this assessment | 40 |
| | The assessment | 40 |
| | Common issues and suggested actions | 41 |
| 6 | Further information | 45 |
| | References | 46 |
| | Annex A: Questions for community support assessment | 47 |
| | Annex B: Community support indicators and contextual factors: sliding scale | 56 |
| | Annex C: Creating a data management template and summary table | 58 |
| | Annex D: Creating a spider diagram | 59 |
| | Annex E: Questions for internal stakeholders | 60 |
| | Annex F: Questions for assessment of internal organisational challenges | 67 |
| | Annex G: Sample approach to a third-party assessment | 69 |
| | Annex H: How was this document prepared? | 70 |
| | Acknowledgements | 74 |

Foreword

Responsible mining and metals companies recognise that the long-term success of their operations critically depends on building and maintaining positive relationships with communities. They recognise that ‘community support’ is a key factor in a ‘social licence to operate’, and yet a focus on the community has not always led to tangible improvements in company-community relationships.

ICMM’s Council of CEOs identified the problem as a priority for the organisation because, despite advances in stakeholder engagement and social performance over the past decade, companies were still not always achieving the objective of positive and resilient relationships with host communities. The *Understanding Company-Community Relations Toolkit* is a direct response.

One stark truth emerged quickly: there is little consensus or clarity on what community support means in practical terms – or how it can be measured. Perception surveys, for example, can provide a useful means of understanding the opinions and perspectives of community members or other stakeholders about a company, project, or an operation. But there was no guidance on the factors that can influence community support, or how these might be measured.

The Understanding Company-Community Relationships Toolkit seeks to address the gap by providing a structured approach for companies to understand the basis for community support and how to measure perceptions of support. This enables companies to identify the reasons why community support may be lacking and develop targeted approaches for improving company-community relationships.

A pilot version of the *Toolkit* was tested by two ICMM member companies (Barrick and Teck), providing valuable insights that helped to refine the *Toolkit*. We are indebted to both companies for their willingness to trial a ‘work in progress’. We hope that users will share their experiences in order to help others with an interest in deepening their understanding of community relationships.



Tom Butler
Chief Executive Officer, ICMM

Introduction

Why has ICMM produced this toolkit?

Building and maintaining positive relationships with local communities is vital to the success of mining and metals operations. While the need to achieve “community support” or gain a “social licence to operate” is widely appreciated and discussed in the mining industry, this has not always led to tangible improvements in community–company relationships. Despite advances in the management of stakeholder engagement and social performance over the past decade, the objective of achieving strong and healthy relationships between mining companies and host communities is often not realised. In some situations, relationships can be better described as conflictual.

Nonetheless, an emphasis on achieving community support is reflected in companies’ evolving community relations priorities. Mining companies around the world acknowledge that positive relationships with communities are critical to achieving business objectives. Ernst & Young’s annual report “Business Risks Facing Mining and Metals 2014–2015” ranked the need for a social licence to operate third on its list of top ten industry-wide challenges.¹ However, unlike many of the other challenges identified, such as access to water and energy, there is little consensus or clarity on what community support means in practical terms or how to measure it.

What is clear is that a company’s activities and behaviours vis-à-vis communities, and the context in which it operates, play a fundamental role in determining whether, and to what degree, local communities support a particular project or operation and the quality of that relationship.

Within this context, the International Council on Mining and Metals (ICMM) has developed this toolkit to:

- help companies understand the factors that influence community support and measure the level of community support at a particular project or operation
- provide a tool to visualise the levels of community support that different stakeholders or stakeholder groups have for a project or operation
- offer practical guidance on how this tool can be used to monitor and strengthen community support and, ultimately, community–company relationships.

THE TOOLKIT PROVIDES A WAY FOR COMPANIES TO ORGANISE HOW THEY APPROACH COMMUNITY RELATIONS WHILE DRAWING ON EXISTING TOOLS AND PROCESSES. IT CAN HELP IDENTIFY WAYS TO CHANGE EXISTING STRATEGIES WHERE NECESSARY.

While the toolkit is designed to help companies understand the nature of their relationships with communities – irrespective of whether these are supportive or otherwise – ultimately the emphasis is on helping companies achieve relationships that are supportive. For this reason, the term “community support” features prominently throughout the toolkit.

Who is the target audience?

The target audience for this toolkit is, first and foremost, those directly involved in the management of site-level social performance in the mining industry. Managers and corporate teams interested in understanding and improving their companies’ relationships with communities will also find the toolkit useful. Additionally, it will provide insight for those seeking to improve relationships with mining companies, such as non-governmental and community-based organisations.

¹ Ernst & Young 2014.

What is addressed in this toolkit?

The toolkit is divided into the following sections:

Section 1

Understand: what is community support?

This describes the elements that characterise community support and the external factors that influence it.

Section 2

Measure: what is the current level of community support?

This describes the process for assessing community support.

Section 3

Assess and respond: why is the current level of community support as it is and how can it be improved?

This describes how to use the results of the assessment to determine where to focus efforts to strengthen community–company relationships and how to explore and agree next steps with communities.

Section 4

Planning: how do I plan for this process?

This answers practical questions about planning for the assessment, how it links to existing processes and how to leverage existing information.

Section 5

Additional tool: how to identify and address internal organisational challenges.

This describes how to explore organisational issues that pose challenges to building and maintaining strong community–company relationships.

The application of the toolkit is intended to help companies understand the factors that have an influence on community support and how to go about measuring the extent to which these factors are present or absent at a particular operation, among different groups of stakeholders (see Section 1). This includes factors over which companies have a relatively high level of influence that are strongly affected by the relationship between the company and its communities (referred to as “indicators” of support) and others over which the company may have limited influence and relate to the operating environment (referred to as “contextual factors”).

For each of the seven factors, the application of the toolkit will provide a numeric measure at a particular point in time on a scale of -2 to +2 (see Section 2). The range of possible scores for each factor is indicative of very weak levels of community support at one extreme, to high levels of support at the other end of the spectrum.

These measures are relative and subjective rather than absolute and objective – that is the reality of perceptions measurement. For this reason, it is very important that the scores across the seven factors are not averaged to give an overall measure of support at a project or operation. Similarly, companies should exercise caution in comparing scores between projects or operations in different geographies.

The intention in applying the toolkit is not to reduce the measure of community support to a number. Instead, it is to gain insight into the levels of community support, based on community perceptions of the company and the context within which it operates. This provides a basis for a reflective look at how levels of community support may be improved. This might involve exploring the results and suggested follow-up actions with host communities (see Section 3), and/or an internal assessment of organisational challenges in the management of community relationships (see Section 5).

THE INTENTION IN APPLYING THE TOOLKIT IS NOT TO REDUCE THE MEASURE OF COMMUNITY SUPPORT TO A NUMBER. INSTEAD, IT IS TO GAIN INSIGHT INTO THE LEVELS OF COMMUNITY SUPPORT, BASED ON COMMUNITY PERCEPTIONS OF THE COMPANY AND THE CONTEXT WITHIN WHICH IT OPERATES.

What is not addressed in this toolkit?

Companies adopt a range of policy provisions related to the social aspects of their interactions with host communities. As part of the process of seeking project approvals, companies often invest heavily in environmental and social impact assessment (ESIA) that identifies and proposes measures to address issues of concern to host communities. Social and environmental performance expectations are often reflected in internal management systems, processes or procedures. In some cases, centralised audit, assurance or peer review processes are instituted to further support and reinforce operational implementation.

There are a range of tools and guidance from organisations like ICMM and the International Finance Corporation (IFC) in the public domain that provide advice to companies on enhancing stakeholder engagement, respecting human rights, engaging in strategic community development while aligning with and building capacity within local government, and implementing effective grievance mechanisms. These guidance documents also address how to develop mutually beneficial relationships with host communities (indigenous or otherwise) and more generally on how companies can achieve and retain their social licence to operate.

This toolkit does not attempt to cover any of the ground already covered by these existing guidance documents or processes. Instead, the focus is on understanding the levels of community support that different stakeholders or stakeholder groups have for a project or operation at a given point in time. Where support may be at a low level, it provides guidance on how this might be improved. This might include taking a reflective look at the extent to which existing systems or processes for achieving community support are fit for purpose.

It is important to emphasise that there is no silver bullet to obtaining or sustaining community support. In addition to the approach outlined in the toolkit, companies also need to deploy a range of measures to effectively “take the pulse” of community–company relationships on an ongoing basis. This includes sustained consultation and engagement, effective mechanisms for addressing complaints and grievances, community incident management systems and monitoring of socioeconomic change over time (relative to initial ESIA data sets and analysis).

Links to other ICMM guidance

While several ICMM guidance documents can help companies to achieve community support, ICMM’s 2015 Stakeholder Research Toolkit (www.icmm.com/document/8516) is especially relevant. This was developed to provide guidance for companies on how to measure and monitor their reputation among all stakeholder groups, including local communities. It provides a methodology for companies to work collaboratively with stakeholders to understand the key drivers of reputation. This enables companies to incorporate and understand the perspectives of stakeholders regarding the performance of a mining company and the wider industry. It provides clear instructions on how to develop and apply meaningful survey methods for use with stakeholders, which includes a set of common metrics to support the measurement and monitoring of reputation over time at local, national and global scales.

A few tips

Before you apply the toolkit, note the following:

- Be sure you have the time and resources required before committing to implementing the toolkit. Measuring community support takes time, as does determining where to focus your efforts to strengthen community–company relationships.
- The toolkit is not meant to replace existing systems or procedures. It is better to integrate it into your current approach to social management and leverage existing procedures and information.
- Getting buy-in from company and site management should be your first priority if you are considering conducting a community support assessment. Key decision-makers need to understand what information the assessment will produce and how that information can inform decisions. It is important that key decision-makers be committed to following through with any actions that result from the assessment.
- The application of the toolkit is most likely to yield optimal benefits for the company if it is approached as a relationship-building rather than an administrative exercise.

Summary of the overall process outlined in the toolkit

The overall flow of the activities in this toolkit is shown in Figure 1 (which covers Part 2 and 3 of the toolkit) and briefly summarised below. Each step is described in greater detail in the toolkit, but should be adjusted as necessary to complement and leverage your site's existing processes (eg perceptions surveys, engagement planning activities, etc).

STEP 1

Define the objectives of the assessment

First, define why you are undertaking the assessment. Identify what information you seek to gain from the assessment, what decisions it will help you take, what issues you hope it will help you understand and address, etc. This can be done in a short working session between the assessment team, the community relations team and site management.

STEP 2

Select external stakeholders

Next, determine which external stakeholders you want to involve in the assessment. This will be determined by the objectives you define for the assessment in Step 1. Consider undertaking Steps 1 and 2 in the same working session.

DECIDE IF YOU WILL CONDUCT THE ASSESSMENT THROUGH INDIVIDUAL INTERVIEWS, FOCUS GROUPS, AN ONLINE SURVEY OR ANOTHER MECHANISM. YOU MAY WISH TO ASK COMMUNITIES WHICH THEY PREFER. SUBSEQUENTLY, SELECT THE QUESTIONS YOU WILL USE AND MODIFY THEM AS NECESSARY FOR THE SPECIFIC STAKEHOLDERS.

STEP 3

Refine and implement the assessment

Decide if you will conduct the assessment through individual interviews, focus groups, an online survey or another mechanism. You may wish to ask communities which they prefer. Subsequently, select the questions you will use and modify them as necessary for the specific stakeholders. Identify existing processes (eg annual perception surveys, community meetings, etc) and information (eg social risk analysis results, baseline studies, etc) that you will use for the assessment. Prepare a schedule and work plan for implementing the assessment.

Up to this point, most of the work will be desk-based. Now you will go out and interview (or survey) stakeholders. The questions you will ask them are designed to help you understand stakeholder opinions about their relationship with the company. A list of possible questions is included in Annex A.

Additional resources for Step 3

These are referenced in Section 2 of the toolkit.

Annexes you will use for Step 3

Annex A.

STEP 4

Manage and process the data

Once you have completed the interviews or surveys, record the responses in an Excel spreadsheet or similar software, which will allow you to easily manage and process the data.

Annexes you will use for Step 4

Annex C.

STEP 5

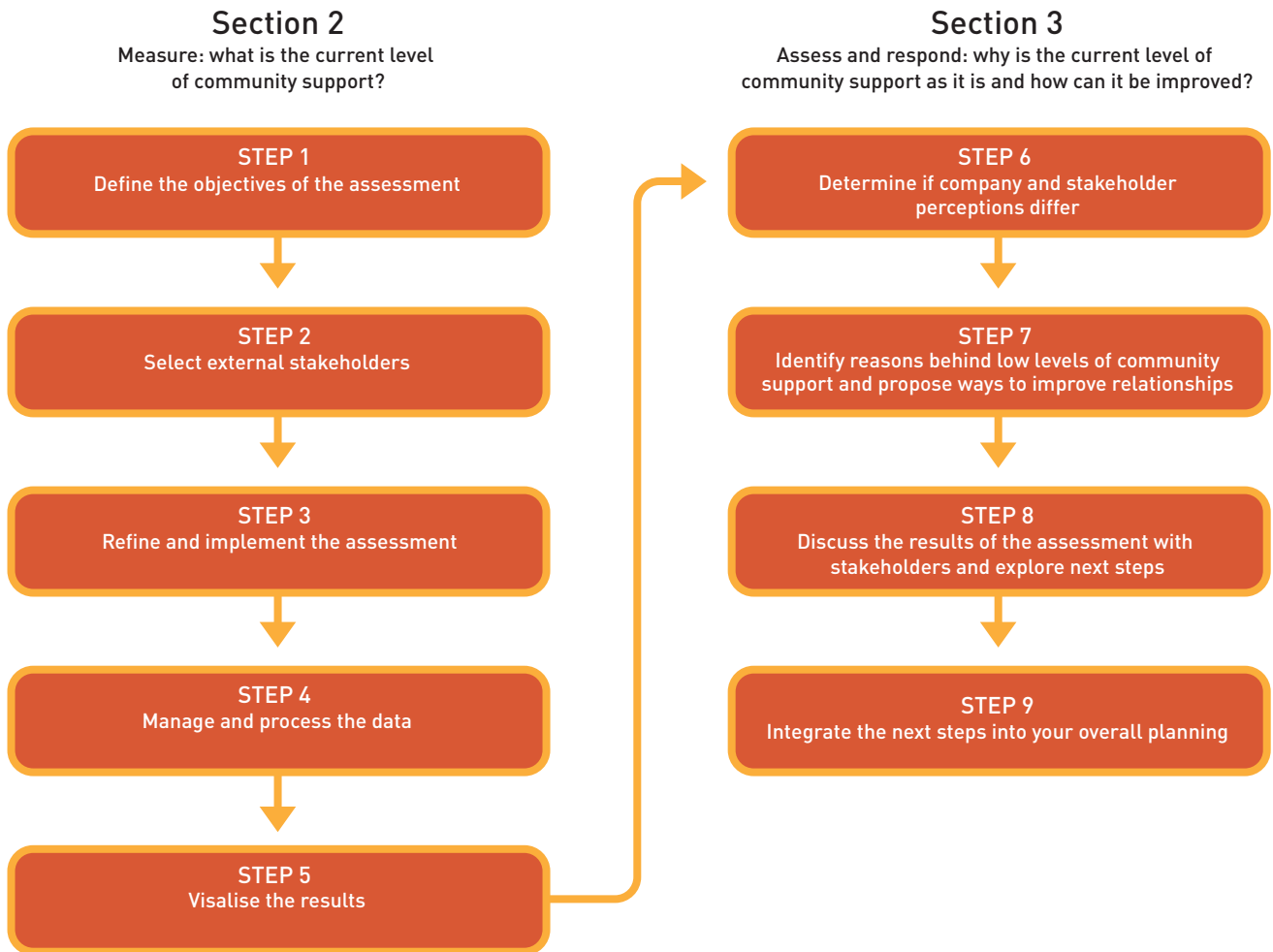
Visualise the results

Next, you take the data from the Excel spreadsheet in Step 4 and translate them into a visual summary of perceptions of the quality of community-company relationships. This will make it easier to understand, analyse and compare results. Steps 4 and 5 can be done immediately following each other as part of the same process.

Annexes you will use for Step 5

Annex D.

Figure 1: Toolkit process



STEP 6**Determine if company and stakeholder perceptions differ**

In this step you ask the company representatives the same questions you asked community stakeholders. The purpose is to understand what the company thinks stakeholders feel about the quality of community–company relationships and, through this, identify any important differences in stakeholder and company perceptions. This will identify any gaps in perceptions of the extent of community support between the company and its community stakeholders, which can provide you with valuable insights into the state of the company’s relationship with stakeholders.

This step can be undertaken in a working group session. Participants should include those who are responsible for designing and implementing approaches to community relations as well as others who interact with stakeholders. This may include site management, community relations, security, procurement, legal or others.

Annexes you will use for Step 6

Annex E (Annexes C and D optional)

STEP 7**Identify reasons behind low levels of community support and propose ways to improve relationships**

Now use the data gathered in Steps 3 and 6 to try to identify and understand the reasons behind low levels of community support. Based on this, propose ways to improve community–company relationships.

This step can be undertaken in a small working group format with members of the assessment team and – if the team was external to the community relations team – members of the community relations team, as well as other internal teams who can provide useful information on external stakeholders. While the interview process – and the opportunity it affords for follow-up questions – should provide important insights, in some instances structured root cause analysis may be required to fully and more objectively understand the reasons for low levels of support and provide important insights.

Additional tool: how to identify and address internal organisational challenges

This is an optional step that may only be necessary if the analyses conducted in Steps 6 and 7 suggest:

- there are significant differences between community and company perceptions that may result from organisational issues within the company or
- organisational issues may be negatively affecting community–company relationships.

If you conduct this assessment, it should be carried out by a team other than the community relations team (or whichever team is responsible for community–company interactions) to ensure objectivity. The assessment can be undertaken through individual interviews or in small focus group discussions with site staff. Regardless of how the assessment is carried out, remember that its goal is to identify areas where the organisation has challenges – it is not meant to question individual staff abilities or their commitment to their jobs.

Once any organisational challenges have been identified, the assessment team should work with the site management to develop a plan to address them. It will not always be possible to resolve these challenges immediately – especially if they relate to staffing or financial resources. Nonetheless, it is important to identify them so you can bear them in mind as you devise strategies and make commitments with stakeholders aimed at strengthening community–company relations.

If you decide to implement this additional assessment, it is wise to do so before beginning to develop proposed actions under Step 7. Once you have conducted this analysis, you can return to Step 7, propose actions that take organisational challenges into consideration and continue with the overall toolkit process.

Annexes you will use for this step

Annex F.

