Stakeholder Dialogues

Manual

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Information on CDP — an overview[1]

The brochure **Capacity Development for Partnerships with the Private Sector (CDP) — Consulting Services** is the main CDP advisory services publication. It examines the various forms of cooperation between the state and the private sector.

Complementing the above brochure, there are separate publications on three central forms of cooperation: **Programmes for Development Partnerships (EPW), Public-Private Partnerships** and **Stakeholder Dialogues (SD)**. These documents provide detailed information on CDP advisory services and training courses, and guide staff through the first planning stages.

For staff involved in the project management of development partnerships, **Steering and Monitoring Partnerships with the Private Sector (SMP)** provides a guide to design, implementation and in-process monitoring. (see Chapter 4.2.3).

1. Stakeholder dialogues – an introduction[2]

The private and public sectors are increasingly working together with civil society to find solutions to the complex challenges arising from globally interdependent problems and conflicts. Experience shows that long-term success can be achieved when joint efforts are undertaken to get solutions underway. That is why stakeholder dialogues – dialogues between everyone working on a given theme – are increasingly proposed as an approach to problem-solving. Hence the growing importance, also in international cooperation, of acquiring the expertise needed to propose and coordinate complex cross-sectoral dialogue and negotiation processes, and to provide advisory inputs and support for these processes.

1.1   What are stakeholder dialogues?

Stakeholder dialogues are a method for managing change processes through cooperation. Their distinguishing feature is that they involve the stakeholders relevant to implementing a measure. Stakeholder dialogues bring different perspectives together, and enable the stakeholders to jointly seek solutions that are not partial and that do not ignore difficulties. In fact, the differences and conflicts existing between stakeholders mean that stakeholder dialogues possess major potential for identifying innovative solutions for sustainable development. The pooling of funds and resources leads to greater efficiency.

This means that in complex situations, the stakeholder dialogue approach can provide a constructive way of achieving planned objectives by creating scope for fresh options that are viable for all concerned. The joint nature of the process increases not only the likelihood of a consensus, but also the sustainability of the results. When stakeholders from various sectors join forces, they bring their different experiences and expertise to bear in pursuit of shared objectives. Moreover, exchanging perspectives in stakeholder dialogues can also promote synergy effects within a sector.

1.2   Opportunities and reasons for using stakeholder dialogues

Stakeholder dialogues make it possible to take different perspectives, standpoints and interests into account during planning and implementation processes. In so doing, they foster new and innovative forms of communication and cooperation and integrate diverse competencies. This form of cooperation offers a number of benefits since it contributes to more efficient and sustainable change processes:

- **Expertise is pooled**. Challenges such as growing poverty, climate change, HIV/AIDS, corruption and globalisation call for the combined expertise of various actors.

- **Cooperation within stakeholder dialogues promotes more efficient use of funds and resources,** since these are jointly deployed.

- **The results achieved in cooperation with others are often more solid, viable and sustainable than individual solutions** and are therefore more likely to be accepted by participating stakeholders and by those around them. This enhances the acceptance and reputation of the cooperation arrangement.

- **Stakeholder dialogues increase the capacity of complex systems to find solutions**. The interplay of different competencies and joint design processes boosts learning ability as compared with activities in just one institution or sector.

- **The quality and credibility of opinion-forming processes grows** when manifold viewpoints are integrated and interests are balanced. Being familiar with different arguments prevents people from adopting rigid positions. However, it also makes it more difficult to put decisions into practice.

- **It is easier to implement jointly agreed strategies** if they have been developed through an equitable and transparent dialogue. This obviates the need to first convince stakeholders of the adopted decisions; they immediately identify with the results that have been worked out together.

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[2] This text is based on the workshop series held by the Collective Leadership Institute entitled Working with Stakeholder Dialogues, www.collectiveleadership.com.

- **Stakeholder dialogues increase actors' willingness to commit themselves**, because the participating actors can help shape processes. They feel jointly responsible and are therefore interested in shared success, and take action to multiply the results.

- **Stakeholder dialogues dispel social rigidity and conflicts**. Active participation in stakeholder dialogues promotes joint exploration of options for the future. This broadens the prospects of participants and **opens up new options for action for everyone concerned**.

1.3 Making stakeholder dialogues a success

To implement stakeholder dialogues for results, effective project management must be flanked by extensive methodological knowledge. The following section shows the key methods and tools of the stakeholder dialogue approach. The graphic below gives an overview of the methods and the fields in which they are used.

Exploring the potential for implementation	Planning	Implementation	Monitoring and evaluation

Chapter 2:
Potential analysis for using stakeholder dialogues

Chapter 3:
Forms of stakeholder dialogues

Chapter 4: Conducting stakeholder dialogues

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2. Potential analysis for using stakeholder dialogues

Stakeholder dialogues are being held more and more often to address a variety of issues, including climate change mitigation and adaptation, food security, the development of value chains, sustainable urban development and social and ecological standards. Organisers may come from the public or private sector or civil-society organisations. Stakeholder dialogues are also being used on a growing scale for sustainable economic development in international cooperation. Various societal actors are committing in this way to jointly discussing and/or putting into practice options for finding solutions and responding to challenges.

It therefore makes sense to use stakeholder dialogues if

- an initiative can only be carried out with the support of various groups of actors and decision-makers,
- sustainable implementation calls for acceptance by specific stakeholder groups (people concerned and people involved), or
- the aim is to change the status quo but the relevant actors do not agree on the direction and goal of the intended change or on how it is to be achieved.

2.1 When is the stakeholder dialogue approach the right method?

Stakeholder dialogues always make sense if they help to explore problems and identify joint solutions. Since they involve all relevant stakeholders, there is a better chance of forming cooperation networks that remain active beyond the term of the initiative. In addition, they foster structures that drive sustainable change and are owned by local actors. Stakeholder dialogues promote a balance between the binding implementation of agreed goals and readiness to learn together.

Where dialogue processes are designed for the long term and establish locally-owned communications structures and implementation mechanisms, it is important to make joint plans, monitor the stakeholder process and evaluate its results. A well-thought-out strategy is essential for successful planning and implementation. This needs to include all stakeholders and include a project plan with adequate resources in terms of personnel, time, funding and expertise.

The stakeholder dialogue approach goes beyond mere project management. Its strength lies in going beyond restrictive project plans, and creating scope for involving the relevant stakeholders in a process.

2.2 How can potential analysis be performed?

If actors in international cooperation or in the public, private or civil society sectors propose to hold a stakeholder dialogue, it is advisable to first conduct a potential analysis. This helps the team of initiators to reflect on what the participation of stakeholders is expected to achieve. Potential analysis serves to clarify whether a stakeholder dialogue is the suitable approach for the initiative in hand. If a sufficiently trusting relationship exists with the potential partners, they can be involved in the analysis.

The following checklist (page 8) offers an overview of the criteria that should be borne in mind before initiating a stakeholder dialogue.

The checklist allows for the following responses:

6	Completely true
5	Largely true
4	True to some extent
3	False to some extent
2	Largely false
1	Completely false

Criterion

Criterion	6	5	4	3	2	1
Is there a need for a stakeholder dialogue?	6	5	4	3	2	1
In order to implement the project (programme, initiative, event, etc.), broad acceptance by various stakeholder groups within the project environment is required.						
Implementation of the project affects various stakeholder groups, who therefore have to be consulted.						
Implementation of the project calls for the active participation of diverse stakeholder groups.						
Cooperation with other actors should go beyond the mere provision of information on our part.						
Is the time right?	6	5	4	3	2	1
The key actors are convinced of the need for change.						
Conflicts between the stakeholders to be involved is not so pronounced that participation in a joint stakeholder dialogue is utterly impossible.						
Most of the key stakeholders for the dialogue trust in the competence of the people initiating the stakeholder dialogue.						
Participation in the stakeholder dialogue does not present any disadvantages or risks to the stakeholders to be involved.						
Are the necessary resources available for conducting the stakeholder dialogue?	6	5	4	3	2	1
The initiator team has sufficient time, human and financial resources.[3]						
The initiator team has sufficient expertise to conduct a stakeholder dialogue.						
The initiator team already has adequate contacts with the relevant stakeholder groups.						
The dialogue approach is supported by the key decision-makers at the initiator and partner institutions.						
Does the initiator/implementer team have the competence and willingness to conduct the dialogue?	6	5	4	3	2	1
The initiator team is willing and able to jointly steer a complex process that may not always go according to plan.						
All initiators are willing to respect other standpoints and divergent opinions and to allow innovative, jointly elaborated solutions to be reached.						
The initiators are open to changing their own standpoints or adjusting their objectives.						
The initiators are willing to assume leadership within a jointly designed process.						

If the potential analysis shows that one or several criteria are not met, it is advisable to consider which of them can be influenced by the initiators. Investments in team resources or competencies are worthwhile if they allow initiators or implementers to create a more conducive setting for a dialogue. If the initiators cannot influence specific criteria, such as broad acceptance by actors in the relevant field of activity, or can only influence them to a limited extent, it may make sense to schedule a repeat of the potential analysis at a later point in time.

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[3] For example within a project secretariat.

3. Forms of stakeholder dialogues: an overview of options for conducting dialogues

The stakeholder dialogue approach can be applied at different levels of society. It is not a rigid approach with a pre-established procedure. Stakeholder dialogues are used to achieve specific results with likelihood of success if they are adapted to the needs of the individual initiative. Regardless of the different forms of application, the main goal of a stakeholder dialogue is to engage people for a constructive exchange. That includes consultations on political developments, joint decision-making or the implementation of practical solutions.

The following section lists the different levels of society at which stakeholder dialogues can take place, followed by an explanation of the various forms of stakeholder dialogues. A checklist gives an overview of the characteristics, functions and fields of application of the various forms.

3.1 Where can dialogues take place?

When initiating stakeholder dialogues, it is essential to clarify in advance which level of society is suitable for handling the given project in order to facilitate the intended change process. Stakeholder dialogues can take place at the following levels:

- international level
- regional/transboundary level or
- national and local level.

International level

International stakeholder dialogues make sense if a problem cannot be solved within a country. They usually require the participation of international and national actor groups. International stakeholder dialogues should produce signed agreements that are complied with in all participating countries. Dialogues attended by official government representatives are often held in an extremely formal setting with a rigid protocol. Their results depend on the mutual relations maintained by the respective governments.[4]

Where international stakeholder dialogues address very specific themes[5], the focus is usually on implementation.

Regional/transboundary level

Transboundary stakeholder dialogues in a specific region also call for cooperation between governments, private and civil society actors. This may for example contribute to promoting economic or social development in a region. These processes are often led by governments.[6]

Regional stakeholder dialogues with little public sector participation or with a focus on a specific issue, such as the development of value chains or the improvement of environmental protection in a region, usually place greater emphasis on implementing measures.[7]

National and local level

Stakeholder dialogues at national and local level that are initiated by governments or the public sector relate for instance to developing or evaluating political strategies or enforcing regulations. Other actor groups such as non-governmental organisations (NGOs) and the private sector may also conduct stakeholder dialogues on specific issues of interest to them.[8]

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[4] e.g. World Commission on Dams (www.dams.org)
[5] e.g. Common Code for the Coffee Community (www.4c-coffeeassociation.org)
[6] e.g. New Partnership for Africa's Development (www.nepad.org)
[7] e.g. African Cashew initiative – ACi (www.africancashewalliance.com)
[8] e.g. improving the investment and business climate through nationwide or regional public-private dialogues (Viet Nam, Laos, Senegal etc.) or private sector involvement in promoting agricultural production to improve farmers' income (Cambodia, Kenya, Benin, Ghana etc.).

3.2 Which forms of stakeholder dialogues are there?

A broad distinction can be made between stakeholder dialogues that are geared to **consultation** and those that focus more strongly on **cooperation** during implementation.

In **consultative** stakeholder dialogues, actors contribute their expertise, viewpoints and experience. Initiators of the stakeholder dialogue are usually responsible for the further use of recommendations and lessons learned.

Cooperative stakeholder dialogues, on the other hand, focus on cooperation between actors, who bear joint responsibility for actively putting a solution into practice. The greater the focus on implementation, the greater the willingness to cooperate and to assume responsibility for results and successes.

Consultative and cooperative forms of stakeholder dialogues subsume the following variants:

Stakeholder dialogues as consultations
- One-off stakeholder consultation
- Series of stakeholder consultations
- Institutionalised stakeholder consultation
- Multi-stakeholder platform (exchange)

Stakeholder dialogues as cooperation arrangements
- Multi-stakeholder initiative
- Multi-stakeholder platform
  (implementation management)
- Stakeholder partnership

The following section explains the different characteristics of the individual forms of stakeholder dialogues and illustrates them by means of practical examples.

3.2.1 Stakeholder dialogues as consultations

One-off stakeholder consultation

In this case, the focus is on collecting opinions, creating an awareness of a specific theme, raising participants' interest in future cooperation and exchanging experience. Beyond this, one-off stakeholder consultations may aim to obtain political inputs, planning and research inputs or simply feedback.

The challenge lies in organising events that not only disseminate information but also offer a forum for stakeholder opinions to be heard. Only a true interest in different points of view can lead to a constructive dialogue. Events designed to promote exchange at one-off stakeholder consultations may take the form of workshops, meetings etc., held over a period of one to three days.

> **An example from the field:**
>
> **Integrated Coastal Zone Management in Croatia**
>
> Together with GIZ, the Croatian Ministry of Environmental Protection initiated a stakeholder consultation process to ensure sustainable shared use of land and resources in the Croatian coastal region. For this purpose, the project's core team held a stakeholder workshop that offered interest groups from all levels and sectors the opportunity to get to know each other and exchange ideas and experience on integrated coastal zone management.

Series of stakeholder consultations

Projects that require ongoing consultation between various interest groups can hold regular stakeholder workshops, say of one to three days each, over a period of one or two years. The people responsible, i.e. the initiators of the stakeholder dialogue, then include the desired feedback and suggestions by participants in the implementation process. The purpose of ongoing consultation processes may be to improve policy development, enforce regulatory measures, design strategies or obtain regular feedback.

Regular consultations between stakeholders have become a key element of good governance. Not only do they enhance the quality of political decisions and lead to the better development of regulations, better enforcement of statutory orders and plans in the public sector, they also make for the broadest possible consensus. Representatives of interest groups can voice their reservations, contribute know-how and experience and point out aspects that may be lacking. Regular consultations are often intended to achieve results such as the development of a national strategy on a specific theme, the implementation of regulatory measures, or regional development plans.

An example from the field:

Engineering Capacity Building Program (ecbp)

The Engineering Capacity Building Program (ecbp) of the Ethiopian Government intends to comprehensively mod-ernise the private sector and its supporting institutions. In close cooperation with the private sector, universities and training institutions, reforms are being carried out to strengthen the private sector and promote entrepre-neurial development. Engineering courses are also being reformed. A further aim is to improve the vocational education and training system and to set up a national quality infrastructure to optimise selected sectoral value chains. Specific containers are being set up to apply the programme in the various sectors. These teams are made up of government representatives as well as representatives of the private sector, the university and the vocational training sector.

Institutionalised stakeholder consultation

Governments, international organisations and regional associations that are committed to responsible governance or organisational management may make stakeholder consultations part of their regular implementation or planning procedures. This institutionalises the stakeholder dialogue inasmuch as a consultation is for example anchored as an administrative regulation. This may take the form of long-term structures between the public and private sector to create an enabling environment for business, or legal agreements on how various stakeholders can be involved in development planning.

Institutionalised stakeholder consultations may be enshrined in the constitution or may come about as a result of pressure from societal or international advocacy groups, for instance when these call for the inclusion of different perspectives. Institutionalised stakeholder consultations are conducted on an ongoing basis according to publicly established regulations and procedures. This may mean that the participating stakeholders lose their sense of the urgency of the project after a while, even though this is a defining feature of stakeholder dialogues. The challenge lies in shaping this form of stakeholder dialogue effectively and putting the institutionalised stakeholder consultations high up on decision-makers' agendas.

An example from the field:

Comprehensive Africa Agricultural Development Programme (CAADP)

The Comprehensive Africa Agricultural Development Programme (CAADP) is a set of values and principles designed to reform national agricultural policy pro-grammes. However, right from the start, CAADP, which is led by governments at the national level, has been based on continuing consultation of other agricultural stakeholders, also with regard to implementation and further development. The reform programmes are enshrined in a corresponding compact and are binding.

Multi-stakeholder platform (exchange)

Stakeholders come together on an exchange platform when an initiative either concerns many stakeholders or these would like to learn from each other, exchange experience or engage in bringing about a specific change. This form of dialogue is usually of great interest to private sector actors since it enables exchange with other stakeholders, without the private sector having to make overly significant commitments itself. Such platforms are frequently governed by a political or development-oriented agenda.

A multi-stakeholder platform can develop its own identity and even become institutionalised, say in the form of an association for the development of value chains. Multi-stakeholder platforms may also be loosely structured, for example as round tables at which stakeholders report on their activities on behalf of a given initiative, exchange experience and learn from each other. Platforms like these may be created by the public, private or civil society sector. In many cases, multi-stakeholder platforms produce specific recommendations for action and address these to other specific stakeholder groups, such as the government or the private sector. Multi-stakeholder platforms remain in existence as long as there is a certain urgency to address the issue in question. The challenge lies in maintaining the relevance of the exchange and ensuring that the platform's continued existence delivers the desired results. These are often visible to the outside world at an early stage.

> **An example from the field:**
>
> **Round table CSR and social standards**
>
> The round table in China is intended to initiate a dialogue and an exchange of information between various stakeholders on corporate social responsibility (CSR) and social standards, to help raise awareness of these and find possible ways to apply them. In addition, the initiative is meant to create national identification with the further development of CSR implementation in the country. The China CSR Map aims to promote CSR in China by means of an open exchange of information and experience. The foundation of the online platform was proposed because, despite the widespread discussion of CSR in China and the related activities, it was often difficult to obtain information on concrete CSR activities of the organisations that operate in this area.

3.2.2 Stakeholder dialogues as cooperation arrangements

Multi-stakeholder initiatives

Multi-stakeholder initiatives are cross-sectoral initiatives to solve complex problems, develop and realise joint strategies, procedures or sustainability standards. Stakeholders join the initiative to achieve a commonly agreed objective within a set period. Some projects and programmes are designed as an initiative right from the outset. In this case, actors from various stakeholder groups meet to carry out measures together and engage in shared activities, as well as to monitor results. This type of initiative often exists between the public and private sectors, or between private sector and civil society actors.

Multi-stakeholder initiatives may emerge from preceding stakeholder consultation processes that evolve in the direction of achieving objectives, and in which stakeholders find it necessary to structure their cooperation to a greater extent. A characteristic of this form of stakeholder dialogue is the joint intention to achieve lasting change and possibly also to assume joint responsibility for success or failure. This means that a multi-stakeholder initiative also has to agree on a procedure for decision-making[9] and for monitoring and evaluation.

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[9] These decisions are usually reached by consensus.

The more complex the initiative[10] and the larger the number of stakeholders involved, the greater the need for consensually agreed steering mechanisms. Multi-stakeholder initiatives often adopt a steering committee and a project secretariat as the steering structure. The latter is responsible for communicating, conducting and preparing stakeholder events, and often also for performing activities. Multi-stakeholder initiatives call for good process management, good communication and visible implementation results so that the often heterogenously composed group of stakeholders all stand by the joint objective.

An example from the field:

Forest Stewardship Council

The Forest Stewardship Council is devoted to sustainable forest management, which is achieved for instance by applying a sustainability standard. The organisation has established a management system in which various civil society, public and private sector stakeholders are equally represented. The management body meets at regular intervals to decide on the organisation's future development.

Multi-stakeholder platform (implementation management)

These stakeholder platforms focus on implementing measures that are in the public interest, but which the public sector cannot handle on its own. The members of such platforms, who meet at regular intervals, coordinate the planning and management of measures of joint interest and adapt their implementation strategies as appropriate. These stakeholder platforms frequently serve as long-term steering bodies.

One example of implementation-focused stakeholder platforms are watershed management committees, which are typically composed of different interest groups and affected communities. Their task is to coordinate government interventions, contributions by donor organisations and municipal activities to optimise water resources management.