IN THIS STEP YOU ASK THE COMPANY REPRESENTATIVES THE SAME QUESTIONS YOU ASKED COMMUNITY STAKEHOLDERS. THE PURPOSE IS TO UNDERSTAND WHAT THE COMPANY THINKS STAKEHOLDERS FEEL ABOUT THE QUALITY OF COMMUNITY–COMPANY RELATIONSHIPS AND, THROUGH THIS, IDENTIFY ANY IMPORTANT DIFFERENCES IN STAKEHOLDER AND COMPANY PERCEPTIONS.

STEP 8

Discuss the results of the assessment with stakeholders and explore next steps

Once you have finished analysing the information gathered in all the previous steps and developed a set of proposed actions that have internal support, it is critically important to test this information with stakeholders. This will include discussing the results of the community support assessment with them and getting their feedback and input on this. It will also include exploring proposed actions, how these might be implemented and whether these are perceived as having value by stakeholders.

Stakeholders will almost certainly have information that can help resolve any questions about assessment results such as apparent contradictions or even perspectives you identified but were unable to understand the reasons behind. More importantly, this step is meant to allow you and stakeholders to develop a path forward together so that the relationship-building (or strengthening) process is a joint effort and the actions you take to get there are identified, supported and undertaken jointly. However, different stakeholder groups may provide diverse and contradictory comments. In such circumstances, you should clearly communicate that conflicting perspectives exist and that you may not be able to incorporate all recommendations into the path forward.

This step will involve meetings between the company and stakeholders. The specific forums and frequency of these meetings should be determined together with stakeholders.

STEP 9

Integrate the next steps into your overall planning

Next, you should integrate the actions identified in Step 8 into your overall planning for community relations. This will ensure that they are followed through and are co-ordinated with existing planning processes and engagement activities.

STAKEHOLDERS WILL ALMOST CERTAINLY HAVE INFORMATION THAT CAN HELP RESOLVE ANY QUESTIONS ABOUT ASSESSMENT RESULTS SUCH AS APPARENT CONTRADICTIONS OR EVEN PERSPECTIVES YOU IDENTIFIED BUT WERE UNABLE TO UNDERSTAND THE REASONS BEHIND.



Understand: what is
community support?

1

Understand: what is community support?

Introduction

Section 1 of this toolkit provides a detailed framework for understanding and measuring community support.² Community support can be understood as a positive reflection of four factors, or indicators, that reflect the quality of the relationships between a company and its host community. These four indicators overlap to a certain degree and influence one another, and as such, they must be evaluated together. These are:

- legitimacy
- compatibility of interests
- respect
- trust.

Furthermore, these four indicators must be understood in the contexts within which they exist. These are the contextual factors that influence community support and, ultimately, community–company relationships. They are:

- sociopolitical and governance context
- reputational context
- equity and social capital considerations.

The four indicators are designed to measure the quality of the relationships between a company and its host community, which to a significant extent can be influenced by the behaviours, practices and engagement strategies of the company. The three contextual factors are the key external factors that influence these relationships – but which are largely outside the control of the company. Notwithstanding the limits to a company’s ability to control these factors, they are important to understand as they can profoundly influence community–company relationships (for better or worse).

These indicators and contextual factors are designed to capture the key variables that affect community support and to represent them in a way that can be easily understood and disaggregated when necessary. This, in turn, will allow you to identify specific actions aimed at strengthening community–company relationships.

Each of the indicators and contextual factors is described in detail below.

THESE INDICATORS AND CONTEXTUAL FACTORS ARE DESIGNED TO CAPTURE THE KEY VARIABLES THAT AFFECT COMMUNITY SUPPORT AND TO REPRESENT THEM IN A WAY THAT CAN BE EASILY UNDERSTOOD AND DISAGGREGATED WHEN NECESSARY. THIS, IN TURN, WILL ALLOW YOU TO IDENTIFY SPECIFIC ACTIONS AIMED AT STRENGTHENING COMMUNITY–COMPANY RELATIONSHIPS.

² See Annex H for information on how this framework was developed.

Indicators explained

Legitimacy

Key elements:

- Legal authorisations
- Alignment with societal expectations
- Individual acceptance

Achieving legitimacy is the starting point required for any project or operation to obtain the support of stakeholders. Legitimacy here refers to a combination of formal and informal approvals, that is legal authorisations and societal and individual acceptance,³ that allow a company to develop a mine. As with all of the indicators of community support, legitimacy exists on a continuum, in this case ranging from wholly illegitimate to wholly legitimate (in the eyes of stakeholders).

Legal legitimacy

With regard to legal permission, in order to develop a mine, a company must obtain a number of permits, including a concession agreement, an environmental permit and others. Sometimes it must also meet requirements such as signing an impact and benefit agreement with indigenous communities. Obtaining these permits and complying with these requirements is the first step towards achieving legitimacy.

Societal legitimacy

Legitimacy in terms of societal expectations may be quite different. This type of legitimacy is achieved when company activities and community expectations are aligned. For example, communities may expect benefit sharing, even if legislation or permits do not require it. Or communities may expect that the company minimises impacts to intangible cultural heritage, even where this is not required by national regulations. Where the legal framework does not align with community expectations, companies may need to go beyond this framework in order to achieve legitimacy in the eyes of communities.

Conversely, some legal requirements may pose challenges to achieving this type of legitimacy. For example, concession agreements may require companies to report to authorities any artisanal miners working on their properties. But doing so could undermine a company's legitimacy in the eyes of communities.

SOCIETAL LEGITIMACY IS ACHIEVED WHEN COMPANY ACTIVITIES AND COMMUNITY EXPECTATIONS ARE ALIGNED. FOR EXAMPLE, COMMUNITIES MAY EXPECT BENEFIT SHARING, EVEN IF LEGISLATION OR PERMITS DO NOT REQUIRE IT. OR COMMUNITIES MAY EXPECT THAT THE COMPANY MINIMISES IMPACTS TO INTANGIBLE CULTURAL HERITAGE, EVEN WHERE THIS IS NOT REQUIRED BY NATIONAL REGULATIONS.

Individual legitimacy

The third type of legitimacy, individual legitimacy, is also essential to strong community–company relationships. Individual legitimacy stems from the actions and reputations of individuals working with the mining company, including contractors and consultants. An easy way to think of this is to consider whether the person or people in question are perceived to act with integrity and comply with laws.

³ These basic requirements for legal, societal, and individual legitimacy are based on corporate social performance theory (Carroll and Shabana 2010; Wood 1991, 2010).

Compatibility of interests

Key elements:

- Interests are aligned or complementary and are not mutually exclusive
 - Interactions are seen as win-win
-

At a basic level, positive relationships depend on a certain level of compatibility between company and community interests. Compatibility in this regard means anything from full alignment of interests to differing but complementary ones that can coexist. Where interests are not compatible, the parties may focus on preventing their counterparts from achieving their interests rather than working to seek mutually beneficial solutions to challenges.

While communities and mining companies generally have quite different interests, this does not mean that they cannot be compatible or, at a minimum, accommodate each other. For communities to have a shared interest in a site's success, they must believe that this success will benefit them in a way that serves as a counterbalance to the costs to them of project development. Similarly, for a company to have a shared stake in achieving a community's interests, it must believe that doing so will not prevent it from meeting its own goals.

RATHER THAN A COMPANY SIMPLY DECIDING ON AND INFORMING COMMUNITIES OF A PROPOSED ACTION, RESPECTFUL RELATIONSHIPS WILL MORE OFTEN MAKE SPACE FOR PARTICIPATION IN PROBLEM SOLVING.

Respect

Key elements:

- Interpersonal dynamics
 - Cultural boundaries and practices
 - Information sharing
 - Joint problem solving and decision-making
-

Mutual respect is a defining characteristic of the types of community–company relationships in which community support exists. This includes respect at the individual level (ie specific people) and at the group level (ie company or community). In this context, respect is not just a feeling; it has an important behavioural component – when we respect someone, we treat that person in a specific way, refraining from certain behaviours vis-à-vis him or her.⁴

Respect can be shown easily on an interpersonal level. Actions as simple as introducing oneself, expressing genuine concern for the interests and well-being of others and doing what we say we will do demonstrate respect in ways that can have a lasting impact. But be aware of differing cultural understandings of how respect should be expressed, including cultural customs and boundaries.

In terms of broader community–company interactions, respect can be demonstrated through sharing timely and accessible information and undertaking joint approaches to problem solving and decision-making. For example, rather than a company simply deciding on and informing communities of a proposed action, respectful relationships will more often make space for participation in problem solving. In this way, companies show that they respect stakeholders' needs to play active roles in decisions that affect them. Both parties are willing to engage in participatory decision-making, not because they are confident that their preferred decision will be reached, but because the quality of the relationship obliges their involvement.

⁴ Dillon 2014.

Trust

Key elements:

- Truthfulness
 - Credibility
 - Transparency
 - Alignment between expectations and capacity
-

“Trust is the expectation that arises within a community of regular, honest, and cooperative behavior, based on commonly shared norms, on the part of other members of that community.”⁵

In the context of this toolkit, the “community” referred to in this quote comprises communities and the company together. Trust within this “community” is two-sided – it involves the attitudes and behaviours of stakeholders and the company. It requires that they regard each other as trustworthy and that each party believes that the other will act in a manner worthy of trust now and in the future.

Communities that express trust do more than simply depend on a company’s legally mandated commitments; a community manifests trust by acting on the expectation that a company will act in a trustworthy way. Trustworthiness is demonstrated by truthfulness, credibility and transparency.

Trusting relationships facilitate – and are facilitated by – a high degree of communication, understanding, collaboration and a belief in the possibility of mutual benefit, all of which are fundamental to building strong community–company relationships.

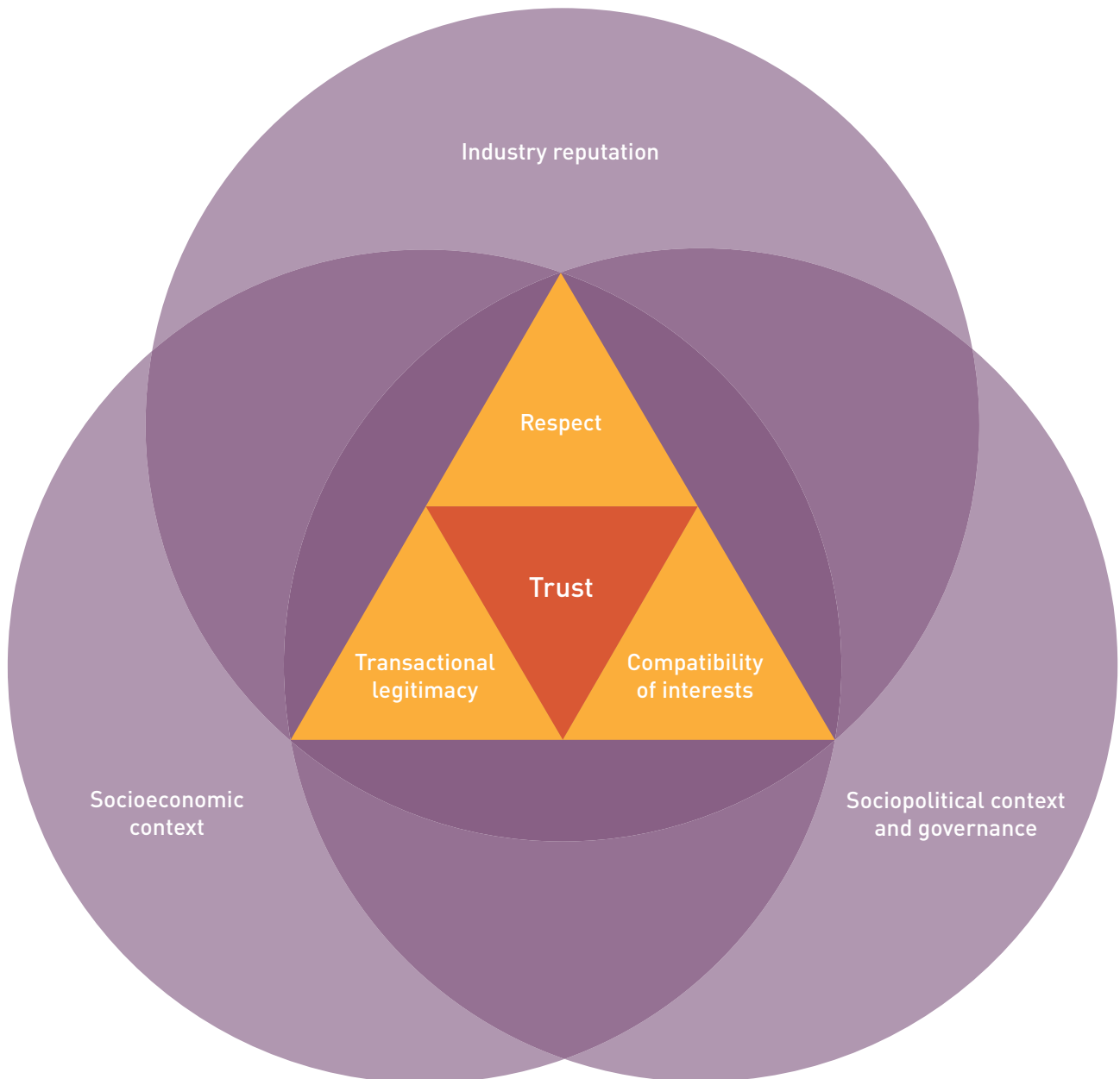
Furthermore, in order for trust to be built and maintained, there must be alignment between the counterparts’ expectations of and beliefs in each other’s capacities to make commitments and meet them and their actual capacity to do so. For example, a community may be correct to trust that a company will hire local people, but may be incorrect to assume that there are unlimited opportunities for local workers or that the opportunities will align with the skills of these workers. In this sense, trust is built when both sides are realistic in their expectations, reliable in meeting their commitments and proactive in clarifying their respective capacity and responsibility to meet potential expectations placed upon them.

IN ORDER FOR TRUST TO BE BUILT AND MAINTAINED, THERE MUST BE ALIGNMENT BETWEEN THE COUNTERPARTS’ EXPECTATIONS OF AND BELIEFS IN EACH OTHER’S CAPACITIES TO MAKE COMMITMENTS AND MEET THEM AND THEIR ACTUAL CAPACITY TO DO SO.

⁵ Fukuyama 1996, p. 26.

Understand: what is community support? *continued*

Figure 2: Indicators of community support and contextual factors



Contextual factors explained

Many factors that influence community–company relationships are outside the direct control of a single company or stakeholder. In some cases the company may be in a position to influence these factors (eg through hiring outside experts to strengthen stakeholders’ negotiation skills or through participating in national-level organisations that work with government to define standards for industry regulation) while in other cases it will not. The key external factors are:

- sociopolitical and governance context
- reputational context (of the broader industry)
- equity and social capital considerations.

While these factors are beyond the control of any single party, they are critical to understanding community–company relationships since they help define the environment in which those relationships take place. The context is a critical piece of the puzzle that needs to be taken into account to understand the overall picture of community support.

These three contextual factors are explained on the following pages.

THE CONTEXT IS A CRITICAL PIECE OF THE PUZZLE THAT NEEDS TO BE TAKEN INTO ACCOUNT TO UNDERSTAND THE OVERALL PICTURE OF COMMUNITY SUPPORT.

Sociopolitical and governance context

Key elements:

- Government legitimacy and capacity
- Legitimacy and accountability of political processes

Good governance for the mining sector includes, at a minimum, a clear and reputable legal framework combined with the institutional capacity to execute that framework in an accountable and reliable manner. Credible and effective governance creates an atmosphere that is conducive to healthy community–company relationships by establishing parameters of legitimate action for all stakeholders (eg companies must share environmental and social impact assessments with stakeholders during the authorities’ review process). Ideally, good governance creates an operating environment in which mining companies abide by a set of fair and well-defined rules and, if they comply, are better protected from accusations of non-compliance.

Similarly, governments with strong institutional capacity that are accountable through the political process are more likely to facilitate or require transparency in community–company interactions. This type of external context, while not guaranteeing that a particular project will be popular, is more conducive to the development of dialogue and strong relationships.

Conversely, governance and political frameworks that lack credibility, effectiveness and accountability, with weak institutional capacity, tend to inhibit healthy community–company relationships by:

- increasing the pressure on companies to respond to stakeholder expectations and demands, including when government fails to provide infrastructure and services
- resulting in less openness and information sharing between all parties – government, companies and communities alike – which undermines opportunities for building trust and respect.

The sociopolitical and governance context can affect community support in others ways. For example:

- Companies that conform to illegitimate or contested governance frameworks risk association with government actors who may not be respected by communities.
- The obligation to comply with certain legal requirements can challenge the development of healthy community–company relationships, such as, for example, where community consultation by a company is expressly forbidden.

Reputational context

Key elements:

- Mining industry legacy and current reputation
 - Company-specific reputation from other operating contexts
-

This contextual factor is not about the reputation of a specific project or operation with local communities. However, stakeholders' receptiveness to a mining project or company is often influenced by their experiences – direct or indirect – with the broader mining industry, or prior experiences with or knowledge of your company in other operating contexts. Thus, it is important to understand the industry's reputation and the challenges it may pose to building relationships with stakeholders so that these can be addressed proactively.

Legacy issues resulting from the negative reputations of other companies generally pose the greatest challenges during the early phases of a mining project or, for assets acquired from other companies, shortly after acquisition. At these points a company has yet to demonstrate that it deserves stakeholder support, and stakeholders' experiences with other companies colour the way they view a new company or project. Where mining has a negative reputation, companies must overcome this legacy as they work to establish positive relationships. The degree to which this affects any particular site will depend on a number of factors, including how quickly and effectively the company differentiates itself from the practices of companies regarded less positively by stakeholders.

Conversely, where the mining sector is viewed favourably, communities may be more receptive to the arrival of a new company or project. Such an environment makes it easier for community-company relationships to develop and, if properly managed, to flourish.

Equity and social capital considerations

How stakeholders perceive the obligations and entitlements they have vis-à-vis other stakeholders and the roles they play in society can influence their relationships with mining companies. As a result, these concepts – equity and social capital – are important factors to consider when trying to understand levels of community support.

Equity is fundamentally a matter of fairness. It is influenced by whether communities feel they are more or less impacted by a mine than their neighbours and/or whether they feel they benefit more or less from the presence of a mine than their neighbours.

Stakeholders' perceptions of the costs and benefits of mining – and how these costs and benefits are distributed – influence how they interact with the company and with other stakeholders. Since equity relates to the comparative distribution of resources, it is relevant in nearly every context. Stakeholders' perspectives on equity and how it is (or could be) affected by a mine can strongly influence levels of community support.

Social capital – “the institutions, relationships, and norms that shape the quality and quantity of a society's social interactions”⁶ – also plays an important role in community-company relationships. Social capital “refers to connections among individuals – social networks and the norms of reciprocity and trustworthiness that arise from them”⁷ where the reciprocal nature of the social relations is a defining characteristic.

People and societies with greater social capital are generally more willing and better placed to interact effectively with outside organisations. Where communities have established social networks – for example, formal or informal community organisations – they are more likely to engage with mining companies. This engagement can have a variety of different objectives, from learning about a project to participating in its benefits to opposing a mine. On the other hand, stakeholders with limited social capital are less likely to participate in these ways or to engage mining companies or other external players proactively.

⁶ World Bank 2011.

⁷ Putnam 2000, 19.



Measure: what is the
current level of
community support?

2

Measure: what is the current level of community support?

Introduction

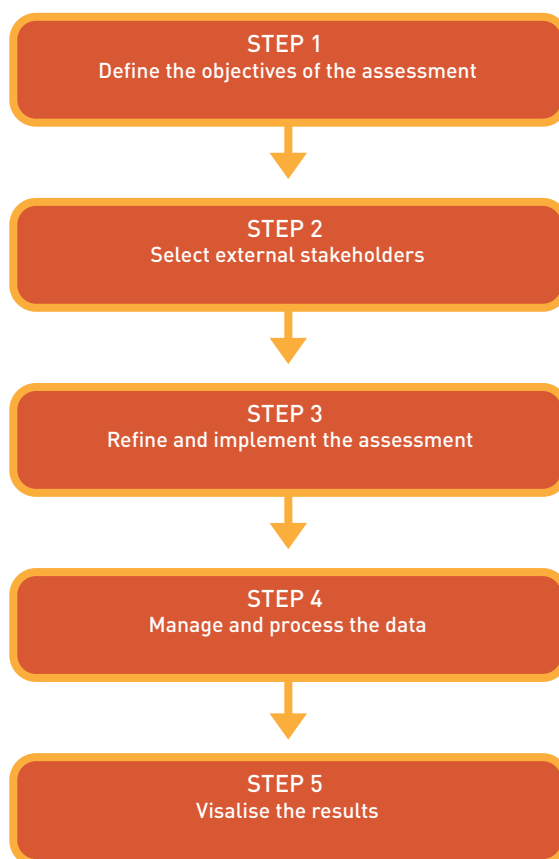
In Section 1 we discussed what community support looks like as well as the factors that influence it. Section 2 provides a methodology for assessing community support and describes how to use the results to create visual summaries of the quality of community–company relationships. This methodology may need to be adapted to meet the particular needs of your site. Adjust the process described here as necessary to fit with your existing processes and to be appropriate for stakeholders. Where you do make such adjustments, ensure that the assessment questions remain focused on understanding the key elements of each of the indicators and contextual factors (as described in the text boxes in Sections 1.2 and 1.3).

THIS METHODOLOGY MAY NEED TO BE ADAPTED TO MEET THE PARTICULAR NEEDS OF YOUR SITE. ADJUST THE PROCESS DESCRIBED HERE AS NECESSARY TO FIT WITH YOUR EXISTING PROCESSES AND TO BE APPROPRIATE FOR STAKEHOLDERS. WHERE YOU DO MAKE SUCH ADJUSTMENTS, ENSURE THAT THE ASSESSMENT QUESTIONS REMAIN FOCUSED ON UNDERSTANDING THE KEY ELEMENTS OF EACH OF THE INDICATORS AND CONTEXTUAL FACTORS.

Community support assessment process

The assessment process shown in Figure 3 is applicable throughout the project life cycle. This process includes data gathering directly with external stakeholders. If a corporate, consulting or other external team is helping you implement the assessments, ensure it understands the stakeholders and the site's context prior to beginning the assessment. You can do this by providing it with the site's stakeholder map, social risk analysis results, social context or baseline studies, social and health impact assessment, grievance mechanism reports and other similar information.

Figure 3: Community support assessment process (Steps 1-5)



STEP 1 Define the objectives of the assessment

The general objectives of the assessment are to:

- understand the levels of community support for your project or operation
- understand why levels of support are high or low so that targeted efforts can be made to strengthen community-company relationships.

However, each site will have specific motivations for conducting the assessment. These may stem from a need to improve relationships with certain stakeholders or certain subsets of stakeholder groups (eg where a site knows its relationships are strong with indigenous leaders but weak with indigenous community members), or they may stem from a desire to identify the factors affecting community-company relationships to ensure they are appropriately managed (eg when a company has recently begun to engage and does not yet have a good sense of levels of community support).

As you define objectives (Step 1) and select stakeholders (Step 2), bear in mind that the more stakeholders you involve, the more effort will be required to gather and analyse the information and to report back to stakeholders. Ensure you have sufficient time and human and financial resources for this.

Clearly identifying the motivations for the assessment and how you intend to use its results will help the implementation team adapt the assessment methodology to fit the specific context and needs of the site. It will also help determine which stakeholders to involve in the assessment.

Important tips

- Have you outlined a schedule, including a realistic timeline for applying the toolkit?
- Have you identified the human resources required (including the number of internal v external staff, the functions that will be participating in the application and the level, ie site and/or corporate)?
- Have you been realistic in the level of effort required and the available human resources (this will be impacted by the life cycle of the mine, whether you are downsizing or expanding, what the likelihood of staff turnover is, etc)?

Further information on planning for the process is available in Section 4.

STEP 2 Select external stakeholders

Once the objectives of the assessment have been established, determine which stakeholders or stakeholder groups to include in the assessment. If the site has an existing stakeholder register and stakeholder map, use these to inform your selection process – having a full list of stakeholders as well as an understanding of their levels of influence over the site, and the site's impacts on them, will help you determine where to focus your efforts.

When selecting stakeholders to involve in the assessment, keep in mind the following:

- Be careful not to overlook vulnerable groups or to focus on vocal stakeholders at the expense of those who are less vocal or engaged.
- Make special efforts to involve external stakeholder groups with whom you do not have strong relationships.
- While being careful not to disrespect community organisational structures, work to involve all levels of the community in the process.
- Do not focus exclusively on community leaders or specific demographic groups (ie men or the working-age population) while failing to speak to the broader community. The exception is where your motivations for doing the assessment are aimed specifically at understanding levels of support from these stakeholders.
- Include local workers and contractors.

While this may sound like a lot of work, you are likely to be doing some or much of this as part of your stakeholder engagement and consultation work or your social and environmental impact and risk management processes.⁸ By leveraging existing or planned activities (eg perception surveys), you may not need to do a great deal of additional work to gather this information in a more structured manner that yields important insights. However, the analysis of the data will take dedicated effort.

Decide whether the goal of the assessment is to determine a composite level of community support across similar stakeholder groups (eg indigenous communities, community enterprises, etc), or whether the assessment will differentiate between the perspectives of multiple stakeholder groups. While a composite assessment can provide useful information, it may lack the nuance necessary to develop specific engagement approaches for individual stakeholder groups.

⁸ For guidance on stakeholder identification and analysis, see ICMM 2012 and IFC 2007.

Measure: what is the current level of community support? *continued*

Regardless of which approach you choose, it is important to carefully identify each group and subgroup that you wish to understand. And where you group stakeholders together, this needs to be based on clearly defined criteria. Once you have identified your stakeholders, the next step is to refine and implement the assessment.

Important tips

- Have you identified the existing resources that will help you with this step (including stakeholder mapping exercises, information from your grievance mechanisms, etc)?
- Have you defined who and how you will be consulting with stakeholders (eg through meetings with leaders, interviews, involving them in action planning)?

Further information on planning for the process is available in Section 4.

REMEMBER THAT THE LEVEL OF DETAIL YOU GATHER WILL DETERMINE THE ROBUSTNESS OF YOUR ANALYSIS (SEE STEP 7). SO WHILE AN ONLINE SURVEY WILL ALLOW YOU TO REACH MORE STAKEHOLDERS, IT WILL MAKE IT MORE CHALLENGING TO GATHER THE LEVEL OF DETAIL YOU NEED FOR THE ANALYSIS.

STEP 3

Refine and implement the assessment

Prior to conducting interviews/collecting data, it is important that the individuals or team undertaking the research have a common understanding of the key factors/indicators (eg respect and trust). This will ensure that responses are interpreted in a consistent way. Data are gathered by asking a series of questions aimed at understanding stakeholders' opinions of the company's performance with regard to the four indicators as well as their perspectives on the three contextual factors. Responses to each question will be assigned a number ranging from -2 to +2 as shown in the sample question in Table 1.

A list of possible questions you can ask of stakeholders is included in Annex A. These are presented together with the scale used to score each response. For the assessment, feel free to use these questions – but choose the ones that are most relevant to your stakeholders and your site. If these questions are not quite appropriate for your stakeholders, adjust the language or include additional questions as necessary. But be sure that they get to the heart of the key elements for each of the seven metrics (indicators and contextual factors). The assessment questions can be asked through online platforms, individual face-to-face interviews and/or focus groups. Consider what existing processes you may be able to leverage to do this. For example, if you are doing a perceptions survey, you could combine this assessment with that.

When choosing the delivery mechanism, remember that the level of detail you gather will determine the robustness of your analysis (see Step 7). So while an online survey will allow you to reach more stakeholders, it will make it more challenging to gather the level of detail you need for the analysis. Additionally, an online survey will not be appropriate where external stakeholders lack computer skills or Internet access, the reality of many remote areas. More importantly, online surveys cut out the relational benefits of direct interviews, where supplementary information can often provide valuable insights. Individual interviews, on the other hand, may limit the number of people you can include in the assessment, but will allow you to ask clarifying questions to gather more detail. To this end, focus groups may be a more time-effective way to reach more people and to gather the necessary detail.

Whichever approach you take, plan for it carefully as it will require a schedule, work plan and logistics as you work with stakeholders and the assessment team to refine and implement the assessment.

STEP 4 Manage and process the data

Once the assessment has been implemented (ie once you have asked the questions of the stakeholders and received their responses), record the results in an Excel spreadsheet or similar software. The answer that a given stakeholder provides to each question will be assigned a corresponding numerical score as described under Step 3 and shown in Table 1. Then the scores for each response given by that stakeholder to all of the questions about respect, for example, will be averaged to give a single score for his or her perspective on that indicator. This will be done for all seven metrics so that you have a composite score for each indicator and contextual factor for that stakeholder. The same process will then be undertaken for each stakeholder interviewed.

These stakeholder-specific composite scores will be expressed on a continuum ranging from worst-case scenario (eg company seen as highly disrespectful) through a neutral situation (eg company neither seen as respectful or disrespectful) to best-case scenario (eg company seen as highly respectful). The different points on this spectrum are assigned numbers ranging from -2 (worst case) through 0 (neutral) to +2 (best case) as shown in the illustrative example in Table 2.

Note that the toolkit does not aim to identify an overall score for community support; that is why the metrics are not weighted. The goal is to calculate and understand the score for each individual metric. This will help to target efforts where they are most needed and where they will have the most impact, while also being aware of the factors outside of the company's control – but which nonetheless affect community–company relationships.

Table 1: Sample question and sliding scale

| QUESTION (RESPECT) | SCORES | | | | |
|--|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| | -2 | -1 | 0 | 1 | 2 |
| | No | Somewhat | Neutral or do not know | For the most part | Yes |
| 1. Does the company treat you/your community in a way that is respectful of you and of your cultural norms? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Table 2: Sample indicator score and sliding scale

| INDICATOR | COMPOSITE SCORE | | | | |
|-----------|--------------------------------------|--|--|---------------------------------------|-----------------------------------|
| | -2 | -1 | 0 | 1 | 2 |
| Respect | Company seen as highly disrespectful | Company seen as moderately disrespectful | Company seen as neither respectful nor disrespectful | Company seen as moderately respectful | Company seen as highly respectful |

Note: See Annex B for the sliding scale for each indicator and contextual factor.

Measure: what is the current level of community support? *continued*

The Excel spreadsheet used to record and calculate composite scores for each metric can also be used to calculate the average score of the responses given to each question by all stakeholders in any given group (see Figure 4).

You can also use the Excel spreadsheet to create a summary table of results, similar to the one shown in Table 3. See Annex C for instructions on how to create and populate an Excel-based data management template and summary table.

Table 3 already provides some insight into the assessments' results. For example, it shows that Stakeholder Group A's perspective on respect averages 1.9, corresponding to "company seen as highly respectful". However, Stakeholder Group B's perspective on respect averages -1.3, which corresponds to "company seen as moderately disrespectful". In order to understand the full story behind these scores, you will need to consider the answers to each of the relevant questions and the notes recorded by the interviewers (see Step 7).

Figure 4: Sample Excel-based data management template

| A | B | C | D | E | F |
|-----------------------------------|---|---------------|---------------|---------------|---------------------|
| | | Stakeholder A | Stakeholder B | Stakeholder C | |
| Question | Question | Scoring | Scoring | Scoring | Stakeholder Average |
| Legitimacy | | | | | |
| 1 | Do you think the project / operation and its personnel act in ways that are compliant with the law? | | | | |
| 2 | Do you think the project / operation is acting in ways that go beyond the minimum legal requirements? | | | | |
| 3 | Do you think the project / operation has all the legal permits and approvals required for the activities it is currently undertaking? | | | | |
| 4 | If laws conflict with what the community expects companies to do, has the company met community expectations? | | | | |
| 5 | Do you think that company personnel act with integrity? | | | | |
| Compatibility of Interests | | | | | |
| 6 | Do you believe that you / your community and the project /operation can live alongside each other peacefully? | | | | |
| 7 | On balance, do you believe that the project /operation's benefits to you / your community will outweigh / currently outweighs any harm or negative impacts? | | | | |
| 8 | Do you believe that you / your community will be/is being harmed or negatively impacted by the project /operation? | | | | |

Table 3: Sample data management summary table

| | STAKEHOLDER GROUP A | STAKEHOLDER GROUP B | STAKEHOLDER GROUP C |
|--|---------------------|---------------------|---------------------|
| Legitimacy | 1.6 | -0.4 | 1.7 |
| Compatibility of interests | 1.8 | -0.7 | 1.9 |
| Respect | 1.9 | -1.3 | -0.6 |
| Trust | 1.7 | -0.8 | 0.2 |
| Equity and social capital considerations | -1.5 | -0.2 | 1.8 |
| Reputational context | 0.0 | 1.4 | 1.8 |
| Sociopolitical and governance context | -1.4 | 1.8 | 1.7 |

STEP 5 Visualise the results

The next step is to view this information – in an aggregated way for each indicator and contextual factor but which does not break it down to the level of individual questions. There are different ways that you can visualise the data, and you should present them in a way that resonates best with the company and can be easily translated for external audiences. This toolkit outlines the approach for using spider diagrams, which provide a visual format that can be easy to understand, analyse and compare results between stakeholder groups.

While spider diagrams are useful tools for visualising and analysing data, they are not the best way to communicate results to stakeholders or management. For those purposes, simplify and summarise the results and convey them in a way that is most easily understood and taken on board by these groups. See Section 3 for some suggestions.

A spider diagram is an Excel-based graphical method for presenting data on multiple variables related to a single theme (in this case, community support). Using a spider diagram you can incorporate data for each indicator and contextual factor, multiple stakeholder groups and even different moments in time on a single, visually meaningful chart.

Each of the outer points or “spokes” on the spider diagram corresponds to one of the seven metrics of community support. For all seven metrics, the outermost line on the chart represents the highest score possible (ie 2). The lower the score of each metric, the closer it is plotted to the centre of the chart (-2). See Annex D for instructions on how to create a spider diagram like the one shown in Figure 5.

Spider diagrams become more difficult to read the more stakeholders are included on any single chart. Therefore, it can be helpful to group different types of stakeholders on different charts.

There are a number of criteria you can use when deciding which stakeholders to group on a spider diagram, some of which include:

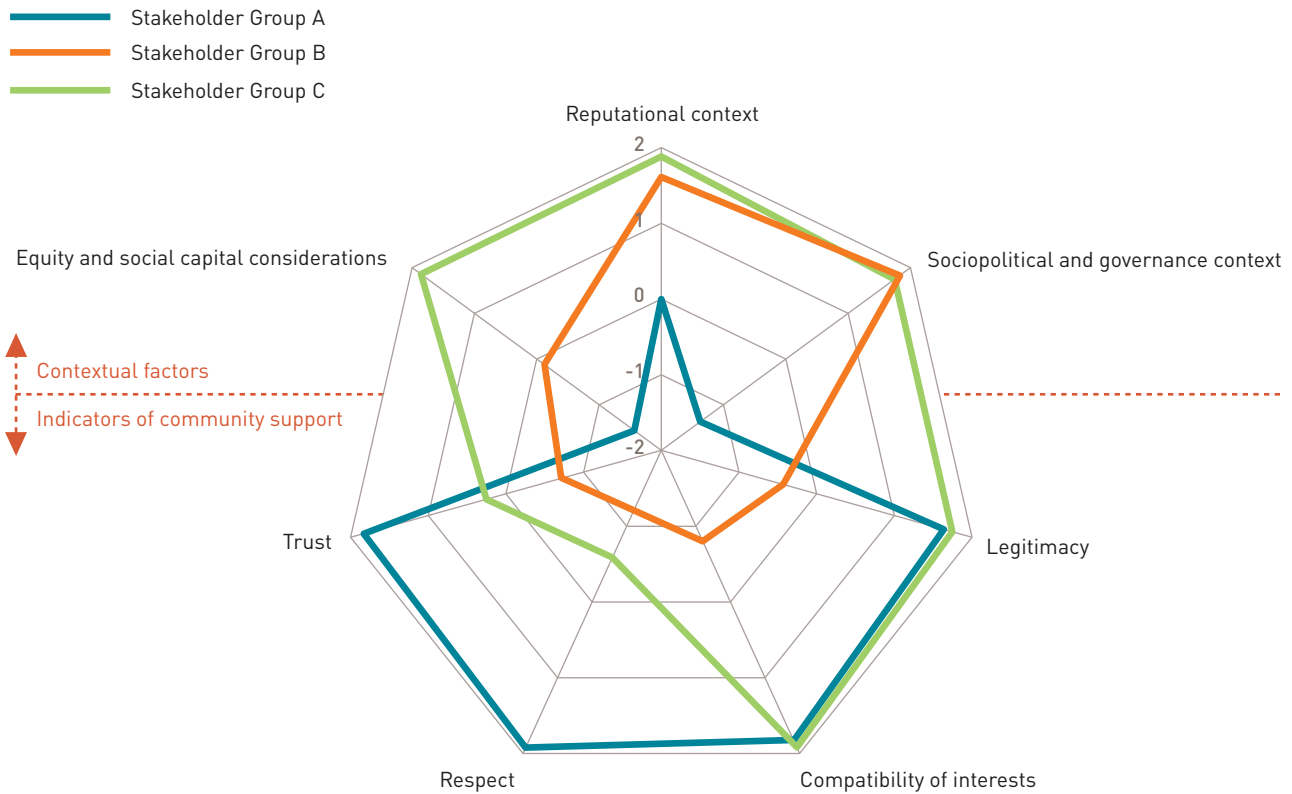
- category – using one spider diagram each for different categories of stakeholders such as indigenous groups, landowners, farmers, stakeholders expected to be physically displaced, etc
- level of influence – grouping stakeholders by the level of influence they exercise over the site or over other priority stakeholders (assuming the site has done a stakeholder mapping exercise as part of existing stakeholder identification and engagement activities)
- geography – useful where a site’s area of influence crosses important administrative lines such as national borders or indigenous and non-indigenous lands.