An implementation-focused stakeholder platform may arise from a stakeholder initiative or a consultation process. Its function is to continue or maintain the results of a stakeholder initiative.

An example from the field:

Water resources management

A sustainable water use project of the Namibian Ministry of Agriculture, Water and Forestry in cooperation with GIZ aims to ensure sustainable watershed management through integrated water resources management. For this purpose, watershed committees have already been set up in two locations. They are composed of representatives of the public and private sector, civil society and NGOs. Their task is to deal with practical issues related to the management of these watersheds, and water supply and conservation, together with state water authorities.

Stakeholder partnerships

Stakeholder partnerships may lead to temporary cooperation projects that focus on joint implementation of measures. They become relevant when a solution to a problem can most likely be achieved by joint project management with other stakeholders, taking advantage of diverse competencies. This usually requires clear agreements, often in the form of legal contracts. Frequently, stakeholder partnerships involve the management of large budgets between the stakeholders involved. This calls for professional project management right from the start, and the establishment of monitoring, control and assessment processes. Such partnerships are under pressure to achieve the agreed goals and milestones and to report regularly on the implementation status. Each of the partners has an agreed role to play and bears responsibility for implementing individual aspects of the project.

Complex stakeholder partnerships can be supported by a project secretariat. The challenge of stakeholder partnerships lies in managing the often disparate expectations of stakeholders as regards the speed and visibility with which success is achieved. Frequently, stakeholders from very

[10] such as those with a national, regional or international orientation

different organisational cultures[11] have to cooperate closely and show mutual understanding for their internal rules and mode of operation. Since stakeholder partnerships implement complex projects, it may be necessary to integrate into the consultation processes other relevant stakeholders who are not directly involved in the stakeholder partnership. This creates an awareness of change or enables feedback.

An example from the field:

Adaptation to climate change

The Sertão initiative in North–East Brazil aims to support small farming communities in adapting to the challenges of climate change. To this end, the initiative looked for ways to increase income in the region. Cooperation between various local actors such as local municipalities, small and medium–sized enterprises and smallholders has made it possible to find and realise alternatives for action and technical solutions to ensure local food supply and reduce CO2 emissions. The project is currently being scaled up to the national level and, in view of its success, there are also ambitions to achieve implementation on an international level in the long term.

The various forms of stakeholder dialogue differ in terms of their orientation, purpose and structure, but may also be mutually complementary. Programmes or initiatives that call for an exchange and cooperation between interest groups may use different forms of stakeholder dialogues.

A consultation is often the starting point and can be expanded into a cooperation project. If the aim is joint implementation right from the beginning, clear agreements have to be reached about what contributions the individual participating actors are to make. But even if all participants work to achieve an agreed goal with the intended inputs, they can also conduct consultation processes with actors who are not directly involved, as part of the implementation process.

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[11] such as the public sector, the development cooperation sphere, the private sector or NGOs.

3.3 Which form of dialogue is suitable for which purpose?

Before initiating a stakeholder dialogue, it is advisable to clarify which form of dialogue is suitable for the given project. The following checklist offers guidance with regard to the various forms of stakeholder dialogues and their suitability. An overview shows how the different forms of dialogue build on each other.

Stakeholder dialogues as consultations

ONE-OFF STAKEHOLDER CONSULTATION			
Distinguishing feature	**Substantive function**	**Recommended when:**	**Yes**
One-off event for the purpose of exchange (1–3 day workshop/conference/meeting)	• Political input • To obtain feedback • Research/planning input • Exchange of experience	• input or feedback is to be obtained just once from a specific stakeholder group or various stakeholder groups to plan a project, perform research for a study etc.; • the interest and awareness of different actors are to be raised for a specific theme; • no further, more in-depth cooperation is envisaged at present beyond this consultation.	☐ ☐ ☐

Consultation

OUTLOOK

If the results of a one-off stakeholder consultation prove useful for the project, the team can consider whether this form of consultation can be repeated over a given period as a series of stakeholder consultations. These make it possible to obtain repeated feedback and contributions from stakeholder groups and experts on current (further) developments and to intensify constructive relationships with these groups and experts. If stakeholders' opinions are for example requested on the development of a directive or law, and a government-led dialogue is to take place over a prolonged period for this purpose, cooperation in the form of a regular and, later on, possibly institutionalised stakeholder consultation may be helpful.

SERIES OF STAKEHOLDER CONSULTATIONS			
Distinguishing feature	**Substantive function**	**Recommended when:**	**Yes**
Systematic, repeated stakeholder consultation to integrate recommendations (several 1–3-day workshops/conferences/meetings)	• Strategy development/assessment • Assessment of planning • Obtaining regular feedback	• contributions or feedback are to be repeatedly obtained from a specific stakeholder group or various stakeholder groups within an established period with regard to the planning of a project or research; • stakeholder input is to be integrated into planning etc.; • stakeholders are to be given an opportunity through repeated consultation to assess planning progress and give new feedback.	☐ ☐ ☐

Consultation

OUTLOOK

If it proves worthwhile for a project to conduct a series of stakeholder consultations to consult relevant stakeholders, and the involved stakeholder groups would like to exchange views on this theme, with the possible involvement of other stakeholders, the next step may be to consider setting up a stakeholder platform (exchange), to establish a stakeholder initiative or engage in a stakeholder partnership to achieve specific, isolated implementation objectives.

Stakeholder dialogues as consultations

INSTITUTIONALISED STAKEHOLDER CONSULTATION			
Distinguishing feature	Substantive function	Recommended when:	Yes
Usually a consultation process for which the public sector is responsible, which is firmly anchored in administrative regulations with regard to a specific political or legal development with a concrete result (policy paper, draft legislation etc.) (ongoing, according to a public planning procedure)	• Institutionalised strategy/ planning assessment • Involvement of people concerned to judge consequences, for instance • Representation of stakeholders according to established regulations	• political projects etc. are to be (further) developed and the input of various stakeholders is to be regularly obtained for this purpose within a firmly organised framework. • the implementation of plans for public-sector projects (possibly also for private projects) has consequences for public goods.	☐ ☐

(left margin label: Consultation)

OUTLOOK

Well-functioning institutionalised stakeholder consultations may provide insights that lead to further forms of dialogue and cooperation on specific themes, such as multi-stakeholder initiatives or stakeholder partnerships.

MULTI-STAKEHOLDER PLATFORM (EXCHANGE)			
Distinguishing feature	Substantive function	Recommended when:	Yes
Regular meeting of various stakeholders to exchange experience and views that is visible to the outside world (ongoing for as long as exchange is relevant)	• Visibility of platform to outside world • Stakeholders represent larger organisations • Frequently driven by political or economic developments	• the possibility of permanent exchange with other stakeholders is sought on a specific theme; • in this context, recommendations and comments on current developments are to be made; • joint implementation of projects is not aimed at for the time being.	☐ ☐ ☐

(left margin label: Consultation)

OUTLOOK

A multi-stakeholder platform (exchange) is advisable when various actors and experts are to meet regularly to exchange information on a specific theme. If it transpires that cooperation needs to be intensified with participating stakeholders, that the need for action should be jointly addressed beyond the exchange of views and the issuing of recommendations, e.g. by developing standards or carrying out projects, it is advisable to bring stakeholders together within a multi-stakeholder initiative or to set up a permanent multi-stakeholder platform (implementation management) without its own steering structure.

Stakeholder dialogues as cooperation arrangements

MULTI-STAKEHOLDER INITIATIVE			
Distinguishing feature	**Substantive function**	**Recommended when:**	**Yes**

Initiative with its own steering structure for the temporary joint development and implementation of solutions to complex problems, standards, policy approaches or agreed implementation objectives to improve a situation
 	
(temporary, until a solution is found)
	• Joint responsibility for:
	  – implementation steering
	  – change
	  – results
	  – monitoring and evaluation
	  – decision-making
	
	• Usually has an agreed steering structure (steering committee, executive committee)
		• a new approach, standard or policy is to be jointly developed and implemented.
		
		• for this purpose, action is to be taken for a temporary period by a specially established stakeholder group.
		
		• the required personnel and organisational structures can and should be established.
		
		• responsibility for implementation is to be shared.
			☐
			
			☐
			
			☐
			☐

(Left column label: Cooperation)

OUTLOOK

A multi-stakeholder initiative is recommended when implementation of the project requires the competence and experience of different stakeholders and it cannot be carried out to best advantage by one stakeholder group alone. Complex multi-stakeholder initiatives usually have their own steering structure in which all relevant stakeholders are represented and are backed up by a project secretariat. Consultations with stakeholders who are not directly involved may play an important role within multi-stakeholder initiatives. These may also give rise to stakeholder partnerships that are restricted to achieving specific goals.

MULTI-STAKEHOLDER PLATFORM (IMPLEMENTATION MANAGEMENT)			
Distinguishing feature	**Substantive function**	**Recommended when:**	**Yes**
Joint implementation management (ongoing for as long as required by the joint task)	• Coordination and joint implementation of tasks in the public interest	• specific tasks related to improved service delivery, for instance, are to be tackled together in the long term, beyond the joint making of recommendations; • cooperation is to be established in the long term between different stakeholders.	☐ ☐

(Left column label: Cooperation)

OUTLOOK

A multi-stakeholder platform is advisable if specific tasks are to be jointly performed in the public interest on a permanent basis. The extent to which stakeholders become involved and commit themselves is up to them. If competencies and responsibilities are to be shared in the course of implementing joint projects and dedicated management and governance structures are to be set up for cooperation, making cooperation within the stakeholder dialogue more binding, a (temporary) stakeholder initiative or a stakeholder partnership might be envisaged.