The exact categories and how you divide stakeholders into them will depend on the particulars of your site and the stakeholders, as well as the specific information you hope to gain from the assessment. As you are defining the specific objectives of your assessment and choosing the stakeholders you will interview, give some thought to how you want to group your stakeholders on the spider diagrams.

THERE ARE DIFFERENT WAYS THAT YOU CAN VISUALISE THE DATA, AND YOU SHOULD PRESENT THEM IN A WAY THAT RESONATES BEST WITH THE COMPANY AND CAN BE EASILY TRANSLATED FOR EXTERNAL AUDIENCES.

Measure: what is the current level of community support? *continued*

Figure 5: Spider diagram – community support of three hypothetical stakeholder groups



DATA FOR INDIVIDUAL STAKEHOLDER GROUPS CAN HELP IDENTIFY THE AREAS WHERE COMMUNITY-COMPANY RELATIONS ARE MOST IN NEED OF ATTENTION.

Some tips for reading spider diagrams

Understanding the types of information you can gather from spider diagrams can help you choose which stakeholders to group on any single chart. Further information can be obtained by disaggregating the data by using additional spider diagrams or summary tables. This may be particularly useful in understanding the views of minority or vulnerable stakeholder groups or subgroups.

Using the hypothetical results illustrated in Table 3 and Figure 5, here are some tips for reading and using spider diagrams. First, note that the data represented in Table 3 and Figure 5 could have been collected from a single stakeholder for each group (A, B and C) or could represent the composite values of responses from multiple stakeholders in each group (A, B or C). In general, the same concepts will apply regardless of whether the chart shows composite values, individual stakeholder values or values from a single stakeholder group over consecutive assessments.

When reading the spider diagram, consider the following.

Level of community support

At the highest level, the chart provides a snapshot of each stakeholder group's perception of each of the seven metrics. For example, Stakeholder Group A has a very positive perception of the company or site in all four of the indicators, while noting a challenging contextual environment.

Indicators versus contextual factors

Figure 5 allows you to easily see the different scores given to the indicators of community support and contextual factors that influence it. This can help you understand where the site's actions may be working (eg high compatibility of interests with Stakeholder Groups A and C), where they may not be working (eg low levels of trust with Stakeholder Groups B and C) and how contextual factors may represent challenges.

Differences between stakeholder groups

Figure 5 illustrates the quality of community-company relationships for multiple stakeholder groups, which is often more useful than a single site-wide average. This type of comparative analysis can help identify specific areas where efforts are required for each stakeholder group, which can be addressed through a differentiated stakeholder engagement programme, for example. Additionally, this analysis can provide useful insights about stakeholder interests such as, for example, where you see strikingly different scores given to contextual factors by stakeholders (eg as is the case with equity and social capital considerations where the scores in Figure 5 range from -1.5 to 1.8).

Differences within stakeholder groups

Data for individual stakeholder groups can help identify the areas where community-company relations are most in need of attention. For example, Stakeholder Group C considers that the project is legitimate and has compatible interests, but does not consider the company to have achieved high levels of trust or respect. Moreover, this stakeholder group gives high scores to all of the contextual factors, which indicates that the external context is not likely to pose a challenge.

Outliers

Overall community support for a site can be highly dependent on small groups of influential stakeholders. Identifying changes in such outliers, combined with an understanding of the influence they exert (ie through stakeholder mapping), are good leading (or input-oriented) indicators of potential changes in sentiment towards a site or the external context.

OVERALL COMMUNITY SUPPORT FOR A SITE CAN BE HIGHLY DEPENDENT ON SMALL GROUPS OF INFLUENTIAL STAKEHOLDERS. IDENTIFYING CHANGES IN SUCH OUTLIERS, COMBINED WITH AN UNDERSTANDING OF THE INFLUENCE THEY EXERT ARE GOOD LEADING INDICATORS OF POTENTIAL CHANGES IN SENTIMENT TOWARDS A SITE OR THE EXTERNAL CONTEXT.

Measure: what is the current level of community support? *continued*

Changes in community support over time

In addition to understanding the particulars of individual stakeholder groups and comparing levels of community support of different stakeholders, a spider diagram can be used to compare changes in stakeholder perspectives over time. This can be done by creating a summary table showing the results of different monitoring assessments for the same stakeholder group. This allows you to identify changing sentiments or reactions to the external environment as well as to evaluate the effectiveness of

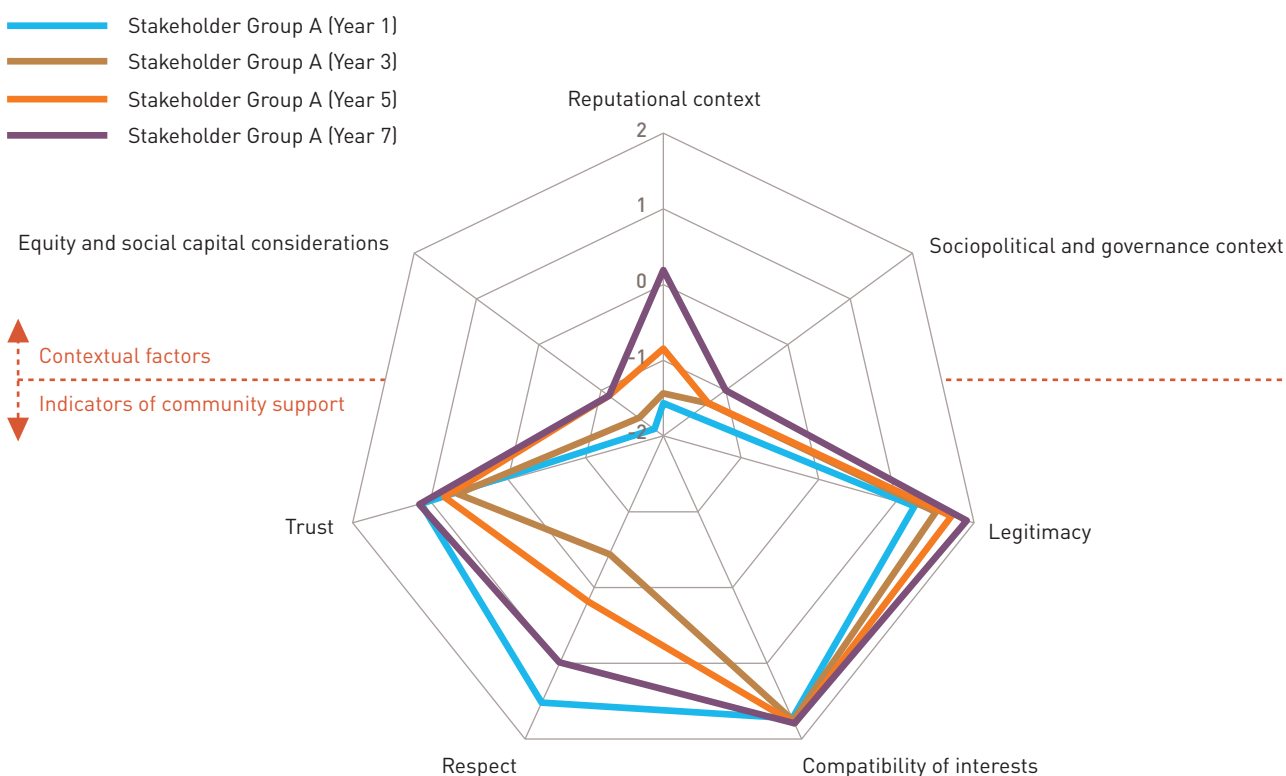
company actions and the need for a change in approach or for internal capacity building. Comparison of monitoring results over time can then be used to identify leading and lagging indicators of changing relationships.

The example summary table (Table 4) and spider diagram (Figure 6) show the results for a single stakeholder group over four consecutive assessments. It shows that the strongest and most consistent aspect of the relationship is compatibility of interests, that the external context is improving and that the level of respect dropped significantly in Year 3 but has since begun to improve.

Table 4: Measuring community support over time

| | STAKEHOLDER GROUP A (YEAR 1) | STAKEHOLDER GROUP A (YEAR 3) | STAKEHOLDER GROUP A (YEAR 5) | STAKEHOLDER GROUP A (YEAR 7) |
|--|------------------------------|------------------------------|------------------------------|------------------------------|
| Legitimacy | 1.3 | 1.5 | 1.7 | 1.9 |
| Compatibility of interests | 1.6 | 1.6 | 1.6 | 1.6 |
| Respect | 1.4 | -0.4 | 0.1 | 1.0 |
| Trust | 1.2 | 0.8 | 0.9 | 1.2 |
| Sociopolitical and governance context | -1.5 | -1.2 | -1.2 | -1.0 |
| Reputational context | -1.5 | -1.4 | -0.8 | 0.2 |
| Equity and social capital considerations | -1.8 | -1.6 | -1.2 | -1.2 |

Figure 6: Monitoring community support over time





Assess and respond:
why is the current level
of community support
as it is and how can it
be improved?

3

Assess and respond: why is the current level of community support as it is and how can it be improved?

So far, we have focused on understanding what community support looks like, how to measure it and how to view the data we gathered. Once you have done that, you can begin to explore why levels of community support are where they are, whether community perspectives on support differ from the company's perceptions and what you can do to improve community-company relationships where necessary. Simply put, the idea is to work backwards from the indicator and contextual factor scores, using the information you gathered in the assessment and additional information that internal teams can provide.

To this end, Section 3 describes how to:

- bring together teams to:
 - analyse the assessment results – including how company perceptions may differ from community sentiment – and understand the causes of any community support deficit
 - determine where to focus efforts to strengthen community-company relationships
- work with communities to improve community-company relationships.

Analyse the results and propose actions

This process includes the following components:

- Determine if company and community perceptions on the levels of community support differ in important ways that you would like to analyse further.
- Identify the reasons behind low or neutral scores from stakeholders, including the contextual factors that influence this.
- Propose ways to improve relationships where necessary.

See Figure 7.

STEP 6

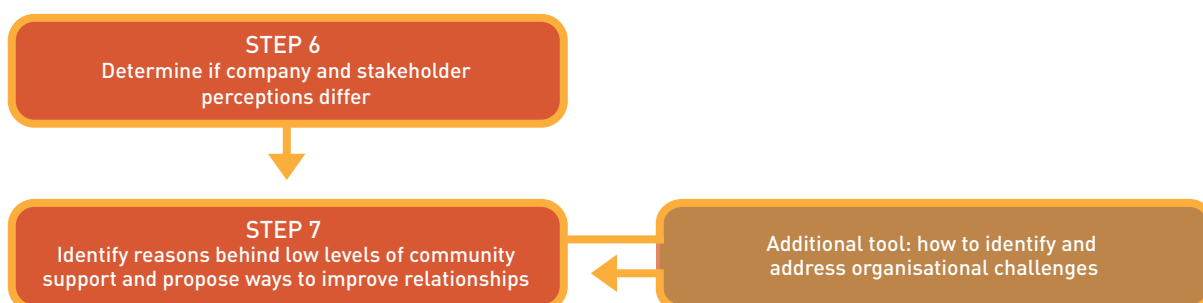
Determine if company and stakeholder perceptions differ

This step seeks to understand what the company thinks stakeholders feel about the indicators and contextual factors. The objective is to identify any important differences in stakeholder and company perceptions. This will allow you to identify any misconceptions the company may have about the state of its relationship with stakeholders before reporting back to them on the community support assessment results and exploring next steps with them.

You can either focus this analysis on stakeholders whose responses resulted in low or neutral scores to any of the four indicators, or you can focus it on all stakeholders regardless of scores. Either way, remember that you will need to report back to all stakeholders on the results of the community support assessment (see Step 8).

One time-efficient way of undertaking this analysis is to bring together a small group of company staff in a working group setting. To get objective answers, it is best if participants do not yet know the results of the stakeholder assessment, although this may only be possible if an outside team has undertaken the assessment. Participants in this working session should include those who are responsible for designing and implementing approaches to community relations as well as others who interact with stakeholders, for example site management, community relations, security, procurement, legal or others.

Figure 7: Analysis process (Steps 6 and 7)



First, list each stakeholder separately and ask participants where they think each stakeholder stands vis-à-vis the seven metrics. A list of questions you can use for this exercise is included in Annex E. Adjust the language or add additional questions as necessary. But be sure that the questions get at the heart of the key elements of each metric. Also, since you will be comparing the responses received from internal stakeholders with those received from external stakeholders, the questions you ask the two groups need to be consistent.

While the questions included in Annexes A and E are similar in content, there is one crucial difference. Questions to be asked of external stakeholders (Annex A) focus on their perceptions of the site and the external context (ie, do you believe what the company tells you?). The questions to be asked of internal stakeholders (Annex E), on the other hand, focus on their understanding of how external stakeholders perceive the site and the external context (ie, do you think Stakeholder A believes what the company tells him or her?).

As you ask internal staff these questions, record their responses. Then summarise and record what the group thinks particular stakeholders' perceptions are for each indicator and contextual factor (eg on trust, "The internal group feels that we do not provide sufficient information to Stakeholder A on issues that matter to him/her and, as such, that this stakeholder does not consider the company to be trustworthy"), and compare those perceptions with each stakeholder's spider diagram. Then you can identify where you see important differences between stakeholder and company perspectives on any of the seven metrics.

If you wish, you can organise the information on internal company perceptions using the same type of Excel spreadsheet you created for the community support assessment (see Annex C for instructions). You may also generate spider diagrams to summarise these internal perspectives if you wish. To facilitate this, the questions in Annex E are presented together with the sliding scale to score each response. This will allow you to enter these scores into Excel and generate spider diagrams as you did for external stakeholders (as described in Section 2 and Annex D). In this way, you can plot the company and the stakeholder on the same spider diagram and make a direct comparison of their perceptions of the seven metrics. If you do this, you may wish to hold two working sessions – the first to gather participants' responses to the questions, followed by time for the assessment team to process this information and generate spider diagrams, and the second to discuss any differences identified between company and stakeholder perceptions.

STEP 7 Identify reasons behind low levels of community support and propose ways to improve relationships

This step is best undertaken with a small group comprising members of the assessment team and – if the team was external to the community relations team – members of the community relations team, as well as other internal teams who can provide useful information on external stakeholders.

For this step, gather the interview notes, focus group notes or survey responses from each of the stakeholders, as these will provide you with the detail necessary for the analysis. The quality of the analysis will depend on the quality of two main sources of information.

First, there is the information gathered in the assessment process. This is the key reason that face-to-face interviews or focus groups are a good way to implement the assessment – they allow you to ask follow-up questions to obtain more detailed information where required. However, while the interview process will yield important insights, further root cause analysis may also be required to fully understand the reasons for low levels of support and provide important insights. This is especially true where respondents may either not be very forthcoming, or where they may be reluctant or unable to explicitly identify underlying causes (see Table 5 for an example).

The analysis should focus on understanding the reasons behind low levels of community support. This will help you fill in Table 5 and propose actions to address these reasons –and to ultimately strengthen community-company relationships.

Second, the quality of the analysis will also depend on information provided by internal staff, including information gleaned from existing site tools (eg commitments register, social risk analysis, feedback mechanisms, grievance mechanisms, etc). As such, participants in this part of the process should be those with the closest relationships with stakeholders and those who can shed the most light on stakeholder responses and the external context. Where relationships are too new or too distant, there may be limited information available to help determine why levels of community support are low. In such cases, subsequent to the internal analysis, it is essential to work with stakeholders to better understand the reasons for low levels of community support. This additional level of engagement and assessment can be undertaken as part of Steps 8 and 9.

Assess and respond: why is the current level of community support as it is and how can it be improved? *continued*

Table 5: Example analysis of legitimacy and proposed actions

| STAKEHOLDER A (YEAR 1) | | | |
|--|---|---|--|
| INDICATOR AND SCORE | RELATED COMPANY AND STAKEHOLDER ACTIONS | RELATED CONTEXTUAL FACTORS | PROPOSED ACTIONS |
| <p>Legitimacy -2</p> <p>Project/operation seen as wholly illegitimate due to failure to meet fundamental legal, societal and/or individual requirements for legitimacy</p> | <p>The company's private security has been seen while on duty interacting with individuals known to be involved with drug trafficking. In response, some community members stop attending meetings with the company due to the presence of the private security provider.</p> <p><i>The site carried out a consultation process that was not aligned with community expectations. As a result, the community sued to have the site's environmental licence revoked.</i></p> | <p>Sociopolitical and governance context</p> <p>The government has made little effort to combat drug trafficking.</p> <p><i>The state has defined a mechanism for consultation that is not aligned with community expectations.</i></p> <p>Equity and social capital considerations</p> <p>The local population has limited income source and the economic benefits of drug trafficking have been increasing.</p> <p><i>Communities have expressed concern with a perceived decline in cultural values due to industrial activity and increased illicit activity in the area.</i></p> | <p>Investigate and determine the root cause of the incident and take appropriate action (eg replace the private security force, provide retraining to the new private security force, etc).</p> <p>Meet with local NGO that has just begun an anti-drug campaign in the local school to assess possible collaboration opportunities.</p> <p><i>Work with the community and government to design a consultation programme that meets national regulations and community expectations, understanding that this may take significant effort and time.</i></p> |

In the meantime, for each indicator the internal team is analysing, consider using a table to organise the information. Table 5 is a template for you to use for this analysis if you wish. It is organised in the following columns:

- Indicator and score – include the name of the indicator and the average ranking given by the stakeholder's responses.
- Related company and stakeholder actions – include your analysis of what the company may have done (or failed to do) to contribute to the low indicator score and how the stakeholder responded to that situation. Where the interviews or supplementary information from internal staff are insufficient to support the analysis, this should be explored further in Steps 8 and 9.
- Related contextual factors – describe the contextual factors that may play a role in this situation. This will be based on stakeholder responses to the questions on contextual factors as well as information provided by internal stakeholders relating to the external context.
- Proposed actions – include a proposal for how to address the situation. This may include actions that are currently being undertaken. While actions will likely focus on what the company can do to improve the

indicator rankings, also consider where the company can appropriately influence how the contextual factors impact relationships.

We have filled in a hypothetical situation as an example to show how Table 5 can be used.

Additional tool: how to identify and address internal organisational challenges

Before you begin to develop proposed actions, consider the following: are there significant differences between community and company perceptions (Step 6) that result from organisational issues in the company? Does the analysis suggest that organisational issues negatively affect community-company relationships (Step 7)? For example, does the analysis reveal that the company may not have identified all stakeholders? Or does it suggest that staffing or other resources are insufficient for the issues facing the site? If so, you may wish to systematically consider these issues by implementing the tool in Section 5 on how to identify and address organisational challenges within the company. If so, do that at this point in the process – and then return to Step 7 to develop proposed actions that take those challenges into consideration.

When developing proposed actions, depending on the reasons behind low levels of community support, you may need to take specific actions aimed at addressing real or perceived wrongs – as in the example in Table 5. In addition, other activities that may be required to improve community–company relations could include more frequent or more focused meetings with stakeholders, more visits by stakeholders to site, more frequent or complete updates on project activities, more opportunities for training and hiring, etc. As you develop these proposed actions, remember that you will need to get stakeholder input on them (Step 8).

Once you have developed proposed actions to improve relations where necessary, get buy-in and approval from your organisation to move forward, and then integrate these actions into your existing engagement planning and activities (eg stakeholder engagement plan).

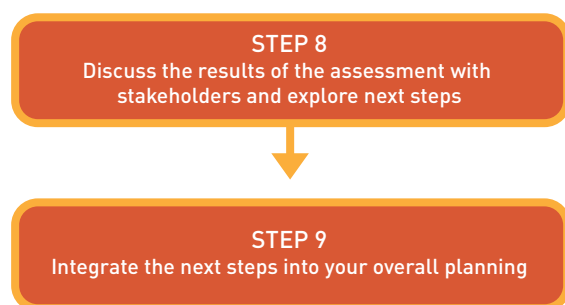
Report back to stakeholders and explore and agree next steps

Now you are ready to begin working with stakeholders to:

- report back on the assessment findings – both positive and negative
- explore any questions related to the results, including where clarifications are needed to understand stakeholder responses, the situation that led to the low scores or where data appear contradictory
- explore specific actions aimed at improving community–company relations.

Remember that the goal is not simply to understand the results of the assessment, but to use the results to inform a dialogue process aimed at improving and maintaining strong relationships.

Figure 8: Report back to stakeholders (Steps 8 and 9)



STEP 8 Discuss the results of the assessment with stakeholders and explore next steps

Meet with stakeholders to discuss their overall impressions and explore the underlying reasons behind the results – and subsequently explore next steps. This may require more than one meeting and should be integrated into your overall engagement activities. While Table 5 under Step 7 is primarily meant to be used for an internal company exercise, it is important to validate the content with communities.

Although the proposed actions will already have been discussed and agreed in principle internally, it is very important to test whether these are perceived as having value by stakeholders. If not, there may be a need for a rethink. Even where proposed actions have the support of the community, discussing and agreeing on the means of implementation can be almost as important as the actions themselves.

During these meetings, if you do not have decision-making authority, or are concerned about company capacity to deliver, do not hesitate to say, “Let me take these ideas away and get back to you,” and agree a timeframe for that next conversation. Or consider bringing someone with decision-making authority to the meeting. Before the meeting, make sure this person is well briefed on his or her ability to make commitments (vis-à-vis internal capacity to deliver or available budget) and the company and team’s ability to deliver on them.

Important tips

How you structure this process will depend on your relationship with the stakeholder group and on the results of the assessment and subsequent analysis. Community support may be low even among stakeholders with whom you have constructive or positive interactions. Where this is the case, build on the existing relationship to continue the dialogue, understand the assessment results and take appropriate action. Alternatively, where you do not have good relationships, demonstrating a willingness to explore the results of the assessment with stakeholders is a good place to begin.

Assess and respond: why is the current level of community support as it is and how can it be improved? *continued*

Where there are existing mechanisms of community–company interactions that stakeholders consider appropriate, and that are useful for the purposes of this dialogue, you and the stakeholders may wish to use these (eg dialogue tables etc). Otherwise, work with stakeholders to establish a mechanism and process for this dialogue. As you do this, consider the following:

- What specific elements of the process do you need to agree with stakeholders (timing, location, language, etc)?
- Should the dialogue occur in large or small group settings?
- Should you meet with multiple stakeholder groups at the same time or with individual groups?
- Would it be beneficial to work with stakeholders to select a neutral third party to facilitate the meetings?
- Is the approach tailored to the cultural approaches and values of the stakeholder groups, rather than to your approaches? Does the approach need to be adapted from group to group?
- Have different stakeholder groups provided contradictory comments that are difficult to reconcile? In such circumstances, you should clearly communicate that conflicting perspectives exist and that you will not be able to incorporate all recommendations into the path forward.

Remember that while spider diagrams can help the assessment team view and analyse the data, you will need to simplify and summarise the results in order to clearly communicate them to stakeholders. Since the focus of these discussions is on understanding more about stakeholder perceptions and getting their input to the results and next steps, the simplest way of doing this may be to present a short narrative description of the findings that is sufficiently detailed to allow for specific inputs from the stakeholders. For example, one result may be that “The assessment indicated that we do not provide enough information to you about our activities.” This discussion should focus on the issues of most relevance to the company and to the stakeholder.

Finally, be sure to modify the language where necessary to make it more accessible to communities. For example, you may wish to talk about “who benefits most from the mine” and “who is most impacted by the mine” rather than “equity”.

STEP 9 Integrate the next steps into your overall planning

Once you have agreed next steps with stakeholders, document these actions and their timing, as well as the resources and preparation required for each – both from the company and from stakeholders. If you have an overarching stakeholder engagement plan, this should be incorporated into it or into other relevant planning processes. If activities fall under other parts of the organisation, discuss the results with management so that appropriate actions can be taken with other line management functions. Include outcome indicators (ie what changes resulted) so that together with stakeholders you can evaluate progress and success.

BE SURE TO MODIFY THE LANGUAGE WHERE NECESSARY TO MAKE IT MORE ACCESSIBLE TO COMMUNITIES. FOR EXAMPLE, YOU MAY WISH TO TALK ABOUT “WHO BENEFITS MOST FROM THE MINE” AND “WHO IS MOST IMPACTED BY THE MINE” RATHER THAN “EQUITY”.



Planning: how do I plan
for this process?

4

Planning: how do I plan for this process?

So far we have discussed what the assessment process looks like and how to analyse and use the results. Section 4 provides some guidance around planning and implementation such as:

- who should conduct the assessment
- when – and how often – to conduct the assessment
- how to leverage existing information and processes.

Who should conduct the community support assessment?

The more comfortable stakeholders feel responding to questions, and the more objective the results, the more useful the assessment data will be. In some situations, this may be most easily achieved if an independent third party conducts the assessment – but only on the basis that the third party is mutually agreed by and acceptable to the community and the company. To do this, the third party will need to collaborate with skilled local informants, who may or may not be from within the company, and have access to both company personnel and local communities. Academics, non-governmental organisations and consulting firms may have the kind of expertise necessary to implement the assessment.

That said, some sites may not have the option to hire an external team to conduct the assessment (eg because of budget constraints). In such cases, companies can form an internal assessment team, ideally including some members from outside the community relations department in order to include multiple perspectives. Where such expertise is available internally, companies may implement the assessment without external assistance, but additional effort may be required to engage objectively with internal and external stakeholders to ensure the utility of the results.

The assessment team should be skilled in engaging with stakeholders and in gathering field data. In some cases, experience in conflict management may also be useful.

Important tips

Regardless of whether internal or external resources are being used, the assessment teams (particularly the ones carrying out any interviews) should have the following skills/experience:

- research and field work experience
- excellent interpersonal skills
- analytical skills
- oral communication skills
- perception skills.

The time needed to apply the toolkit will vary depending on the exact means of delivery selected. As an example, one of the pilot projects used individual interview formats, which allowed a team of three people to interview roughly 12 stakeholders a day. Focus groups could increase the number of stakeholders interviewed but affect the depth of responses.

See Annex G for a description of how the assessment can be organised if run by an external third party.

When should a community support assessment be conducted?

The information generated by the assessment is applicable at all stages of the project cycle where companies interact with local communities. However, the particular characteristics of each phase should be considered when adapting the assessment to a specific site. This includes the foreseeable attitudes or expectations of stakeholders (eg construction v closure). Similar to preliminary stakeholder engagement and stakeholder mapping tools, an abbreviated form of the assessment can be applied during exploration, though it will be challenging to assess the nature of the relationship where one has not yet been established. As broader community–company relationships are formed and relationships evolve, subsequent applications of the assessment will provide up-to-date information on the quality of those relationships and the extent to which they are supportive of the project.

In addition, the assessment can be applied to a variety of types of mining projects (greenfield, expansion, etc). But remember, the methodology will need to be adapted to fit the specific objectives and contexts of each site.

How often should you conduct the assessment?

In most cases, the implementation of the assessment on a biennial basis will offer the most value without overwhelming stakeholders. In the interim period, engagement will continue and be adapted as defined by your site's other community relations planning and activities (eg stakeholder engagement plan) and as the ongoing identification of stakeholder issues and risks dictates. On the other hand, for a stable site that has been operating for 20 years with relatively low incidence of community concern, a five-year gap between assessments may be adequate.

How frequently each site conducts the assessment will depend primarily on three issues.

Trends

Are your regular engagement activities suggesting that there are problems with stakeholders that are not being addressed?

Discontent

- Were the results of your last assessment worrisome?
- Did multiple stakeholders express serious or growing discontent with the project in general or with regard to any factor within or outside your control?
- Were any stakeholders on the fence?
- Did any stakeholders condition their support on future actions of the company, government or other third parties?

Change

Have any important changes occurred either to the project/operation or to the context that could affect community-company relationships? To determine this, ask yourself the following questions:

- Has the company changed hands?
- Is the project or operation in a new stage of development, including standby or maintenance?
- Has the company recently hired, retrenched or modified the contracts or working conditions of important (in terms of quantity or influence) employees, contractors or service providers?
- Has the social, economic or political situation surrounding the project/operation and/or the industry changed?
- Have new stakeholders been identified?
- Has the community relations team – or any other team that interacts with communities – made important changes in personnel or how it interacts with communities?

In addition, you may find it helpful to do interim monitoring with certain stakeholders or on certain issues. If your relationship with a given stakeholder group is not strong, consider doing a streamlined assessment, focusing on particular aspects (eg legitimacy or respect) with only those stakeholders.

It is important that this assessment is not treated as just a one-moment-in-time “snapshot” of the community-company relationship, but rather that it is used to help you identify, understand and evaluate trends in community support. Use it to determine how community support may have changed over time and what factors motivate these changes. Ask the question, what has changed in the external environment, or with the site, that may have provoked that change?

IN MOST CASES, THE IMPLEMENTATION OF THE ASSESSMENT ON A BIENNIAL BASIS WILL OFFER THE MOST VALUE WITHOUT OVERWHELMING STAKEHOLDERS. FOR A STABLE SITE THAT HAS BEEN OPERATING FOR 20 YEARS WITH RELATIVELY LOW INCIDENCE OF COMMUNITY CONCERN, A FIVE-YEAR GAP BETWEEN ASSESSMENTS MAY BE ADEQUATE.

Planning: how do I plan for this process? *continued*

Leveraging existing information and processes

Most sites will already have information from stakeholder mapping exercises, impact and risk assessments, grievance mechanisms, community surveys, etc that is used to manage relationships with stakeholders. When conducting the assessment, begin by reviewing this information. In addition to the more traditional community relations documents and plans, this should include information relating to security personnel, environmental management and local procurement. This information will help you decide which stakeholders to involve in the assessment (eg who poses the greatest risks to site? Who is most impacted by site?) and how to approach those stakeholders for the assessment, and will provide useful information on the contextual factors. Also, remember that much of the information you need to design an effective process may not be on paper but in the heads of the people who interact most with communities. Their experience and knowledge is invaluable for this process. Never start the assessment without speaking to them and involving them heavily in the design of the process.

Moreover, the community support assessment process should complement and leverage existing processes, and should be used in concert with them at all times. It should not become an independent process or system, but should be integrated into your overall approach to social management (eg the social management system if one exists). For example, the standard management system takes a plan–do–check–act approach as shown in Figure 9. The community support assessment could fit in either as you are planning community relations work (plan) or as you are assessing that work to date (check).

Regardless of which point in the site’s process you conduct the assessment, use the results to improve your existing tools such as your stakeholder engagement plan. This means that you simply integrate the assessment results back into either the “do” or “act” steps of the process in Figure 9 – just as you do with the results of other assessments or lessons learned gathered by your site.

Figure 9: Community support assessment and the management system process





Additional tool: how to
identify and address
internal organisational
challenges

5

Additional tool: how to identify and address internal organisational challenges

Where there is a significant divergence between community and company perceptions of levels of community support (see Step 6 in Section 3), the company should consider if there are organisational issues that affect its ability to understand its stakeholders and manage its interactions with them. If so, it is likely that these will affect the company's ability to address the findings of the community support assessment.

The other situation in which you may find it necessary to systematically consider organisational challenges is where the analysis described in Step 7 (see Section 3) suggests that organisational issues may be posing challenges to building strong community-company relationships. For example, does the analysis suggest that the company is not fully managing its impacts? Or that staffing or other resources are insufficient for the issues facing the site?

While it may not always be possible to resolve these challenges immediately – particularly where they relate to staffing or financial resources – it is important to identify them so you can bear them in mind as you devise strategies and make commitments with stakeholders aimed at strengthening community-company relations.

THIS ASSESSMENT SHOULD BE CARRIED OUT BY A TEAM OTHER THAN THE COMMUNITY RELATIONS TEAM (OR WHICHEVER TEAM IS RESPONSIBLE FOR COMMUNITY-COMPANY INTERACTIONS) TO ENSURE THE OBJECTIVITY OF THE RESULTS.

How to undertake this assessment

This assessment should be carried out by a team other than the community relations team (or whichever team is responsible for community-company interactions) to ensure the objectivity of the results. The evaluating team may be a corporate team, a senior site-level team, peers at another site owned by the company or an external team. For example, where the corporate team's relationship with the site is strained, it may be unadvisable for it to undertake this assessment. Either way, this process will require the support of site management – both to ensure it is undertaken and to ensure that its results are addressed.

This assessment can be undertaken through individual interviews or in small focus group discussions with site staff. One-on-one interviews may help staff feel more comfortable sharing constructive criticism. Alternatively, focus groups may elicit richer information around how organisational challenges are viewed by different people in the company. If you and site staff have sufficient time, a mix of individual interviews complemented by small group discussions may be the best option. Either way, it is important to convey that the objective of this assessment is to identify areas where the organisation has challenges – it is not intended to question staff abilities or commitment to their jobs.

The interviews or group discussions will focus on two types of organisational issues (described below) with the assessment team asking a series of questions aimed at understanding where challenges lie. Unlike the community perception assessment, the results of this assessment are not assigned numerical scores or plotted on a spider diagram.

The assessment

The assessment focuses on understanding two types of organisational issues. The first centres on the approach used by the site for social performance management and seeks to understand whether this approach is conducive to achieving strong community-company relationships. The second relates to staff, financial and other resources, and the company's operational-level culture. This section describes both types of issues and summarises the topics that the assessment should consider. Annex F includes a list of specific questions you may wish to ask for the purposes of this assessment. Feel free to adjust or add to these questions as appropriate for your site and company.

Assessing the approach to social performance management

A site's approach to social performance management includes how stakeholders are identified, how stakeholder engagement and community investment are undertaken, how impacts are managed and how social performance is planned and monitored. This piece of the assessment should consider the following:

- whether stakeholders were involved in the stakeholder identification and analysis process
- whether all stakeholders were identified through this process, including those who could be adversely affected by the site – one test of this is whether stakeholders that subsequently expressed concerns with the project or operation were identified through the original analysis
- the criteria that were used to determine priority or key stakeholders
- how commitments to stakeholders are recorded and managed
- how community–company interactions are managed
- how contractors' and subcontractors' interactions with communities are managed
- how community investments are chosen, implemented and monitored
- how impact management is approached, including the role that stakeholders play in impact management
- how community relations processes are planned and monitored.

Assessing resources and culture

This piece of the assessment will help you to analyse whether the site has appropriate and adequate human, financial and other resources necessary to design and implement engagement approaches that are conducive to achieving community support. It will also help you explore whether the company's operational-level culture promotes or hinders achievement of that goal. To this end, explore the following topics:

- whether staff numbers are appropriate for the level of effort required for community relations work
- whether staff skills are adequate for the site's community relations goals
- whether the site views community relations work as an integral part of the site's work and supports it accordingly

- whether community relations risks or opportunities are an integral part of management team discussions and decision-making processes
- whether budgets are sufficient for the site's community relations goals
- whether the site has the tools and systems necessary for its community relations work.

Common issues and suggested actions

The results of this type of assessment will almost always reveal areas for improvement. Use this as an opportunity to honestly consider where additional resources or efforts – or simply a slightly different approach – may be required. But remember, most sites will never have their ideal budget, their preferred number of staff, and all of the skills and tools they want. This does not mean they cannot do great community relations work and build strong and enduring relationships with communities.

Some common organisational challenges as well as some ideas of how to address them are presented in Table 6.⁹

Once the key areas requiring reinforcement have been identified, determine what is feasible given budget constraints and the level of senior buy-in. Then develop a short action plan to identify the actions to be taken. This action plan should also identify the financial and human resources required to execute this plan, as well as establish clear timeframes and expected indicators for the output (ie what actions were undertaken) and outcome (ie what changes resulted from those actions). It will be important to co-ordinate this with senior management who have participated in the process from the start, as well as on-the-ground staff to ensure the necessary support and manpower is available. Link this action plan to your existing planning processes – it will help you ensure that your community relations plan is achievable.

⁹ For detailed guidance on planning and implementing stakeholder engagement and strategic community investment, see ICMM 2012 and IFC 2007, 2010.