Stakeholder dialogues as cooperation arrangements

STAKEHOLDER PARTNERSHIP			
Distinguishing feature	**Substantive function**	**Recommended when:**	**Yes**
Cross-stakeholder project management of projects with a limited time frame and content, with jointly agreed objectives (temporary, according to project agreement)	• Joint – implementation planning – performance of activities – monitoring of results – responsibility for success – decision-making • management structures are grouped in one location	• jointly determined project-related goals are to be achieved with shared responsibility. • a temporary cooperation arrangement between the stakeholders involved in conducting a project with established responsibilities is to be formalised. • the personnel and organisational structures required to achieve this purpose are to be set up. • joint monitoring and evaluation of results is envisaged.	☐ ☐ ☐ ☐

(Left vertical label: Cooperation)

OUTLOOK

A stakeholder partnership is advisable when a limited number of stakeholders want to achieve agreed objectives with regard to an issue of limited scope. The objectives to be achieved, contributions to be made by stakeholders and their responsibilities are usually laid down in a memorandum of understanding, or often in con- tracts. Stakeholder partnerships may include consultation processes with stakeholders who are not directly involved but are important for achieving objectives. Stakeholder partnerships have project management structures and agreed steering structures.

4. Conducting stakeholder dialogues

The success of stakeholder dialogues depends on how cooperation among actors is designed. As a complex form of cooperation, stakeholder dialogues go through a number of different phases. In order to gear them towards achieving results, it is important to know the requirements of the different phases and to give them appropriate consideration when planning and conducting the dialogues.

The Collective Leadership Institute[12] has developed a model that describes the different phases of an ideal stakeholder dialogue and explains the requirements during planning and implementation. This so-called dialogic change model serves as a guideline for planning and conducting a stakeholder dialogue. However, the stakeholder dialogue approach is not a rigid one with a pre-established procedure, but needs to be adapted to the requirements of the individual initiative.

The following section explains the four phases of a stakeholder dialogue using the dialogic change model. The key questions on each phase summarise aspects that are important for planning. They also offer readers the opportunity to apply the statements to their own project and to reflect on its approach.

4.1 The four phases of a stakeholder dialogue — the dialogic change model

Each of the four phases of the dialogic change model comprises three key steps that are crucial for planning and developing a stakeholder dialogue.

PHASE 3
Implementing and evaluating

- Establish learning mechanisms
- Build next level container
- Create results and celebrate success
- Ensure transpareny and communication
- Consolidate agreements and establish structures
- Plan the future together

PHASE 4
Developing further, replicating or institutionalising

- Create management structures
- Establish governance and learning systems

PHASE 1
Exploring and engaging

- Create resonance
- Understand the context
- Build a 'good' container for change
- Clarify common goals and resources

PHASE 2
Building and formalising

PHASE 1:
Exploring and engaging

In the first phase of a stakeholder dialogue, it is essential to understand the context and the system within which a stakeholder dialogue is to bring about change. It is equally important for initiators of a stakeholder dialogue to be familiar with the viewpoints of all actors relevant to the project[13]. A relationship-oriented and informal communication process (**engagement process**[14]) creates the required interest in the project on the part of the relevant actors. This phase is not yet concerned with formal structures, agreements or rules.

The major objectives as regards the relevant actors is to win their trust or allay their mistrust, create resonance for the project and foster credibility with regard to its implementation.

The success of a stakeholder dialogue depends on carefully planning and conducting this phase. It is vital to establish good relationship management and correctly assess the context in which the planned project is to be subsequently carried out. A decisive factor is to form a stable container: a team of enthusiastic people who ideally represent different important stakeholder groups and who drive the stakeholder dialogue forward through all the ups and downs that lie ahead.

The first phase of a stakeholder dialogue can take from four weeks to more than a year. This depends on how much time is required for the engagement process, which often calls for consultation with a complex system of stakeholders.

Phase 1 consists of the following steps:
1.1 Create resonance
1.2 Understand the context
1.3 Build a 'good' container[15] for change

The result is a realistic assessment of whether the stakeholder dialogue can be conducted and of the options for action. It also becomes clear which stakeholders should be included in the dialogue.

1.1   Create resonance

In an exchange with stakeholders, the initiators of the stakeholder dialogue sound out the interest, engagement and possible participation of relevant actors in the corresponding field of activity. The idea assumes a more concrete form during this exchange process. Through initially largely bilateral talks, the initiators present the relevant actors with options for change and test their response.

This enables them to explore possible ways to carry out their project and to develop it further based on the feedback received.

The most important task during the informal talks is to build viable relationships with possible cooperation partners. As far as possible at this stage, the initiators should include actors who may also be interested in actively participating in the container, in the joint thought process to give the project more concrete form. The greater the number of actors who are seriously involved in developing the implementation concept, the greater their interest and willingness to assume responsibility in the dialogue and implementation process.

> **Key questions for creating resonance**
>
> - Who shares the common goal?
> - Which important actors can support our cause?
> - What makes the project attractive for the different actors?
> - Where is there already the 'energy' or will to bring about change?
> - Who do we need to talk to?
> - Who should we listen to?
> - Who can help to clarify the objective and possible ways to achieve it?

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[13] Relevant actors are those who have a fundamental interest in the stakeholder dialogue or are important for the initiative, but are not or not yet actively involved in the stakeholder dialogue. In the rest of this text, they are sometimes also referred to as relevant stakeholders.

[14] The 'engagement process' refers to the process of involving different actors in the planned stakeholder dialogue and is also termed 'inclusion' in the course of this document.

[15] The term 'container' refers to a group of interested actors who are willing to engage jointly in a stakeholder dialogue on behalf of a corresponding project. Building 'containers' is the key element of initiating, establishing and further developing stakeholder dialogues in order to involve interested and relevant actors in the dialogue. Usually, a small container is initially established that acts as a container to build further containers for developing and conducting the stakeholder dialogue.

1.2   Understand the context

In phase 1 it is equally important to understand the over-all context of the project. Here, it is useful to carry out situation, conflict and stakeholder analyses at an early stage. These analyses are designed to help understand which structures and behaviour patterns are responsible for the present situation and might possibly prevent or promote the desired change.

Context analysis also includes benchmarking, which means evaluating experience with similar projects in other sectors, countries or thematic areas. In some cases, sectoral studies or thematic situation analyses are useful. To ensure that all relevant stakeholders are in a position to make adequate sectoral contributions, the initiators or imple-menters of the stakeholder dialogue can provide publica-tions or hold information events as a form of **capacity development**[16]. If the stakeholder analysis shows that some relevant stakeholders are insufficiently organised, thought should be given to how they can be strengthened. It is also important when planning the procedure to assess the extent to which relevant actors are familiar with the stake-holder approach. If necessary, relevant or involved actors[17] should broaden their knowledge of cooperation, dialogue and process.

Analysis of the field of activity in which change is to take place should be continually supplemented in the course of the process. In complicated processes, phase 1 never ends: complex stakeholder dialogues cannot be planned in a linear way. They are joint learning processes that require space for development and adaptation.

Key questions for understanding the context

- Which stakeholders do we need to involve?
- What do we need to know about the present situation and future events?
- Which partners do we need to ensure the success of our cause?
- Who influences our project and how can we influence them?
- Which best practices can we adopt?
- Which studies/research do we need to conduct in advance?
- Which other factors influence our project?
- Who do we need to talk to in order to complete our understanding of the overall system?
- What do we know about experience in similar situations?
- Which potential difficulties may we encounter?

1.3   Build a 'good' container for change

Stakeholder dialogues need people who understand coop-eration as bringing added value and see ways to put it into practice. Building a good container (core group) means forming a group of interested actors who are pre-pared to engage in a stakeholder dialogue on behalf of a corresponding project. Building containers is the key element in initiating, establishing and further developing stakeholder dialogues in order to involve interested and relevant actors in them.

Building the first container is essential when initiating a stakeholder dialogue. This container acts as a core group to further initiate and conduct the stakeholder dialogue. The container consists of two to six committed people within the stakeholder dialogue. The container's role is to organise and maintain communication and cooperation among all participating and relevant stakeholders. It helps if the people in the container can work together in an uncomplicated and informal atmosphere and have a high degree of trust. Ideally, the container acts as a kind of 'powerhouse' to advance the project. That works best

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[16] Capacity development may have a thematic focus (for example, continuing training or organisation of expert inputs on the project's specific theme), or may focus on dialogue, cooperation or in-process skills.

[17] Participating actors are those who are already taking part in the stakeholder dialogue. They are also referred to as 'participating stakeholders' in the rest of this document.

if it enjoys the trust of the various stakeholders. The container keeps an eye on the project's intention without losing sight of the complexity of the field of activity and any possible conflicts. It provides a reliable framework and structure and ensures a viable process that needs to remain open despite its increasingly sharp focus.

Once the container has firmly established itself, its task is to set up the larger container. This entails selecting key actors who represent the system to be changed, support the desired change and are willing to commit to it. Not all stakeholders are equally committed. Nevertheless, it is important in the initial phase to ensure that as many truly interested people as possible are involved in the process and not to create a system of 'delegates' for whom the project is not really a major concern.

An example from the field:
Common Code for the Coffee Community (4C)[18]:

PHASE 1 — Exploring and engaging

The positive but locally restricted impact of earlier development partnerships led to the recognition that a long-term strategy of joint learning and action was required to promote sustainability in the coffee sector. Representatives of the coffee industry had realised independently of each other that strategically aligned companies should urge their suppliers to switch to sustainably produced green coffee at an early stage. Talks led to the idea of defining an international basic standard for the mass coffee market. In phase 1, exploring and engaging, an initially informal exchange made it possible to analyse the overall context and relevant actors and to identify interested stakeholders. Regular consultations with these actors made it possible to recognise potential areas of conflict and challenges in the coffee sector early on. The focus in this phase was on establishing constructive relationships, testing subsequent opportunities for cooperation and forming a core team that was convinced by the vision and assumed responsibility for the initiative. Had formal structures and binding objectives been established too soon, this would have provoked criticism and false expectations and impeded the exploration process. At this time, it was more important to create a sense of ownership[19] of the process among all stakeholders.

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[18] 4C is a minimum standard for sustainability and quality requirements in coffee production that was developed by a group of international stakeholders, including coffee producers from the major coffee-growing countries, coffee roasters and traders and international non-governmental organisations. They joined together to jointly develop the standard and to decide on the conditions for its application. www.4c-coffeeassociation.org
[19] The term 'ownership' is used in development cooperation in the sense of identification.

PHASE 2:
Building and formalising

Whereas Phase 1, exploring and engaging, mainly serves to build viable relationships and create resonance, Phase 2 crucially aims to establish the level of willingness among different stakeholders to formalise their commitment. This phase aims to find the appropriate formal structure for the planned initiative.