Additional tool: how to identify and address internal organisational challenges *continued*

Table 6: Common organisational challenges and suggested actions

| | CHALLENGE | SUGGESTED ACTIONS |
|------------------------|--|--|
| Stakeholder engagement | Not all stakeholders were identified; or not all priority stakeholders* were categorised as such. | <ul style="list-style-type: none"> • Update stakeholder identification and analysis. • Involve stakeholders in this process. • Reconsider if any groups who were excluded from previous maps should be included now. |
| | Engagement is inadequate (eg infrequent, inaccessible, culturally inappropriate, not gender or group specific, etc); or level of seniority of staff involved in engagement is not aligned with seniority of stakeholder. | <ul style="list-style-type: none"> • Work with stakeholders to identify more appropriate mechanisms for engagement. • Agree on schedule of engagement activities – sometimes regularity, predictability and mode of engagement are more important to stakeholders than frequency. • Involve senior company leaders where necessary. |
| | Engagement is reactive rather than proactive (ie only done when there is a problem or specific need or when stakeholders request or initiate it). | <ul style="list-style-type: none"> • Develop a plan aimed at proactive engagement or relationship building. Focus on priority stakeholders. |
| | Engagement is one-sided, that is information dissemination rather than participatory and inclusive. | <ul style="list-style-type: none"> • Work with stakeholders to identify opportunities for them to participate in engagement activities, including consultation, participatory monitoring, working groups, round tables and planning activities. |
| | Engagement is focused more on community investment than relationship building. | <ul style="list-style-type: none"> • Include more activities aimed at increasing stakeholder capacity for communication, participation and negotiation instead of supplying more funds for investment. |
| | The site's overall objectives for engagement are not related to the need to manage social risks. | <ul style="list-style-type: none"> • Recalibrate your engagement activities to ensure that they support social risk management. • If necessary, update your social risk assessment. |
| | Individual engagement activities are not supporting the site's overall objectives for engagement. | <ul style="list-style-type: none"> • Consider engagement activities and results to date in order to identify gaps between activities and objectives and how to address these gaps. |
| | Contractors and subcontractors interact with the community, and the community assumes they are company staff, including when the interactions are negative. | <ul style="list-style-type: none"> • Ensure that all contracts contain clauses relating to appropriate behaviour in communities and with stakeholders, and that contracts require that this language be included in all subcontracts. |

Note:

* Priority stakeholders are generally defined as those with high levels of influence over a project or operation and those that can be most impacted by a project or operation.

Table 6: Common organisational challenges and suggested actions *continued*

| | CHALLENGE | SUGGESTED ACTIONS |
|----------------------|--|---|
| Impact management | The site is not adequately managing its impacts, including those that communities believe are occurring or are attributing to the company (even if the company disagrees). | <ul style="list-style-type: none"> Work with the relevant teams across the company (operations, senior management, environment, etc) to understand which impacts are not being adequately managed and why, and to put a corrective action plan in place. Involve stakeholders in this process. |
| | The site is not adequately communicating its impact management activities and progress to stakeholders. | <ul style="list-style-type: none"> Work with relevant teams across the company to gather the information, and specialists required to communicate progress to stakeholders and agree how often stakeholders would like to receive these updates. |
| | The site is not involving stakeholders in impact identification or management. | <ul style="list-style-type: none"> Work with relevant teams across the company and with external stakeholders to identify appropriate ways to involve them in impact management, and put a plan in place to do this going forward. |
| Community investment | Community investment is not undertaken in a participatory manner. | <ul style="list-style-type: none"> Involve stakeholders in the design and implementation of investments. |
| | Community investment focuses disproportionately on groups that are not priority stakeholders for the site. | <ul style="list-style-type: none"> To the extent possible, recalibrate community investment activities to ensure that they line up with the site's needs for social performance management (ie risk and impact management, as well as benefit creation). |
| | Community investment focuses on geographic or thematic areas that are not related to the site's/company's business interests. | <ul style="list-style-type: none"> To the extent possible, recalibrate community investment activities to ensure that they line up with business interests. |
| | Community investment is focused on areas that are the government's responsibility (eg basic services and infrastructure). | <ul style="list-style-type: none"> Work with government and communities to transition out of these types of investments, first ensuring that the pieces are in place for these investments to be sustainable once the company no longer supports them. |
| | Community investment is not aligned with stakeholder needs or expectations. | <ul style="list-style-type: none"> Work with stakeholders to understand their needs and expectations and where these overlap with the company's business needs and, thus, are good candidates for strategic community investment. |
| Adaptive management | There is no tracking of the impacts of engagement, community investment or impact management activities. | <ul style="list-style-type: none"> Develop and implement a monitoring and evaluation component for your engagement/community investment/impact management strategy that allows you to determine if activities are achieving their goals and, if they are not, adjust them accordingly. |
| | Impacts of engagement/community investment/impact management activities are monitored, but this information is not used to inform next steps. | <ul style="list-style-type: none"> Integrate a management system approach (plan, do, check, act) to monitoring, which allows you to determine if activities are achieving their goals or not and, if they are not, adjust them accordingly. |

Additional tool: how to identify and address internal organisational challenges *continued*

Table 6: Common organisational challenges and suggested actions *continued*

| | CHALLENGE | SUGGESTED ACTIONS |
|-----------------------|---|--|
| Resources and culture | Teams are dedicated, committed and well intentioned, but lack technical skills to address challenges. | <ul style="list-style-type: none"> • Provide training on specific technical skills. • Contract external support for immediate-term support on specific technical issues and for capacity building of the team. Ensure there is an exit strategy for that external support. |
| | Too much work (or too few people) makes it difficult to prioritise and plan. | <ul style="list-style-type: none"> • Provide training on specific technical skills or time management. • Reassign responsibilities between multiple team members. • Hire additional staff. • Contract external support. <p>Note: it may be necessary to reassess site priorities to determine if the level of effort can be brought in line with existing resources.</p> |
| | There are unclear roles and responsibilities within and between teams responsible for community-company relations. | <ul style="list-style-type: none"> • Work with management to: <ul style="list-style-type: none"> – identify roles and responsibilities to be filled – identify existing human resources and the adequacy of their skills sets – define clear roles and responsibilities. |
| | Basic tools, systems and procedures for managing community relations work are not available. | <ul style="list-style-type: none"> • Identify the tools, systems and procedures required by the site and develop them. |
| | Budget for stakeholder engagement/ community investment is insufficient for the specific project, its current stage of project development, and the specific stakeholders and social context. | <ul style="list-style-type: none"> • Develop a business case for reviewing next year's budget allocation, including how it will be used, the expected outcomes of any increase, how this links to the business strategy and how the results will be measured. Take the case to senior management. |
| | Community relations work is not seen as a core function of the business unit. | <ul style="list-style-type: none"> • Engage internal stakeholders to build recognition of the value of community relations risks or opportunities being an integral part of management team discussions and decision-making processes. |
| | There is a sense within the company that community relationships are a community relations team issue, rather than the responsibility of each and every employee. | |

Now you can return to Step 7 (see Section 3) to continue developing proposed actions and continue with the overall toolkit process.



Further information

6

Further information

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Annex A

Questions for community support assessment

This annex includes a list of questions that can be used to measure community support. Remember you do not have to use all of these questions – choose the ones that are most relevant to your site, its stage of development and your stakeholders. Add additional questions as necessary. Communities will give you narrative responses – that is fine. Taking notes of the longer responses will be useful when deciding where that answer falls on the scores scale (eg “somewhat” v “moderately”). The notes you take will also help during the analysis phase, by providing context and content to a given score.

The primary questions relating to each indicator or contextual factor are shaded in grey. You should ask these to all stakeholders. These are followed by a series of supplemental questions you can ask should you require additional information to fully understand the response. The latter will be especially useful where the answer to the primary question is neutral or suggests a lack of community support, or where you are trying to get as complete an understanding as possible of the underlying reasons behind the presence or absence of community support, for example the first time you do the assessment.

Note that while we list indicators before contextual factors, you might find it more helpful to begin the questionnaire/survey with the broader context before delving into the specific indicators. This might help the stakeholders to warm up to the conversation and will set the background to the stakeholders’ experience.

Reminder

This information can be gathered through online platforms, individual face-to-face interviews and/or focus groups. When choosing the delivery mechanism, remember that the level of detail you gather will determine the robustness and nuance of your analysis (see Step 7 in Section 3). So while an online survey will allow you to reach more stakeholders, it will make it more challenging to gather the level of detail you need for the analysis. Additionally, it may not be appropriate in rural areas or where external stakeholders do not have computer skills or Internet access. Individual interviews, on the other hand, may limit the number of people you can include in the assessment, but will allow you to ask clarifying questions to gather more detail. Focus groups may be a very time-effective way to reach more people and to gather the necessary detail.

Further information

Annex A

Questions for community support assessment *continued*

Legitimacy

To gauge a project's level of legitimacy, consider the following questions. Remember that the key elements we are looking for here are:

- legal authorisations
- alignment with societal expectations
- individual acceptance.

| QUESTION | SCORES | | | | |
|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| | -2 | -1 | 0 | 1 | 2 |
| | No | Somewhat | Neutral or do not know | For the most part | Yes |
| 1. Do you think the project/operation and its personnel act in ways that are compliant with the law? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | |
| 2. Do you think the project/operation is acting in ways that go beyond the minimum legal requirements? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | |
| 3. Do you think the project/operation has all the legal permits and approvals required for the activities it is currently undertaking? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | |
| 4. If laws conflict with what the community expects companies to do, has the company met community expectations? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | |
| 5. Do you think that company personnel act with integrity? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | |

Annex A

Questions for community support assessment *continued*

Compatibility of interests

To evaluate whether the site and communities have compatible interests, consider the following questions. Remember that the key elements we are looking for here are:

- interests are aligned or complementary and are not mutually exclusive
- interactions are seen as win-win.

| QUESTION | SCORES | | | | |
|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| | -2 | -1 | 0 | 1 | 2 |
| | No | Somewhat | Neutral or do not know | For the most part | Yes |
| 6. Do you believe that you/your community and the project/operation can live alongside each other peacefully? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | |
| 7. On balance, do you believe that the project's/operation's benefits to you/your community will outweigh/currently outweigh any harm or negative impacts? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | |
| | -2 | -1 | 0 | 1 | 2 |
| | Yes | More often than not | Neutral or do not know | Not significantly | No |
| 8. Do you believe that you/your community will be/is being harmed or negatively impacted by the project/operation? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | |
| | -2 | -1 | 0 | 1 | 2 |
| | No | Somewhat | Neutral or do not know | For the most part | Yes |
| 9. Do you believe that you/your community will benefit/currently benefits from the project/operation? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | |
| 10. Do you believe that the company understands and respects you/your community's priorities and interests? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | |
| 11. Do you believe that you/your community and the project/operation can support each other in meeting each other's interests? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | |

Further information

Annex A

Questions for community support assessment *continued*

Respect

To assess the level of mutual respect felt and expressed between a company and a community, consider the following questions. Remember that the key elements we are looking for here are:

- interpersonal dynamics
- cultural boundaries and practices
- information sharing
- joint problem solving and decision-making.

| QUESTION | SCORES | | | | |
|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| | -2 | -1 | 0 | 1 | 2 |
| | No | Somewhat | Neutral or do not know | For the most part | Yes |
| 12. Does the company treat you/your community in a way that is respectful of you and of your cultural norms? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | |
| 13. Does the company include you in dialogue or decision-making processes related to issues that are important to you? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | |
| 14. Does the company provide you with the information you need to understand its activities and make informed decisions? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | |
| 15. Do you feel that the company takes your opinions into account when making decisions? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | |
| 16. Does the company provide you with opportunities for dialogue? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | |
| 17. Does the company provide you with opportunities for making joint decisions? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | |

Annex A

Questions for community support assessment *continued*

Trust

To gauge the level of trust between a company and a community, consider the following. Remember that the key elements we are looking for here are:

- truthfulness
- credibility
- transparency
- alignment between expectations and capacity.

| QUESTION | SCORES | | | | |
|--|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| | -2 | -1 | 0 | 1 | 2 |
| | No | Somewhat | Neutral or do not know | For the most part | Yes |
| 18. Do you believe what the company tells you? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | |
| 19. Do you believe that the company has the power/capacity to do what it says it will do? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | |
| 20. Do you believe what the company tells you in face-to-face communications? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | |
| 21. Do you believe what the company tells you in written communications? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | |
| 22. Do you believe that information shared by the company is accurate, credible and sufficient? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | |
| 23. Do you understand the information the company gives you? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | |
| 24. Do you believe that the company does its best to do the right thing by you/your community? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | |

Further information

Annex A

Questions for community support assessment *continued*

Sociopolitical and governance context

To understand the sociopolitical and governance context and how it affects a particular community–company relationship, consider the following questions.

Remember that the key elements we are looking for here are:

- government legitimacy and capacity
- legitimacy and accountability of political processes.

| QUESTION | SCORES | | | | |
|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| | -2 | -1 | 0 | 1 | 2 |
| | No | Somewhat | Neutral or do not know | For the most part | Yes |
| 25. Do you believe that the regulatory processes for the mining industry are clear and well defined? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | |
| 26. Does government live up to its obligations? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | |
| 27. Do you believe that government has the capacity to regulate mining companies? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | |
| 28. Do you believe that government will protect you if a mining company does something wrong? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | |
| 29. If you are unhappy with the way a mining company is being regulated, do you feel that you can do something about it? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | |

Annex A Questions for community support assessment *continued*

Reputational context

To understand the reputational context and how it affects a particular community–company relationship, consider the following. Remember that the key elements we are looking for here are:

- mining industry legacy and current reputation
- company-specific reputation from other operating contexts.

FURTHER INFORMATION

| QUESTION | SCORES | | | | |
|--|--------------------------|--------------------------|----------------------------|--------------------------|--------------------------|
| | -2 | -1 | 0 | 1 | 2 |
| | Very negative | Somewhat negative | Neutral or do not know | Somewhat positive | Very positive |
| 30. Does the mining industry in this area have a positive or negative reputation? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | |
| | -2 | -1 | 0 | 1 | 2 |
| | Very bad | Somewhat bad | Neutral or do not know | Somewhat good | Very good |
| 31. What do you think about the company? Is it good or bad? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | |
| | -2 | -1 | 0 | 1 | 2 |
| | Yes, very negative | Yes, somewhat negative | No, neutral or do not know | Yes, somewhat positive | Yes, very positive |
| 32. Has the mining industry played an important part in the history of this area? If so, is it a positive or a negative role? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | |
| | -2 | -1 | 0 | 1 | 2 |
| | Much worse | Somewhat worse | Same or do not know | Somewhat better | Much better |
| 33. Do you think the company is better, worse or the same as the company down the road? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | |

Further information

Annex A

Questions for community support assessment *continued*

Equity and social capital considerations

To understand the equity and social capital considerations and how they affect a particular community–company relationship, consider the following questions.

Remember that the key elements we are looking for here are:

- equity
- social capital.

| QUESTION | SCORES | | | | |
|---|--------------------------|--------------------------|----------------------------|--------------------------|--------------------------|
| | -2 | -1 | 0 | 1 | 2 |
| | No | Somewhat | Neutral or do not know | For the most part | Yes |
| 34. Do you feel like you have the time, skills and community resources necessary to interact with the company? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | |
| 35. Do you feel that the company treats everyone in the community equally? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | |
| | -2 | -1 | 0 | 1 | 2 |
| | Yes | More often than not | No, neutral or do not know | Occasionally | No |
| 36. Do power dynamics in your community make it difficult to engage with/influence the company? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | |

Annex A

Questions for community support assessment *continued*

Equity and social capital considerations *continued*

| QUESTION | SCORES | | | | |
|---|--------------------------|--------------------------|------------------------------|--------------------------|--------------------------|
| | -2 | -1 | 0 | 1 | 2 |
| | Much harder | Somewhat harder | No or do not know | Somewhat easier | Much easier |
| 37. Do you think it is harder or easier for you to interact with the company than it is for other communities? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | |
| | -2 | -1 | 0 | 1 | 2 |
| | Very unfair | Unfair | No difference or do not | Fair | Very fair |
| 38. Do you think you get a fair amount/fair share from the company compared with other communities (job opportunities, support, management of impacts, etc)? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | |
| | -2 | -1 | 0 | 1 | 2 |
| | Much more | Somewhat more | No difference or do not know | Somewhat less | Much less |
| 39. Do you think you are more impacted by the project/operation than other communities? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | |

Further information

Annex B

Community support indicators and contextual factors: sliding scale

Once you have calculated the average based on the responses for each question under each indicator/contextual factor, you will then have a composite score

that can be situated on the overarching continuums shown in the table below.

| INDICATOR | COMPOSITE SCORE | | | | |
|-----------------------------------|---|--|--|---|--|
| | -2 | -1 | 0 | 1 | 2 |
| Legitimacy | Project/operation seen as wholly illegitimate due to failure to meet fundamental legal, societal and/or individual requirements for legitimacy | Project/operation seen as minimally illegitimate due to failure to meet some legal, societal and/or individual requirements for legitimacy | Project/operation seen as neither legitimate nor illegitimate | Project/operation seen as minimally legitimate due to meeting minimum threshold of legal, societal and individual legitimacy requirements | Project/ operation seen as wholly legitimate due to fully meeting all legal, societal and individual requirements for legitimacy |
| Compatibility of interests | Project/operation and community interests seen as directly conflicting | Project/operation and community interests not seen as complementary but seen as only minimally conflicting | Project/operation and community interests seen as neither conflicting nor complementary | Project/operation and community interests not seen as conflicting but seen as only minimally complementary | Project/operation and community interests seen as mutually strengthening |
| Respect | Company seen as highly disrespectful | Company seen as moderately disrespectful | Company seen as neither respectful nor disrespectful | Company seen as moderately respectful | Company seen as highly respectful |
| Trust | Project/operation and its representatives seen as highly untrustworthy, and/or their capacity to fulfil commitments falls well below stakeholder expectations | Project/operation and its representatives seen as moderately untrustworthy, and/or their capacity to fulfil commitments falls below stakeholder expectations in most cases | Project/operation and its representatives seen as neither trustworthy nor untrustworthy, and their capacity to fulfil commitments seen as neither aligned nor misaligned with expectations | Project/operation and its representatives seen as moderately trustworthy, and their capacity to fulfil commitments meets stakeholder expectations in most cases | Project/operation and its representatives seen as highly trustworthy, and their capacity to fulfil commitments meets or exceeds stakeholder expectations |

Annex B

Community support indicators and contextual factors: sliding scale *continued*

| CONTEXTUAL FACTOR | COMPOSITE SCORE | | | | |
|---|--|--|---|--|--|
| | -2 | -1 | 0 | 1 | 2 |
| Sociopolitical and governance context | Government and governance processes seen as wholly lacking in legitimacy, effectiveness and/or accountability | Government and governance processes seen as moderately lacking in legitimacy, effectiveness and/or accountability | Government and governance processes seen as neither legitimate, effective and/or accountable nor lacking in legitimacy, effectiveness and/or accountability | Government and governance processes seen as generally legitimate, effective and accountable | Government and governance processes seen as very legitimate, effective and accountable |
| Reputational context | Mining sector/specific mine/your company has a very negative reputation | Mining sector/specific mine/your company has a generally negative reputation | Mining sector/specific mine/your company has neutral (or no) reputation | Mining sector/specific mine/your company has a generally positive reputation | Mining sector/specific mine/your company has a very positive reputation |
| Equity and social capital considerations | Distribution of site's/ industry's impacts and benefits seen as highly inequitable, and/or social capital is very weak | Distribution of site's/ industry's impacts and benefits seen as generally inequitable, and/or social capital is generally weak | Distribution of site's/ industry's impacts and benefits seen as neither equitable nor inequitable, and social capital is neither weak nor strong | Distribution of site's/ industry's impacts and benefits seen as generally equitable, and/or social capital is generally strong | Distribution of site's/ industry's impacts and benefits seen as highly equitable, and/or social capital is very strong |

Further information

Annex C

Creating a data management template and summary table

Data management template (Excel) – instructions

1. Create a new spreadsheet in Excel.
2. Create rows for each of the questions asked, grouped by indicator and contextual factor.
3. Create columns for each stakeholder participating in the assessment. If the assessment covers multiple stakeholders for each stakeholder group, add a separate column for each individual stakeholder and an additional column for the average of the entire group. Add as many columns as necessary to include each stakeholder or stakeholder group covered by the assessment. You can also use this same type of template to track and process responses from internal company representatives as described in Step 6 (see Section 3).
4. Record the numerical response received for each question in the appropriate row and column.
5. Calculate the average value for all responses from stakeholders within the respective group and record the average value for each question.
6. Once you have a single numerical value for each question and each of the primary stakeholder groups, do the same thing for each indicator or contextual factor. Since multiple questions may be used for a single indicator or contextual factor, calculate the average response from each respective set of questions and record the average by stakeholder group and indicator/contextual factor.