The participating actors jointly agree on goals, clarify roles and discuss who will provide which resources. This usually leads to agreements, such as signing a contract or a memorandum of understanding (MoU). The initiative now shifts to a formalised process.

In complex dialogues, there is also the issue of how tasks are to be divided, decisions taken and resources allocated, and how internal and external communication is to be designed[20].

Phase 2 focuses on the following three steps:
2.1 Clarify common goals and resources
2.2 Plan the future together
2.3 Consolidate agreements and establish structures

The results achieved in Phase 2 depend on the dialogue's intention. In consultation processes, this may be to obtain recommendations from participating stakeholders. In initiatives and partnerships, the result is a formalised agreement on further cooperation and the implementation of activities[21]. Phase 2 may be of varying duration depending on the stakeholders' willingness to reach an agreement.

2.1   Clarify common goals and resources

In Phase 2, the container tries to consolidate the stakeholder interest and commitment that it informally built in Phase 1. The aim is to consolidate the container and clarify which stakeholders will become actively involved in further cooperation, what is to be achieved together and who will contribute in which way. Informal talks in Phase 1 already concern the goals of a stakeholder dialogue. In Phase 2 of cooperative, implementation-focused stakeholder dialogues, the container discusses the goals with all

participating stakeholders. These goals are then adapted as necessary and jointly agreed. In this context, it is important to be aware of the differing interests. With these in mind, the container should make rough plans with all participating stakeholders and establish the chosen form of cooperation. The container should make sure that the division of tasks is laid down in writing. Stakeholder dialogues are always attended by doubt and occasional mistrust. The success of the stakeholder dialogue depends partly on how the container ensures that all participants keep in mind the objective of their cooperation and recognise its added value.

> **Key questions for clarifying common goals and resources**
>
> - Which actors do we have to involve in the dialogue in addition to the container?
> - Which actors represent the larger system?
> - How can we ensure that stakeholders feel their opinions and goals are taken seriously?
> - What would encourage stakeholders to develop ownership of the initiative?
> - What would make actors feel they are receiving competent guidance?
> - What do we want to achieve with the dialogues?

2.2   Plan the future together

Phase 2 aims to make joint plans for the future by concretising the vision of the intended change. It often turns out that it is not possible to adhere rigidly to a concept but that substantive or process changes have to be allowed for, which result from dialogue among stakeholders. The role of the container is to pick up ideas and translate them into viable proposals. The group should make sure all stakeholders are adequately consulted.

To develop ownership, the crucial factor is to diagnose both the situation to be changed and the intended changes together with stakeholders. This creates a common vision for the future design of the field of activity. Sometimes, it makes sense to ask experts for input on specific sectoral themes to ensure all stakeholders have the same level of knowledge or to introduce to the dialogue the results of Phase 1 (exploring and engaging) on situation

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[20] See Chapter 5: Communication in stakeholder dialogues, for an explanation.
[21] With regard to the different intentions of stakeholder dialogues, see Chapter 3: Forms of stakeholder dialogues.

analysis, benchmarking or study findings. Presenting the results of context analysis may elicit interest in and agreement with the intended change. The container can integrate **capacity development** for cooperation in stakeholder dialogues also into Phase 2 of the process[22].

In Phase 2, the stakeholder dialogue becomes visible to the outside world in the form of large events, some of them with PR impact, attended by all involved and relevant stakeholders. It is important to plan the events in terms of their content and organisation in such a way that visible results are achieved within a short time, usually one or two days. This calls for a communication architecture that matches the needs of the stakeholders present and the specific situation.

> **Key questions for planning the future together**
>
> - Have we taken enough time for Phase 1, exploring and engaging?
> - Are enough stakeholders prepared to shape the future together?
> - Do we have all the perspectives and expertise neccessary to shape the future?
> - Which processes would support the actors in shaping the future together?
> - How must we design the stakeholder workshops so that they elicit commitment and identification with the initiative?
> - Which form of setting for the meeting (context, programme, space) supports actors in shaping the future?
> - Are all cooperation partners sufficiently involved in diagnosing the situation and planning for the future?

2.3   Consolidate agreements and establish structures

It is important for the participating stakeholders to reach agreements that can be understood by and are transparent for everyone in order to attain credibility. Agreements may establish milestones, clarify roles or define the contribution of individual stakeholders to the dialogue process. They also govern the form and regularity of communication among the participating stakeholders (internal communication) and communication with the public (external communication). The signing of a memorandum of understanding (MoU) is only one possibility for formalising a stakeholder dialogue. Other cases may involve jointly produced project or implementation plans. In highly conflictual situations, agreements may only cover a subsequent meeting. It may make sense in the stakeholder dialogue formalisation phase to formalise the container and provide it with a mandate from all stakeholders.

The crucial factor in this phase is for the container to transparently document agreements and decisions and provide them to all participating stakeholders.

> **Key questions for consolidating agreements and establishing structures**
>
> - What helps the participating stakeholders to identify their joint procedure?
> - Which are the appropriate forms of agreements for the individual process, and which form ensures the credibility and reliability of the further cooperation process?
> - Can we develop a plan of action that is supported by all participating stakeholders?
> - What are realistic milestones still ahead?
> - Has it been clarified who will assume which roles and responsibilities during implementation?
> - Has planning been verifiably documented and is available for all stakeholders?
> - Have we agreed on follow-up meetings and thereby signalised that the process is reliable?

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[22] This can be done for example by holding half-day or full-day workshops on relevant sectoral themes or on results-oriented implementation of stakeholder dialogues.

An example from the field: :
Common Code for the Coffee Community (4C):

PHASE 2 — Building and formalising

The project to create a joint standard for more sustainability on the mass coffee market assumed concrete shape in 2003 during Phase 2 building and formalising, when clear working and communications structures were established. A project secretariat took on the role of a neutral stakeholder broker who would coordinate communication, consensus-forming and decision-making. This secretariat assumed responsibility for decision-making and initially comprised 20 stakeholders from all sections of the value chain, a number that later grew to 45.

The steering committee and a number of working groups elaborated standards. They included representatives from the public, private and civil-society sectors. Conflicts, blockages and coalitions frequently arose that almost torpedoed the process on several occasions. Here, the sensitive and service-oriented action taken by the project secretariat with external in-process support played a significant role. This prompted the participants to concentrate once more on the shared objectives and enabled the process to be continued. The first draft of the Common Code was produced in 2004.

PHASE 3: Implementing and evaluating

The plans jointly drafted in the stakeholder dialogue, milestones and implementation monitoring are all important for results-oriented implementation of the project. If a stakeholder dialogue remains stuck on the level of exchanging opinions and perspectives, this may be a sign that there is no or not enough interest in making change at this point in time.

An important aim in the implementing and evaluating phase is to maintain interest in the goal that was concretised in Phase 2. But during implementation too, scope must be provided to reflect regularly on the original initiative and the procedure, and to adapt them if necessary. In many cases, it transpires during implementation that specific aspects of the context have not been adequately considered, or that important stakeholders have not been involved in the process so far. Here, it is useful to go back to approaches from Phase 1 (exploring and engaging)[23].

Phase 3 often shows most clearly how different the decision-making logics of stakeholders may be. All stakeholders have to show a great deal of patience and consideration for their respective differences. The container should make sure that progress is made in implementing the jointly planned procedure.

The following three implementation/management steps in particular need to be taken into account:
3.1 **Ensure transparency and communication**
3.2 **Create results and celebrate success**
3.3 **Establish learning mechanisms**

Phase 3 lasts until the agreed results have been achieved. This may take several months if swift implementation allows, but may also take several years if this is envisaged to achieve the objective.

3.1   Ensure transparency and communication

The structural and leadership elements familiar from project management are important for stakeholder dialogues in the implementation phase. These include operation plans, minutes of events and workshops and activity plans.

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[23] For example by completing the context analysis, expanding capacity development within the stakeholder dialogue or integrating new stakeholders into the process.

Regular assessment of the procedure is vital to keep all participating stakeholders within the process[24]. The frequency with which this is done depends on the given situation and the chosen form of stakeholder dialogue.

If the stakeholder dialogue is a complex one, it usually requires organisational support from a secretariat, which may be located in an organisation that is trusted by all stakeholders, may consist of representatives of various stakeholder groups or be mandated to an external organisation.

Continuous communication that makes implementation progress transparent to all stakeholders is of key importance in Phase 3. This can be achieved by a newsletter, a summary report from stakeholder meetings or by regular progress reports. The central concern is to observe the agreed forms of communication and for the process to take place as agreed. Stakeholder dialogues are fragile systems, and transparent and reliable communication may act as a stabilising factor.

In Phase 3 it is important to provide structure in the form of clear process planning. A further aim is to make communication transparent so that everyone is clear about what is taking place, where it is happening, and who reports to whom about what.

Key questions for ensuring transparency and communication

- How can we guarantee that stakeholders are regularly kept up to date?
- What are our indicators for good internal communication?
- How can we maintain trust?
- Which measures strengthen reciprocal trust and good working relationships?
- Do we have to plan additional capacity development measures?

3.2   Create results and celebrate success

In Phase 3 (implementing and evaluating), it is important to show the successes of a stakeholder dialogue, which are also visible to outsiders. In a figurative sense, initial successes must be achieved as the 'prototypes' of future successes in bringing about the desired change. Against this backdrop, it makes sense to initially focus on results that are easy to achieve in a stakeholder dialogue (so-called quick wins). This does not mean that the greater objective should be neglected in favour of short-term results. But in difficult situations, the results that have already been achieved can be used to point to restore confidence in future successes.

In Phase 3, stakeholders can celebrate success and should also do this in a way that creates a public impact. The more stakeholders positively disseminate the idea and results achieved so far in this phase, the easier it is for all stakeholders to stay the course. To prevent renewed mistrust and the eruption of conflicts, it is important to agree within the stakeholder dialogue on what is to be communicated about results and in what manner. Agreements should be made about communication with external actors, for example the media. Everyone should avoid communicating results that may be misunderstood, however.

Key questions for creating results and celebrating success

- In which areas can we best achieve quick results?
- How can we best convey successes to the outside world?
- How can we learn from positive results?
- Who do we need to inform, and in what way, about progress achieved through cooperation?