7. You can also average the responses from all of your stakeholders to each metric. For example, knowing that all of your stakeholders (or all of a certain type of stakeholder) gave low scores on trust could give you a good idea of the main areas of concern. However, this will likely only be useful where different stakeholders' scores to each metric are generally consistent; where some stakeholders rate trust (for example) very high, and others rate it very low, averaging the two would not be useful.

Figure C.1: Sample Excel-based data management template

| A | B | C | D | E | F |
|-----------------------------------|---|---------------|---------------|---------------|---------------------|
| | | Stakeholder A | Stakeholder B | Stakeholder C | |
| Question | Question | Scoring | Scoring | Scoring | Stakeholder Average |
| Legitimacy | | | | | |
| 1 | Do you think the project / operation and its personnel act in ways that are compliant with the law? | | | | |
| 2 | Do you think the project / operation is acting in ways that go beyond the minimum legal requirements? | | | | |
| 3 | Do you think the project / operation has all the legal permits and approvals required for the activities it is currently undertaking? | | | | |
| 4 | If laws conflict with what the community expects companies to do, has the company met community expectations? | | | | |
| 5 | Do you think that company personnel act with integrity? | | | | |
| Compatibility of interests | | | | | |
| 6 | Do you believe that you / your community and the project /operation can live alongside each other peacefully? | | | | |
| 7 | On balance, do you believe that the project /operation's benefits to you / your community will outweigh / currently outweighs any harm or negative impacts? | | | | |
| 8 | Do you believe that you / your community will be/is being harmed or negatively impacted by the project /operation? | | | | |
| 9 | Do you believe that you / your community will benefit/ currently benefits from the project /operation? | | | | |
| 10 | Do you believe that the company understands and respects you / your community's priorities and interests? | | | | |
| 11 | Do you believe that you / your community and the project /operation can support each other in meeting their interests? | | | | |
| Respect | | | | | |
| 12 | Does the company treat you / your community in a way that is respectful of you and of your cultural norms? | | | | |
| 13 | Does the company include you in dialogue or decision-making processes related to issues that are important to you? | | | | |

Summary table – instructions

Using the Excel template in Figure C.1, copy and paste (or link) the composite averages for each stakeholder group and each indicator and contextual factor into a summary table, Table C.2.

Table C.2: Sample data management summary table

| | STAKEHOLDER GROUP A | STAKEHOLDER GROUP B | STAKEHOLDER GROUP C |
|--|---------------------|---------------------|---------------------|
| Legitimacy | 1.6 | -0.4 | 1.7 |
| Compatibility of interests | 1.8 | -0.7 | 1.9 |
| Respect | 1.9 | -1.3 | -0.6 |
| Trust | 1.7 | -0.8 | 0.2 |
| Equity and social capital considerations | -1.5 | -0.2 | 1.8 |
| Reputational context | 0.0 | 1.4 | 1.8 |
| Sociopolitical and governance context | -1.4 | 1.8 | 1.7 |

Annex D Creating a spider diagram

Instructions

Spider diagrams (or “radar charts” as they are called on Excel) can be easily created using the Excel table shown in Annex C. This is accomplished as follows:

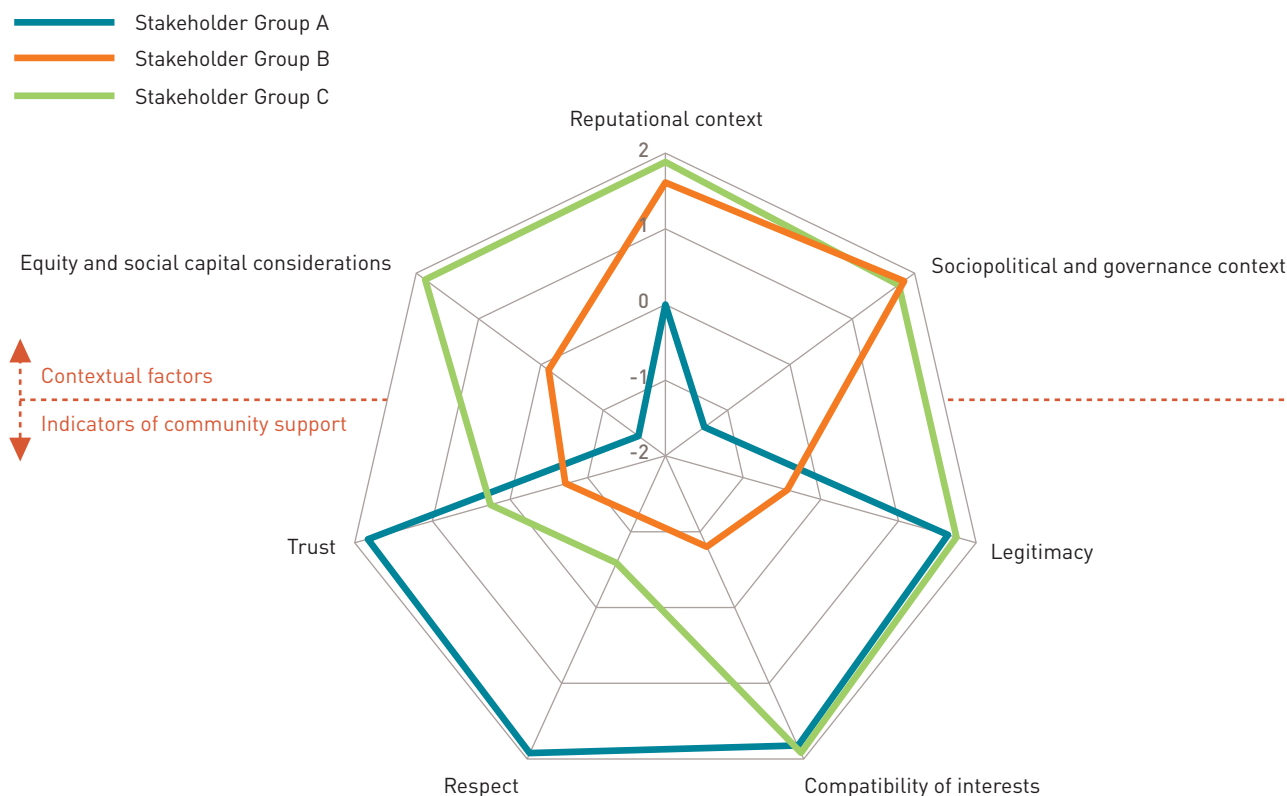
1. Take Table C.2 shown in Annex C. If you decide to create multiple charts for different stakeholder groups, issues or geographies, create a corresponding summary table using the same process described in Annex C.
2. In Excel, highlight the summary table, navigate to the “Insert Chart” tool (on the “Insert” toolbar), and click on the “Radar” chart option. Excel will automatically produce a spider diagram/radar chart with default settings for colour, size and order. You may need to rearrange the order of the rows (indicators and contextual factors) so that the indicators are grouped together and the contextual factors are grouped separately. You can then define the colours, legend and other chart attributes as necessary.

3. If the default labelling for the ranking axis is incorrect, right click on the axis in your chart in Excel and click “Format Axis”. From this control box, you can change the axis labels, define the major and minor units, and turn on and off the lines, tick marks and other display features.

[The relevant spider diagram, using the information in Table C.2, is shown in Figure D.1.]

FURTHER INFORMATION

Figure D.1: Spider diagram – community support of three hypothetical stakeholder groups



Further information

Annex E Questions for internal stakeholders

This annex includes a list of questions that can be used to explore where the company thinks each community stakeholder stands regarding the seven metrics. Adjust the language or add additional questions as necessary. As you do this, remember the following:

- Be sure that the questions get at the heart of the key elements of each metric.
- You will be comparing the responses received from company representatives with those received from external stakeholders – so make sure the questions you ask the two groups are consistent.
- Make sure to remind the internal stakeholder(s) throughout the questionnaire/survey that the questions are aimed at finding out how they think the community feels about each question/indicator.

Finally, if you plan to score responses and plot the scores for each indicator and contextual factor on a spider diagram to compare with external stakeholder scores (as described in Step 6 in Section 3), be sure to ask company staff all of the same questions you asked community stakeholders.

Alternatively, if you do not plan to plot company responses on a spider diagram, and thus do not need all of the same data points that you have for community stakeholders, you may only need to ask the questions shaded in grey. These correspond to the primary questions for community stakeholders, that is the ones that should be asked of each stakeholder in order to decide if you need to ask the supplemental questions (see Annex A).

| | | SCORES | | | | |
|------------------|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| | | -2 | -1 | 0 | 1 | 2 |
| LEGITIMACY | | No | Somewhat | Neutral or do not know | For the most part | Yes |
| 1. | Do you think the community believes that the project/operation and its personnel act in ways that are compliant with the law? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | | |
| 2. | Do you think the community believes that the project/operation is acting in ways that go beyond the minimum legal requirements? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | | |
| 3. | Do you think the community believes that the project/operation has all the legal permits and approvals required for the activities it is currently undertaking? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | | |
| 4. | If laws conflict with what the community expects companies to do, do you think the community believes that the company has met community expectations? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | | |
| 5. | Do you think the community believes that company personnel act with integrity? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | | |

Annex E Questions for internal stakeholders *continued*

| | | SCORES | | | | |
|----------------------------|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| | | -2 | -1 | 0 | 1 | 2 |
| COMPATIBILITY OF INTERESTS | | No | Somewhat | Neutral or do not know | For the most part | Yes |
| 6. | Do you think the community believes that it and the project/operation can live alongside each other peacefully? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | | |
| 7. | Do you think the community believes that, on balance, the project's/operation's benefits to it will outweigh/currently outweigh any harm or negative impacts? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | | |
| | | -2 | -1 | 0 | 1 | 2 |
| | | Yes | More often than not | Neutral or do not know | Not significantly | No |
| 8. | Do you think the community believes that it will be/is being harmed or negatively impacted by the project/operation? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | | |
| | | -2 | -1 | 0 | 1 | 2 |
| | | No | Somewhat | Neutral or do not know | For the most part | Yes |
| 9. | Do you think the community believes that it will benefit/currently benefits from the project/operation? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | | |
| 10. | Do you think the community believes that the company understands and respects the community's priorities and interests? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | | |
| 11. | Do you think the community believes that it and the project/operation can support each other in meeting each other's interests? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | | |

Further information

Annex E

Questions for internal stakeholders *continued*

| | SCORES | | | | |
|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| | -2 | -1 | 0 | 1 | 2 |
| RESPECT | No | Somewhat | Neutral or do not know | For the most part | Yes |
| <p>12. Do you think the community believes that the company treats it in a way that is respectful of the community and its cultural norms?</p> <p><i>Comments:</i></p> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <p>13. Do you think the community believes that the company includes it in dialogue or decision-making processes related to issues that are important to the community?</p> <p><i>Comments:</i></p> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <p>14. Do you think the community believes that the company provides it with the information it needs to understand the company's activities and make informed decisions?</p> <p><i>Comments:</i></p> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <p>15. Do you think the community feels that the company takes the community's opinions into account when making decisions?</p> <p><i>Comments:</i></p> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <p>16. Do you think the community believes that the company provides it with opportunities for dialogue?</p> <p><i>Comments:</i></p> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <p>17. Do you think the community believes that the company provides it with opportunities for making joint decisions?</p> <p><i>Comments:</i></p> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Annex E Questions for internal stakeholders *continued*

| | SCORES | | | | |
|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| | -2 | -1 | 0 | 1 | 2 |
| TRUST | No | Somewhat | Neutral or do not know | For the most part | Yes |
| 18. Do you think the community believes what the company tells it? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | |
| 19. Do you think the community believes that the company has the power/capacity to do what it says it will do? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | |
| 20. Do you think the community believes what the company tells it in face-to-face communications? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | |
| 21. Do you think the community believes what the company tells it in written communications? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | |
| 22. Do you think the community believes that information shared by the company is accurate, credible and sufficient? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | |
| 23. Do you think the community understands the information the company gives it? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | |
| 24. Do you think the community believes that the company does its best to do the right thing by the community? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | |

FURTHER INFORMATION

Further information

Annex E

Questions for internal stakeholders *continued*

| | SCORES | | | | |
|--|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| | -2 | -1 | 0 | 1 | 2 |
| SOCIOPOLITICAL AND GOVERNANCE CONTEXT | No | Somewhat | Neutral or do not know | For the most part | Yes |
| 25. Do you think the community believes that the regulatory processes for the mining industry are clear and well defined? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | |
| 26. Do you think the community believes that government lives up to its obligations? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | |
| 27. Do you think the community believes that government has the capacity to regulate mining companies? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | |
| 28. Do you think the community believes that government will protect it if a mining company does something wrong? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | |
| 29. If the community is unhappy with the way a mining company is being regulated, do you think the community feels that it can do something about it? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | |

Annex E Questions for internal stakeholders *continued*

| REPUTATIONAL CONTEXT | SCORES | | | | |
|--|--------------------------|--------------------------|----------------------------|--------------------------|--------------------------|
| | -2 | -1 | 0 | 1 | 2 |
| | Very negative | Somewhat negative | Neutral or do not know | Somewhat positive | Very positive |
| 30. Do you think the community believes the mining industry in this area has a positive or negative reputation? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | |
| | -2 | -1 | 0 | 1 | 2 |
| | Very bad | Somewhat bad | Neutral or do not know | Somewhat good | Very good |
| 31. What do you think the community thinks about the company? Is it good or bad? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | |
| | -2 | -1 | 0 | 1 | 2 |
| | Yes, very negative | Yes, somewhat negative | No, neutral or do not know | Yes, somewhat positive | Yes, very positive |
| 32. Do you think the community feels that the mining industry has played an important part in the history of this area? If so, is it a positive or a negative role? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | |
| | -2 | -1 | 0 | 1 | 2 |
| | Much worse | Somewhat worse | Same or do not know | Somewhat better | Much better |
| 33. Do you think the community thinks that the company is better, worse or the same as the company down the road? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | |

Further information

Annex E

Questions for internal stakeholders *continued*

| | | SCORES | | | | |
|--|---|--------------------------|--------------------------|------------------------------|--------------------------|--------------------------|
| | | -2 | -1 | 0 | 1 | 2 |
| EQUITY AND SOCIAL CAPITAL CONSIDERATIONS | | No | Somewhat | Neutral or do not know | For the most part | Yes |
| 34. | Do you think the community feels that it has the time, skills and community resources necessary to interact with the company? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | | |
| 35. | Do you think the community feels that the company treats everyone in the community equally? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | | |
| | | -2 | -1 | 0 | 1 | 2 |
| | | Yes | More often than not | No, neutral or do not know | Occasionally | No |
| 36. | Do you think the community feels that its power dynamics make it difficult to engage with/influence the company? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | | |
| | | -2 | -1 | 0 | 1 | 2 |
| | | Much harder | Somewhat harder | No or do not know | Somewhat easier | Much easier |
| 37. | Do you think the community feels that it is harder or easier for it to interact with the company than it is for other communities? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | | |
| | | -2 | -1 | 0 | 1 | 2 |
| | | Very unfair | Unfair | No difference or do not know | Fair | Very fair |
| 38. | Do you think the community feels that it gets a fair amount/fair share from the company compared with other communities (job opportunities, support, management of impacts, etc)? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | | |
| | | -2 | -1 | 0 | 1 | 2 |
| | | Much more | Somewhat more | No difference or do not know | Somewhat less | Much less |
| 39. | Do you think the community feels that it is more or less impacted by the project/operation than other communities? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <i>Comments:</i> | | | | | | |

Annex F

Questions for assessment of internal organisational challenges

Use these questions in one-on-one interviews or focus group discussions. Feel free to adjust or add to them as appropriate for your site and company.