3.3   Establish learning mechanisms

Stakeholder dialogues call for feedback systems. People involved in a stakeholder dialogue have to agree on systems that all stakeholders understand and can follow. If necessary, these systems have to be adjusted to the requirements of the stakeholder dialogue, since stakeholder groups often have a very different understanding of

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[24] Depending on the availability of stakeholders and the time frame for achieving goals, this may mean three to four meetings per year. For implementation processes of several years, a stakeholder meeting should be held at least twice a year.

feedback systems. It may be useful to coordinate feedback criteria with all stakeholders. The important thing is for all stakeholders to have the chance to express themselves freely. Beyond this, stakeholder dialogues also require monitoring tools.[25]

Key questions for establishing learning mechanisms

- How can we find out whether we are on the right track?
- How do we incorporate stakeholder feedback?
- How can we ensure that stakeholders feel their input has been taken seriously?
- What is the internal monitoring and evaluation system?

An example from the field:
Common Code for the Coffee Community (4C):

PHASE 3 – Implementing and evaluating

The focus in Phase 3 was on practical implementation of the elaborated code of conduct and on establishing results-oriented formal working structures. The stakeholders defined roles and responsibilities more precisely, drafted 'rules of participation' for the trade and industry sector and developed a verification system and a capacity development programme. This was crucial in order to ensure that producer interests would be taken into consideration in the long term. In this phase too, mistrust and prejudice hampered negotiations. Thanks to the commitment of all stakeholders, they nevertheless continued the dialogue process. The project secretariat and external process support once again proved to be important intermediaries. As one of the last goals in this phase, it was possible to secure the initiative's sustainability by setting up a self-funding system and a platform for capacity building for the application of the code of conduct. This meant that important steps to put the Common Code into practice were taken consensually by all stakeholders.

PHASE 4:
Developing further, replicating or institutionalising

Once the envisaged result has been achieved, all successes should be sufficiently acknowledged and the participation and contributions of the individual stakeholder groups should be appreciated. Many stakeholder dialogues come to a successful conclusion after Phase 3, implementing and evaluating.

Sometimes, though, it makes sense to develop the dialogue further, take it to the next level, replicate it at another location, introduce a new initiative or institutionalise the stakeholder dialogue on a more formal level.

When developing the stakeholder dialogue further, new stakeholders usually have to be integrated, especially if different actors assume responsibility for implementation. Actors who were not previously involved have to understand the urgency and importance of the initiative. Existing steering structures now require more legitimacy and credibility. It therefore makes sense for the container to remain in existence in this phase and transfer the process step by step to the future structure.

In Phase 4, it is important to pay attention to the following three steps:
4.1 **Build next level container**
4.2 **Create management structures**
4.3 **Establish governance and learning systems**

The biggest challenge lies in maintaining the original spirit of change, or of transferring it to the new dialogue.

Phase 4 has no time limit. The duration depends on the new plans.

4.1 Build next level container

New challenges emerge when the results of a stakeholder dialogue are to generate broader impact, implementation is to be formalised to a greater extent or the form of cooperation among stakeholders is to be institutionalised. The group that achieved the first results of the stakeholder dialogue may not always have the ability or skills to support long-term implementation of the initiative. Sometimes,

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interest in the theme dwindles once a consensual 'political' product has been achieved and it has been presented with public impact. This may be due to a lack of implementation know-how or resources, for instance. In this case, it is important to develop the new tasks of the participating stakeholders at an early stage and to communicate them clearly. If the composition of stakeholders needs to be changed, the original container should initiate and support the innovations.

In Phase 4, it is important to build new, sometimes larger containers, repeating the measures in the preceding Phases 1-3. To enable dialogue and participation, new networks of interested and committed parties have to be established, trust has to be created and communications structures have to be set up. If the previous container was strong enough, it can acquire new participants, disseminate ideas and promote implementation. If this is not the case, a container has to be built again as described in Phase 1, exploring and engaging. The stakeholder dialogue in its evolved form should be based on the original system of shared values and approaches, and should not lose sight of its objectives.

> **Key questions for building next level container**
> - Can we replicate the same procedure in another place?
> - Have we correctly assessed the potential of the stakeholder dialogue for greater formalisation or institutionalisation?
> - Do we have cooperation partners who might promote further development, formalisation or institutionalisation of the stakeholder dialogue?
> - Which strategies must we adjust and reconsider?
> - How can we set up a broader group of interested parties who identify with the initiative?
> - How can involved stakeholders become ambassadors for the initiative?
> - How can we maintain identification with the initiative, trust and commitment?

4.2   Create management structures

If stakeholder dialogues are to be institutionalised, i.e. given a formal structure, due to their successful implementation, the following aspects derived from Phase 1 (exploring and engaging) and Phase 2 (building and formalising) become relevant:
- a more extensive context analysis
- new engagement processes
- modified agreements and
- the establishment of management structures.

The dialogue has now been given a new and larger 'home', a more professional implementing structure or additional financial resources. In some cases, this may mean that the stakeholder dialogue turns into an institution. In others, it may mean that the dialogue approach is adopted by formal or regulatory processes[26]. This process is rarely free from obstacles and conflicts. Continuity in the container or the group of other important participating stakeholders is essential in order to overcome these hurdles.

> **Key questions for creating management structures**
> - Which structure is required to continue the stakeholder dialogue?
> - Is it necessary to establish an institution or a legal body?
> - Which form of institution would be expedient?
> - How can we ensure that the results are sustainable?
> - How can we integrate the stakeholder dialogue into existing structures?
> - Which is he right process architecture for continuing the joint dialogue?
> - Have we invested sufficiently in relationship management in order to maintain the existing interest and commitment?

4.3   Establish governance and learning systems

Greater formalisation of the stakeholder dialogue creates new challenges. Stakeholders or supporters ask more than before about the impacts and usefulness of the stakeholder dialogue. People who are not involved doubt whether the participating stakeholders are representative. Political supporters demand stronger proof of results. External evaluations are called for. The stakeholder dialogue becomes

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[26] For example, the stakeholder dialogue is integrated into administrative planning processes.

more visible, giving more scope for criticism. To meet these challenges, the dialogues need **governance structures** – new, appropriate learning and steering structures, for example a more formal stakeholder representation or a steering committee with equal representation. Decision-making processes and the handling of external criticism need to be formalised and results orientation must be regularly substantiated.

Institutionalisation always poses the risk that the process will lose its dynamism. On the other hand, a lack of structure may jeopardise further implementation of the stakeholder dialogue. Against this background, and in order to strike the right balance between creative scope for engagement and sufficient structure, it is equally important to communicate the point and purpose of a stakeholder dialogue and to strengthen the vision for the future. Institutionalised steering structures must also continue to learn and reconsider. If they succeed in doing so, it is more likely that motivation will be maintained, crises will be overcome and the original goal will not be lost sight of.

One of the biggest challenges in Phase 4 is to keep introducing the 'spirit of change' and to keep it alive. It may be useful for the container to repeat the procedures from Phase 1 (exploring and engaging), building trust and willingness to change, in an appropriate form.

**An example from the field:
the Common Code for the Coffee Community (4C):**

PHASE 4 – Developing further, replicating or institutionalising

The crucial step from initiative to institution was taken in Phase 4 with the foundation of the 4C Association in 2006. A steering council was elected and a management board and managing directors were appointed. A management structure was established that is responsible for implementing the Common Code and coordinating training measures for coffee producers. The 4C Association is now open to actors from the entire coffee sector.

The special challenges of this phase consisted in giving the new institution a structure that is equally determined by all three sectors, can fund itself and ensures application of the Common Code through a credible verification system and capacity development on the part of Code users.

Key questions for establishing governance and learning systems

- Which learning structures does the stakeholder dialogue require?
- Which governance does the stakeholder process require?
- Which expertise do we require for further cooperation?
- How can we integrate further capacity development measures?
- Have we re-evaluated our strategies for Phase 4 and adapted them as required?
- Have we evaluated the lessons learned from the dialogue and integrated them into the next planning stage?

4.2 Checklist for planning and conducting a stakeholder dialogue

The following check list is an aid to planning a stakeholder dialogue according to the four phases of the dialogic change model. It covers all aspects that are relevant to planning the individual phases. It can still be used even after one or several phases of reflection on the chosen procedure. It is advisable for initiators, implementers and the container to use the checklist together so that they can discuss individual aspects.

If answers to several questions on one or more phases are made in the red or yellow columns, it is advisable to discuss which aspects of the individual phase should be subsequently conducted or conducted with more emphasis.

The checklist offers the following response options:

6	Completely true
5	Largely true
4	True to some extent
3	False to some extent
2	Largely false
1	Completely false

Checklist for planning and conducting a stakeholder dialogue according to the four phases of the dialogic change model

PHASE 1: Exploring and engaging

		6	5	4	3	2	1
1.1	**Create resonance**						
1.1.1	Have we accorded enough time to obtaining the opinions/perspectives of all relevant actors and laid the foundation for a relationship with the actors?						
1.1.2	Can we convey the idea behind the initiative in formal and informal tasks with relevant actors?						
1.1.3	Have we been able to convince relevant actors of the initiative's urgency and involve them in formulating its objective?						
1.2	**Understand the context**						
1.2.1	Have we consulted all stakeholder groups who can give us insight into the current situation and the anticipated future developments?						
1.2.2	Do we have all the relevant information?						
1.2.3	Are we aware of the actors and factors that influence our initiative/whom we can influence in favour of our initiative?						
1.2.4.	Do we know of previous results and experience related to this or a similar initiative?						
1.2.5	Have we discussed in a conflict analysis all potential conflicts that we may encounter?						
1.2.6	Have we created resonance through informal talks that makes it possible to concretise the shared goals and procedure, despite points that are still to be clarified?						
1.3	**Build a 'good' container for change**						
1.3.1	Have we been able to convince and motivate those stakeholders who are involved in the container and are necessary for commencing the dialogue?						
1.3.2	Do we maintain a balance between developing a structure/a framework for the procedure and maintaining openness towards the system?						
1.3.3	Has a suitable form of assembly been found as regards the venue, the programme and the context that promotes commitment and ownership of the initiative among other stakeholders?						
1.3.4	Have we created sufficient incentives/points of entry for the various relevant stakeholder groups that encourage them to take an active part in the joint dialogue?						

PHASE 2: Building and formalising

		6	5	4	3	2	1
2.1	**Clarify common goals and resources**						
2.1.1	Does the informal container have a form that enables its composition and the roles of its individual members to be consolidated?						
2.1.2	Are the shared goals and interests clear so that a rough plan and the form of cooperation and division of roles can be established/formalised among all participating stakeholders?						
2.1.3	Does our approach give the participating stakeholders the feeling that their opinions are taken seriously so that commitment to the dialogue can be maintained and can grow?						
2.1.4	Do the framework conditions for conducting the dialogue promote the development of ownership?						
2.1.5	Is the initiative introduced in such a way that it matches the stakeholders' interests?						
2.1.6	Has it been clarified which resources the various stakeholders can contribute?						
2.2	**Plan the future together**	6	5	4	3	2	1
2.2.1	Is the container equipped for an official start to the joint change process?						
2.2.2	Does the container have all the perspectives and the expertise that are required to shape the future?						
2.2.3	Is the process planned so that the participating stakeholders can devote themselves to joint planning for the future, e.g. the designing of meetings, workshops etc.?						
2.2.4	Do all the participating stakeholders have enough information on the initiative's field of activity so that they can play an active part in the dialogue?						
2.2.5	Is there enough scope for joint learning?						
2.2.6	Is the process of cooperation and communication planned such that synergies become obvious and initial results can be achieved within a short time?						
2.2.7	Has it been ensured that initial results of cooperation will be visible as success for the participating stakeholders and for other key actors?						
2.3	**Consolidate agreements and establish structures**	6	5	4	3	2	1
2.3.1	Does the form of agreement (memorandum of understanding, project plan, press release etc.) support stakeholder identification with the joint initiative?						
2.3.2	Does the form in which agreements were reached ensure that they are credible and reliable?						
2.3.3	Have milestones been agreed and are they realistic?						
2.3.4	Were roles and responsibilities divided among the participating stakeholders?						
2.3.5	Was a time schedule agreed on?						

PHASE 3: Implementing and evaluating

		6	5	4	3	2	1
3.1	**Ensure transparency and communication**						
3.1.1	Has a communication architecture been established that enables a good internal flow of information?						
3.1.2	Do we design the key areas of implementing the stakeholder dialogue transparently?						
3.1.3	Do we recognise progress in cooperation and communicate it to the participating stakeholders and the project environment?						
3.1.4	Do we support continued active participation by stakeholders?						
3.1.5	Do we allow enough scope for feedback, and do we include it constructively in the process?						
3.1.6	Do we strike the correct balance between specifying the structure/framework/leadership and openness towards the system when it comes to criticism/uncertainty etc.?						
3.2	**Create results and celebrate success**	6	5	4	3	2	1
3.2.1	Do we harness the opportunities for success that can be directly achieved?						
3.2.2	Do we take advantage of the opportunity to learn from each other and from success?						
3.2.3	Have we called success within the stakeholder dialogue by that name and celebrated it as such?						
3.2.4	Has an agreement been reached on how successes are to be communicated to the public in a way that avoids misunderstandings?						
3.2.5	Have we informed all relevant actors in the larger field of activity about successes in the right way?						
3.2.6	Is the public appropriately informed and are communications channels used positively to further advance the initiative?						
3.3	**Establish learning mechanisms**	6	5	4	3	2	1
3.3.1	Have we as a container developed an awareness that shows us whether we are on the right track?						
3.3.2	Do we include stakeholder feedback in the process so as to foster a feeling of true participation?						
3.3.3	Do stakeholders feel their input is taken seriously?						
3.3.4	Is an internal monitoring and evaluation system in place that proves to be useful for the process?						
3.3.5	Is there an internal learning system that has a fruitful influence on the internal process?						

PHASE 4: Developing further, replicating or instituionalising

		6	5	4	3	2	1
4.1	**Build next level container**						
4.1.1	Can the initiative be taken to a higher level in its existing form and at the present time?						
4.1.2	Have we reconsidered our previous strategies and procedures and if necessary adapted them to the implementation phase?						
4.1.3	Does the implementation phase require new stakeholders and have we identified them?						
4.1.4	Have we developed a strategy that makes it possible to establish a more comprehensive community?						
4.1.5	Have we identified the stakeholders who commit themselves to continuing and expanding the initiative as ambassadors and given them enough coaching, and integrated them into the existing container, if applicable?						
4.1.6	Are alliances identified/supported that are important for expanding the initiative?						
4.1.7	Is it ensured that the commitment and ownership of the stakeholders involved so far are maintained?						
4.2	**Create management structures**	6	5	4	3	2	1
4.2.1	Has a procedure been established that can ensure the sustainability of the results achieved?						
4.2.2	Have we adequately explored the possibly extended field of activity and understood the possibly new context in order to adequately plan the next steps?						
4.2.3	Have we provided enough time to prepare for institutionalisation?						
4.2.4	Have we identified a structure/organisational form that the initiative, project or programme etc. requires for the implementation phase?						
4.2.5	Is the 'new' container well positioned to cope with and compensate for the difficulties that may occur in this implementation phase?						
4.3	**Establish governance and learning systems**	6	5	4	3	2	1
4.3.1	Have we clarified what may be required in addition for further implementation? Further financial support, additional capacity development etc., for example						
4.3.2	Are reflection and learning structures maintained despite setting up steering structures?						
4.3.3	Have we identified the right design for continuing the joint dialogue that enables the right measure of structuring/professionalisation and openness for the needs of the system and further development?						
4.3.4	Have we made the success achieved in implementing the initiative visible enough for the participating stakeholders and the wider setting?						
4.3.5	Is the new steering structure positioned such that it can be maintained?						

5. Communication in stakeholder dialogues

Stakeholder dialogues essentially consist of communication processes. From initiation to implementation of a stakeholder dialogue, communication is the link between relevant[27] and participating[28] actors, who usually enter into cooperation of their own free will. Whenever people communicate and work beyond their organisational and cultural boundaries to jointly shape the future, this calls for a framework that enables cooperation towards a greater common goal and constructive handling of conflicts and tensions. Trust, respect, transparency and openness towards other perspectives and standpoints are essential under these circumstances.

Planning and handling communication in the appropriate way is a fundamental requirement if a stakeholder dialogue is to succeed. Stakeholder dialogues often have a complex communications structure that includes various actors with different interests and backgrounds. It is important to include all relevant and involved actors in the communication process. Beyond this, the flow of communication within and among the various interest groups of a stakeholder dialogue has to be maintained. Bearing in mind the social and spatial needs of the various actors and interest groups is just as vital as devising a time schedule for individual communications processes within the stakeholder dialogue.

The following section presents the communication levels in stakeholder dialogues and explains the communication requirements within and between the different levels.

5.1   The various communication levels in stakeholder dialogues

Good communication is a crucial success factor in stakeholder dialogues. This applies both to communication with the participating stakeholders and with those who are not involved in the stakeholder dialogue but are relevant to the issue at stake.

Initiating a stakeholder dialogue calls for an understanding of the initiative's field of activity.[29] This is not only necessary in order to integrate all relevant stakeholders in the dialogue, but also for its preparatory planning.

Communication processes in stakeholder dialogues consist of internal and external communication. **Internal communication** covers both communication between directly participating stakeholders and with the institutions participating in the dialogue. **External communication** is communication with the public or other relevant stakeholders who are not or not yet directly involved in the process. A stakeholder dialogue system reflects the entire communication system of the dialogue and therefore embraces both communication levels.

Communication is an important factor for the cohesion of a stakeholder dialogue, whose course and results fundamentally depend on successful communication on both levels. To plan and carry out internal and external communication correctly, the stakeholder dialogue system has to be recorded in order to understand the levels at which communication is required or calls for mediation support. The following graphic visualises an ideal stakeholder dialogue system. The subsequent explanations detail the various communication levels.
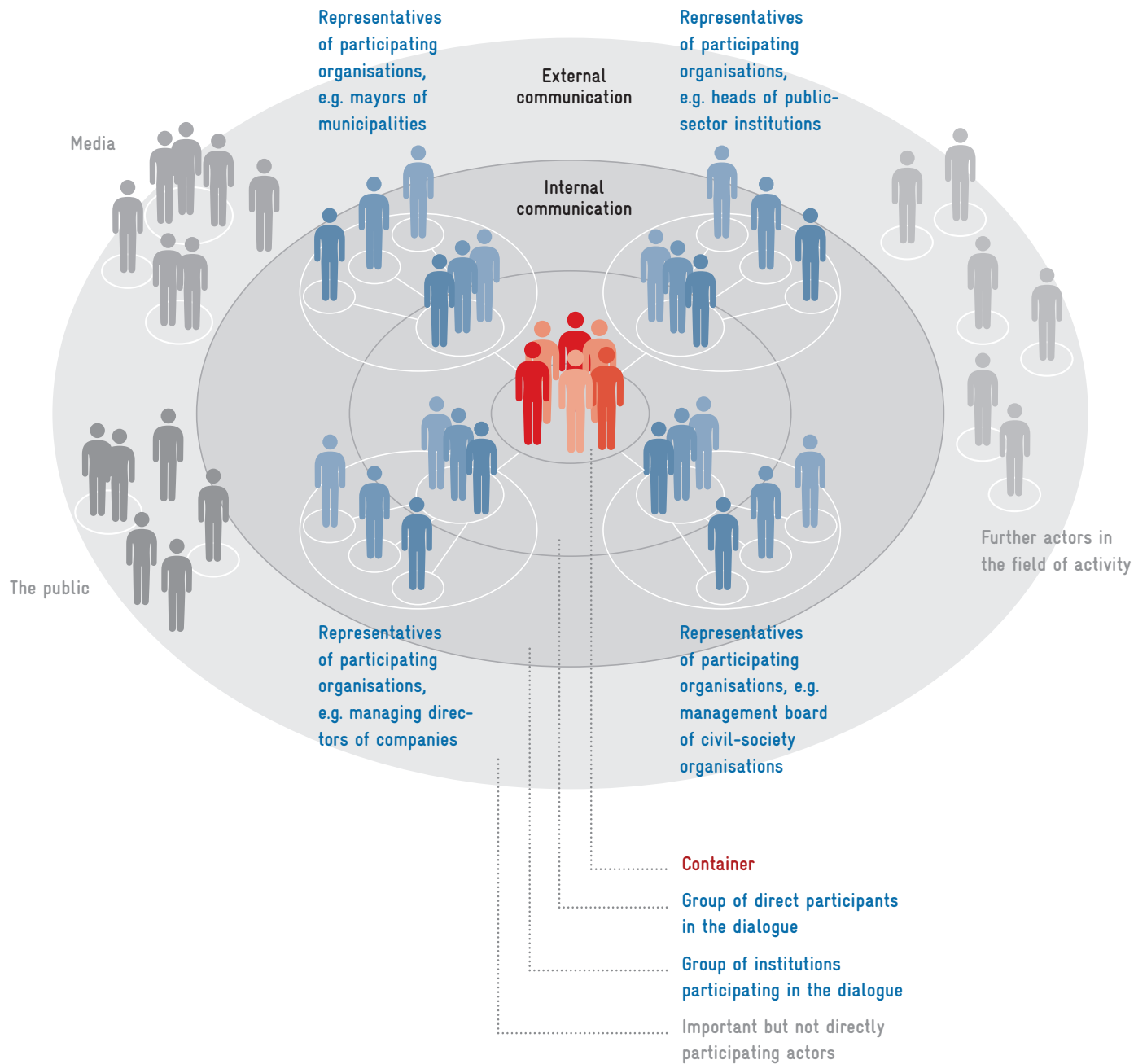
5.1.1 Internal communication levels