Rather than simply asking each question of interviewees or focus group participants, use them to guide the discussion.

| ASSESSMENT | QUESTIONS |
|---|--|
| Stakeholder identification and analysis | <ol style="list-style-type: none"> 1. Did the stakeholder identification process include the participation of stakeholders? 2. Did the stakeholder identification process seek to identify individuals and groups who could be (or feared they could be) negatively impacted by the project? 3. Were the following types of stakeholders included, as applicable: potentially affected people, landowners, community members, community leaders, permanent/temporary/seasonal land and resource users, men, women, young people, the elderly, the group that one of the other groups told you was not important, etc? 4. Do the criteria used to assign priority to stakeholders focus on risks to the site posed by stakeholders and impacts on stakeholders? |
| Community-company interactions | <ol style="list-style-type: none"> 5. Is there a clear, accessible and effective way for stakeholders to communicate with the site in person if they have questions or concerns? 6. Are all commitments registered and met in a timely manner? 7. Do company interactions with priority stakeholders focus primarily on proactive relationship building rather than community investment or crisis management? 8. Does engagement include consultation, shared decision-making and the active participation of stakeholders? 9. Do contractors have appropriate language in their contracts to guide interactions with communities? |
| Community investment | <ol style="list-style-type: none"> 10. Do stakeholders play an active role in the selection, design, implementation, and monitoring and evaluation of community investment initiatives? 11. Do community investment activities focus primarily on the site's priority stakeholders? 13. Are community investments strategic (ie do they seek win-win opportunities for stakeholders and the company? Do they seek to mitigate social risk?)? 13. Are community investments sustainable over time (eg do they include transition plans, exit strategies or similar?)? 14. Does community investment focus on areas that are the government's responsibility? |
| Impact management | <ol style="list-style-type: none"> 15. Is the site successfully managing its impacts, including things that the site does not consider to be impacts but that stakeholders do consider to be impacts? 16. Is the site adequately communicating its impact management activities and progress to stakeholders such that stakeholders do not have misconceptions about these activities and their success? 17. Does the site involve stakeholders in the implementation and monitoring and evaluation of impact management activities (this should include affected stakeholders and, where appropriate, other interested parties such as NGOs, academic institutions, etc)? |

continued on page 66

Further information

Annex F

Questions for assessment of internal organisational challenges *continued*

| ASSESSMENT | QUESTIONS |
|-----------------------------------|---|
| Planning and monitoring | 18. Does the planning process for community relations work (stakeholder engagement, community investment, impact management, etc) include the identification of objectives, activities required to meet those objectives, resources required, timeframes, responsible parties and performance indicators? |
| | 19. Does planning for community relations activities (engagement, community investment, impact management, etc) take into account risks to the site posed by stakeholders? |
| | 20. Is planning for community relations linked to the site's overall business strategy? |
| | 21. Are the inputs and outcomes of community relations work (stakeholder engagement, community investment, impact management, etc) monitored to assess progress towards goals and to improve activities as necessary? |
| Human resources | 22. Is the number of people dedicated to designing and implementing approaches to community-company relations sufficient for the level of effort required to carry out this work and achieve community support? |
| | 23. Does the team have the necessary skills relating to understanding the business strategy and delivering on the community relations strategy as part of the overarching business strategy? |
| | 24. Does the team have the necessary skills relating to strategy development, goal setting, resource and activity planning and execution? |
| | 25. Does the team have the necessary skills relating to monitoring and evaluation, and adaptive management? |
| | 26. Does the team have the necessary skills relating to strategic (as opposed to philanthropic) community investment design and implementation? |
| | 27. Does the team have the necessary skills relating to overall management of social performance, including impact management and social risk management? |
| | 28. Does the team have the necessary skills relating to running internal managementsystems effectively? |
| | 29. Does the site's culture (at the senior management level and on the ground) treat the work of community-company relations as a core function of the business unit and support it accordingly? |
| Company operational-level culture | 30. Do the teams responsible for designing and implementing field-level or site-level community-company interactions receive adequate support from higher-level management (support includes resource allocation, technical guidance, being given a chance to provide input into decision-making, etc)? |
| | 31. Are the budgets available for stakeholder engagement and community investment sufficient for the work required by the site, its stage of project development, the stakeholders, the level of risk and the social context? |
| Financial and other resources | 32. Are the necessary tools, systems and procedures required to manage the work involved in designing and implementing community relations work available to the team? |

Annex G

Sample approach to a third-party assessment

This annex provides a description of how the assessment can be organised using an external third party.

This process is just one option that is provided as a general guide and can be adapted to meet the needs of your site.

| TASK | THIRD-PARTY RESPONSIBILITY | SITE RESPONSIBILITY |
|--|--|---|
| 1. Preparation Activities prior to startup | <ul style="list-style-type: none"> n/a | <ul style="list-style-type: none"> Identify/articulate need and value of assessment Define and procure budget Get management on board with concepts and approach Gather internal documentation for review Develop terms of reference and contract third party Identify internal champion for assessment with responsibility to follow and support assessment process from beginning to end, with authority to convene |
| 2. Kick-off meeting Agree on high-level process, roles and responsibilities, timeframe and level of commitment required | <ul style="list-style-type: none"> Attend meeting | <ul style="list-style-type: none"> Facilitate meeting |
| 3. Documentation review and preparation Review stakeholder maps, grievance mechanisms, community relations plans, management systems, community investment programmes, etc in order to inform planning of the toolkit implementation process | <ul style="list-style-type: none"> Conduct documentation review Identify and compile brief/most useful data for reference during future stages of the assessment | <ul style="list-style-type: none"> Provide documentation for review Facilitate third-party understanding of existing team, management systems, procedures, etc |
| 4. Assessment planning Define assessment objectives, identify existing processes that will be leveraged, select stakeholders and delivery mechanism(s), refine questions, and prepare schedule and work plan for assessment implementation | <ul style="list-style-type: none"> Plan and facilitate meeting(s) | <ul style="list-style-type: none"> Ensure participation (as necessary) of site-level implementation team, community relations staff, management and other relevant staff Participate in the articulation of objectives |
| 5. Assessment design Finalise assessment design, schedule, work plan and logistics | <ul style="list-style-type: none"> Finalise assessment design, schedule and work plan | <ul style="list-style-type: none"> Review design, schedule and work plan Plan logistics Agree on communication protocol with stakeholders |
| 6. Assessment implementation Conduct community support assessment | <ul style="list-style-type: none"> Implement assessment (surveys, interviews, focus groups) Process data and visualise results (populate Excel and create spider diagrams) | <ul style="list-style-type: none"> Provide logistical support, including setting up internal and external stakeholder meetings Additional site participation to be agreed between site and the third party |
| 7. Assessment implementation Work with internal stakeholders | Lead discussions: <ul style="list-style-type: none"> Determine if the company's perceptions on the levels of community support differ from those of stakeholders Identify the reasons behind low or neutral scores from stakeholders Identify organisational barriers if necessary Propose ways to improve relationships where necessary | <ul style="list-style-type: none"> Participate in meetings Additional site participation to be agreed between site and the third party |
| 8. Work with communities | <ul style="list-style-type: none"> n/a | <ul style="list-style-type: none"> Meet with communities to discuss assessment results and explore and agree next steps |
| 9. Next steps | <ul style="list-style-type: none"> n/a | <ul style="list-style-type: none"> Integrate the next steps into overall planning and then implement them with communities |

Further information

Annex H

How was this document prepared?

This document was prepared by Environmental Resources Management (ERM) in co-operation with the ICMM Secretariat and ICMM's Understanding Community Relationships Working Group. The process was as follows.

The project team began by drawing up a long list of attributes or "aspects" that practitioners agreed contribute to defining community-company relationships in the mining sector (see Figure H.1). These aspects related to both:

- actions a company takes to manage the project or operation and its stakeholder relationships
- a set of contextual factors that exist around the project or operation and serve as a lens through which company actions are filtered by society.

Figure H.1: Long list of aspects of community support



Source: Created using d3-cloud

Having identified the actions (under company control) versus contextual factors (generally outside company control), the team analysed the long list of aspects using an input-output-outcome-impact approach (see Figure H.2). This is a common framework for monitoring social performance issues.

At this point, it was important to remember that community support is not the result of linear cause and effect interactions. Rather, it is the product of the interplay of inputs, outputs, outcomes and contextual factors in a dynamic environment influenced by individual and collective interests. Despite the lack of linearity in this process, it is essential to identify the inputs that contributed to each of the outcomes – which are called "indicators" of community support in this toolkit – as well as the contextual factors that may have influenced it positively or negatively.

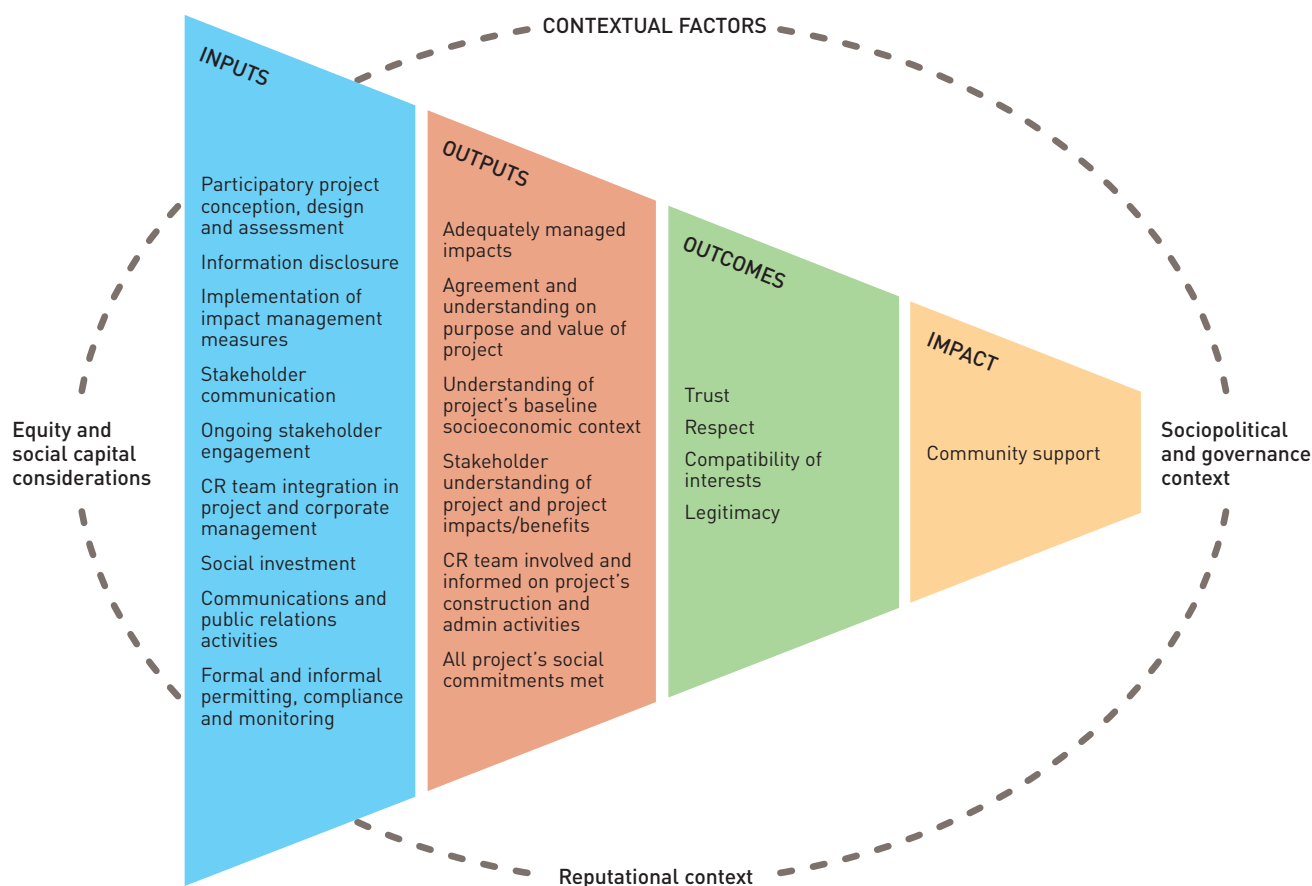
For the purposes of this methodology, these concepts are defined as follows:

- Inputs are actions taken by companies and stakeholders. Examples include implementation of impact management measures, communication of project activities and hiring of local people.
- Outputs refer to the result of inputs into community-company relationships. An output is the product of actions (inputs) and can be modified by adjusting the action(s). Examples include mitigation of an environmental impact, achievement of a clear understanding by communities of project activities and the participation of local people in the project workforce.
- Outcomes refer to the observed effects of the output on the company or the community, such as satisfaction with how impacts are managed or increasing or decreasing trust, familiarity or well-being. The observed effects are less directly attributable to specific inputs, but are nonetheless essential indicators of the success of those inputs in achieving their goals.
- Contextual factors are circumstances, values, historical patterns or social, economic, political, cultural or other features of the context of a project/operation. Contextual factors influence the outputs and outcomes of different inputs, but are generally beyond the direct control of any single stakeholder or the company. Examples include the political context in which the project or operation is situated.
- Impact in this context refers to community support – the ultimate goal of the actions or inputs. This is not to say that companies invest in these inputs solely to achieve community support; successful impact management, for example, has a variety of intended aims. Nonetheless, for the purposes of this toolkit, community support is the ultimate goal we are working towards and what we are seeking to measure.

Annex H

How was this document prepared? *continued*

Figure H.2: Input–output–outcome–impact analysis



FURTHER INFORMATION

Note: For the purposes of this graphic, outcomes = indicators

By organising the long list of aspects using an input–output–outcome–impact approach, the team identified a short list of aspects that are most indicative of community support. These are what you need to measure to understand whether or not you have community support, and become your indicators of community support. They are:

- legitimacy
- compatibility of interests
- respect
- trust.

The contextual factors can be grouped as follows:

- sociopolitical and governance context
- reputational context
- equity and social capital considerations.

With this basic framework in place, the team was able to develop a methodology for measuring community support.

An earlier draft of the toolkit was developed in 2014 and pilot-tested at two operational sites of ICM member companies. The feedback from the pilot-testing process greatly helped in the process of revising and finalising the toolkit to make it more user-friendly. A summary of the feedback is provided below. It includes the benefits identified by these companies in applying the draft toolkit and the areas for improvement they recommended we incorporate into the current, final version.

Further information

Annex H

How was this document prepared? *continued*

Feedback from pilot-testing the draft toolkit in 2015

Benefits of using the Toolkit

- The internal capacity assessment aspect is often missing from other tools that focus narrowly on perception
- A useful means for building a cross-functional understanding of the importance of community relationships in companies (beyond community relations staff to include supply chain, human resources and communications)
- Applying the toolkit also provided insights for building a common understanding of contextual factors internally, how to maintain levels of trust and respect post-closure, and managing staff turnover.
- Good resource that provides a good basis for a facilitated approach, but will definitely need to be adapted for a site by a facilitator.
- Includes good tips and things to think about (e.g. make sure questions are applicable to your site, don't forget about including vulnerable people, align these questions with activities that are already planned.)
- Although predominately an internal exercise, the toolkit encourages users to work with and validate results with the community which is good.
- The tool has captured the frustration of local people at an operation that is approaching closure, which is evident in the results obtained.
- For those members of the team with the greatest understanding of the behaviour and attitudes of the population, the tool seems to corroborate the information they have about the current levels of support relative to the four indicators analysed.
- Applying the toolkit confirmed assumptions regarding level of support among different stakeholder groups – but provided quantitative and qualitative information to support internal assumptions.
- The results of the external survey will support conversations with Indigenous leaders, in particular regarding the state of current benefits and the flow of benefits from participation agreements.
- The results of the external survey provide an opportunity to share information with a wide range of stakeholders and to start a conversation with stakeholders based on the concerns or areas of opportunity they raised in the survey.
- The results of the internal and external surveys feed into the internal review process to help develop additional actions that may need to be integrated into social management plans for following year.

Areas for improvement (incorporated into the final version)

- Review the length and content of the questionnaire used for the face to face interviews for both internal and external stakeholders.
- Ensure a 'cascade' approach in applying the questionnaire – start with key questions and go deeper where responses suggest support may be lacking.
- Include guidance for the interviewer on how to handle situations where a response is unclear: for example, the interviewer should rephrase the question to confirm the rating.
- Include a comments section for each question to capture information other than the rating.
- From the analysis of the survey results it became evident that the use of open boxes (allowing respondents to provide qualitative feedback for their response) added richness to the quantitative survey results. Although providing an option for written feedback for every question is cumbersome, it did yield value by providing information on the underlying interests, concerns and thoughts influencing respondent's answers.
- Provide further guidance on the methodology for "identifying and addressing internal organisational challenges".
- The internal perception survey can be implemented in multiple ways. The toolkit originally proposed a workshop to gather internal staff perceptions to compare against external survey. However, by conducting the internal survey it was easier to compare internal and external perceptions quantitatively.
- Include new inputs for the final matrix based on the conclusions from the spider charts and online survey.
- The purpose of collecting secondary data from interviewees needs to be clarified. Consider value of interviewing stakeholders from beyond the indirect area of influence of a project or operation to provide more objective input to the analysis of contextual factors.
- The value of collecting information on 'behaviours' is unclear.
- Consider conducting the interviews in groups in some communities to foster their confidence in the process.
- Considering reflecting the stage of mine development in the questionnaire, to account for different prevailing attitudes of the population before mining activity begins, during design, construction, operation and closure.
- For operations approaching closure, include questions that better reflect the realities of this stage (frustration of the people, changes in investment strategies, reduction of staff numbers, etc).

Annex H

How was this document prepared? *continued*

- Consider prioritizing which of the four indicators of community support are the most important to help direct actions related to closure planning.
- The indicators are very subjective and aggregate a number of aspects. There may be value in looking at more tangible and objective measures such as: quality of life.
- It is important to understand literacy levels among the population as this can have a bearing on the level of understanding of information the company shares (which in turn influences levels of support).
- The tool might try to capture generational differences for long-term operations. For example, young people may claim that their parents were deceived which has an important bearing on observed levels of trust.
- The interpretation of 'respect' may differ between the community and the mine. For example failure to win commercial bids has been interpreted as a lack of respect. The tool should collect the different meaning that communities have for each of the indicators.
- The risk of the Toolkit being used by senior management to challenge or call into question the work of the community relations team should be acknowledged and addressed.
- The application of tool needs to allow for greater flexibility in its implementation. Some operations may have a great deal more information available to them on stakeholders, perceptions, strength and weaknesses of internal management of social performance etc., compared to new sites or projects. This requires flexibility in the approach to implementing the toolkit – for example, the internal capacity assessment could be optional.

Further information

Acknowledgements

The development of this toolkit would not have been possible without the input and support of the individuals below. ICMM gratefully acknowledges the following contributions:

Pilot companies

This toolkit has benefited greatly from refinements based on pilot activities undertaken by Teck and Barrick. In particular, ICMM would like to thank the following individuals:

| | |
|------------------|---------|
| Naomi Johnson | Barrick |
| Maria Ibarra | Barrick |
| Claudia Vivanco | Barrick |
| Henry Leiva | Barrick |
| Nancy Tamara | Barrick |
| Magno Quispe | Barrick |
| Jose Chang | Barrick |
| Norman Fraser | Teck |
| Marlena Anderson | Teck |
| Peter Martell | Teck |

ICMM working group

The development of the Guide was overseen by an ICMM Working Group. ICMM would like to thank the following members of the working group for their sustained engagement on iterative drafts which led to the final document. The working group comprised:

| | |
|------------------|-------------------|
| Laura Brooks | Anglo American |
| Thando Njoko | AngloGold Ashanti |
| Melinda Buckland | BHP Billiton |
| Naomi Johnson | Barrick |
| Peter Sinclair | Barrick |
| Ivar Oellingrath | Hydro |
| Damien Kahambwe | MMG |
| Michelle Sharpe | MMG |
| Nick Cotts | Newmont |
| Norman Fraser | Teck |
| Gillian Quigley | Teck |

Consulting team

The toolkit was developed by a consulting team from Environmental Resources Management (ERM). For their expert input in the drafting and development of the toolkit, ICMM is indebted to the ERM team which comprised the following members:

Catherine Stevens
Dana Frye
Matthew Kuniholm
Deon Wessels
Tania Barron
Fiorella Pino
Rolando Vega

ICMM team

Aidan Davy led the process to develop this toolkit with support from Claire Lerner and Hafren Williams. Clara del Campo provided important input and played a key role in the Barrick pilot. We are indebted to Fraser Watson for his creative input into the design process.

Photography credits

ICMM wishes to thank Anglo American and Rio Tinto for the use of their images in this toolkit.

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Published by the International Council on Mining and Metals (ICMM), London, UK.

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ISBN: 978-1-909434-18-9

Available from: ICMM, www.icmm.com, info@icmm.com

Design: Duo Design Limited

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