Functioning internal communication is the prerequisite for building the necessary trust within a stakeholder dialogue system. Trust, in turn, is the prerequisite for making the system of participating stakeholders stable enough to produce results via the dialogue. Mistrust leads to delays or in the worst case makes cooperation impossible. The quality of internal communication is therefore decisive for the success of a stakeholder dialogue. The following sections describe the individual internal communication levels.

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[27] Relevant actors are those who have a fundamental interest in the stakeholder dialogue or are important for the initiative, but are not or not yet actively involved in the stakeholder dialogue. In the rest of this text, they are also termed relevant stakeholders.
[28] Participating actors are those who are already taking part in the stakeholder dialogue. They are also called participating stakeholders in the rest of this document.
[29] See Phase 1, exploring and engaging. Chapter 4: Conducting stakeholder dialogues, explains the four phases of stakeholder dialogues according to the dialogic change model.

The stakeholder dialogue system

Representatives of participating organisations, e.g. mayors of municipalities

External communication

Representatives of participating organisations, e.g. heads of public-sector institutions

Internal communication

Media

The public

Representatives of participating organisations, e.g. managing directors of companies

Representatives of participating organisations, e.g. management board of civil-society organisations

Further actors in the field of activity

Container

Group of direct participants in the dialogue

Group of institutions participating in the dialogue

Important but not directly participating actors

■ **Communication within the container[30]**

As described in the dialogic change model for conducting stakeholder dialogues, it is helpful in the first phase (exploring and engaging) of a stakeholder dialogue to set up a small container. Ideally, the container already consists of the key stakeholders and is particularly interested in and motivated to promote initiation and implementation of the stakeholder dialogue. As regards communication, it is important that the members of the container are informed about all issues and the chosen procedure and plan the process together. A form of communication should evolve among the members of the container that promotes trust and solidarity and enables them to work together in an uncomplicated, informal atmosphere.

■ **Communication between the container and the participating stakeholders**

As well as communication within the container, communication between the container and the participating stakeholders is also important for the stakeholder dialogue. This is particularly the case in Phase 2 (building and formalising) and Phase 3 (implementing and evaluating).

It should be ensured that all participating stakeholders feel they are well taken care of and informed. A stakeholder analysis should be used to determine how to communicate with the different stakeholders and which content matter should be prioritised. The right form of communication differs in the individual phases of a stakeholder dialogue and depends on the participating stakeholders and the current situation. In general, an open and transparent form of communication should be adopted, which allows for feedback, criticism and adaptation to the given situation and discussion partner, and thus creates a good working atmosphere.

■ **Communication between the participating stakeholders and their institutions**

The people participating in a stakeholder dialogue are usually representatives of institutions, i.e. employees of companies, the public sector, civil society associations or organisations. In this position, they represent not their own interests but those of their employer. Another

level to be taken into account is that of the relationships between the participating institutions and their representatives, since this may have a strong influence on the course a stakeholder dialogue takes. It may transpire, for instance, that the intensive exchange leads representatives of an institution to develop an understanding for the situation of other stakeholders, but that their scope for decision-making and taking action is restricted by orders from their superiors. Often, they have to coordinate any kind of concession with their superiors. In many stakeholder dialogues, this is a very laborious and difficult procedure, of which all participating stakeholders should be aware and which they should endeavour to understand. Representatives of the container should support this communication level, for example by informing the decision-makers of the participating institutions of minor successes or results of the stakeholder dialogue, or by individual liaison. The aim is to prevent indirect supporters at participating institutions from feeling inadequately attended to, or from becoming critics or losing interest due to a lack of information. This may lead them to block the process.

■ **Communication between the container and key supporters/critics**

Particular care should be taken when planning communication with key supporters such as political, societal or private sector decision-makers who have a positive attitude towards the initiative of the stakeholder dialogue. Here, it makes sense to introduce a customised procedure that takes into account individual needs in terms of scope, form and regularity of information. Individual attention to these supporters may prevent them from losing interest in the initiative and of withdrawing their support. Communication with potential critics of the initiative or of the stakeholder dialogue should be considered and appropriately planned. Personal and individual liaison, possibly through core group representatives, may reduce the existing level of criticism.

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[30] A container is a team of enthusiastic people who ideally represent different key stakeholder groups and drive the stakeholder dialogue forward through all the anticipated ups and downs. See Chapter 4: Conducting stakeholder dialogues.

5.1.2 External communication levels

External communication means transferring information on the content, goals, approach and results of the stakeholder dialogue to actors in the surrounding field of activity. Depending on the initiative, this may concern the public, the media or individual external actors who are not involved in the stakeholder dialogue. Here too, different communication levels can be identified. External communication is often one-dimensional and provided by participating stakeholders. Since the impact of information on the field of activity is difficult to assess, this type of communication has many different aspects. In this scenario, it is important to plan external communication well and to select the right time for it. The individual external communication levels are explained below.

■ **Communication between participants in the stakeholder dialogue and external actors in the surrounding field of activity**

Stakeholder dialogues are often observed by external actors who are only indirectly interested in the theme, have reservations about the feasibility of the initiative or have a basically sceptical or negative attitude towards it. The extent to which the initiative is being watched by actors in the surrounding field of activity depends on the initiative's theme and political status. The role of external observers should be taken into account when planning external communication. Unexpected criticism may jeopardise the fragile system of a stakeholder dialogue. In terms of communication, it may make sense to regularly inform sceptical actors in particular so that their understanding of the stakeholder dialogue's purpose and prospects of success can grow. Especially when initiating and first implementing a stakeholder dialogue, in Phase 1 (exploring and engaging) and Phase 2 (building and formalising), there should be a heightened awareness of the potential risk that external actors may pose for the fragile stakeholder dialogue system. A stakeholder analysis offers a suitable method for identifying such actors.

■ **Communication between the participants in the stakeholder dialogue and the media**

In some stakeholder dialogues, observation by the media plays an important role[31]. Other stakeholder dialogues meet with little public attention. In this case, though, presenting the dialogue's achievements in the media might well facilitate the dialogue's implementation. In general, the media should not be informed too soon about an imminent stakeholder dialogue, unless this is unavoidable for political reasons. The media should only be informed when the first signs of success are visible

Owing to its complexity, it makes sense to steer the communication processes within the stakeholder dialogue system. This function is often assumed by the container or a multi-stakeholder dialogue facilitator[32]. These must be in a position to understand the different background and worldviews of the various stakeholders and to build trust in their work and in the dialogue process. It is essential for them to have a natural leaning towards an open, dialogue-oriented approach.

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[31] For example in stakeholder dialogues that are initiated by the public sector and therefore operate in a political environment.
[32] See Chapter 9: Facilitating stakeholder dialogues – a leadership role with a future

6. Dialogue – the basic principle of stakeholder dialogues

Dialogue promotes an exchange of viewpoints, expertise and interest that goes beyond a series or juxtaposition of verbal contributions. Based on different viewpoints and types of expertise, dialogues generate a process of thinking and working together that may give rise to previously unthought-of possibilities or solutions.

This fruitful exchange of thoughts calls for a high degree of openness towards other viewpoints and a willingness to stop clinging stubbornly to one's own views. The point is to speak with an authentic voice about issues that are important to each individual, even if this implies questioning previously held personal views. Other people's integrity must be respected even if one is of a different opinion. Beyond this, a successful dialogue also presupposes that the people involved are aware of the paradigms and worldviews of their discussion partners. It is important in this context to explore existing tensions and conflicts rather than immediately placing a value judgement on them and taking a stance.

Ideally, a fruitful dialogue supports thought processes and the joint development of ideas and thoughts. In accordance with its original meaning, dialogue is understood as a 'flow of words' or a 'flow of meaning'. Dialogue is thus more than a conversation between two parties; it is the emergence of meaning and sense through communication. Rather than firing off opposing opinions and viewpoints, dialogue opens up a space that is required for joint understanding and reflection on a situation or the causes of existing conflicts and tensions. In a constructive dialogue, it is easier to make allowances for differences, understand them and put them to good use. By showing openness and understanding for different viewpoints, the exchange of different ideas and thoughts can pave the way for new, constructive solutions.

6.1 Developing dialogic competence

Stakeholder dialogues bring together actors with different viewpoints and diverging interests. In addition, communication within stakeholder dialogues usually takes place in a non-hierarchic context. While power differences do exist in such dialogues, most often there is no line of authority between different stakeholder groups. Results must be achieved by consensus. So it is all the more important for the members of a container[33] of stakeholders to develop their dialogic competence, i.e. understand which communication patterns lead to results or impede them. This will allow group members to use communication constructively, create lasting trust, avoid or overcome crises and maintain a shared orientation. The dialogue approach is the foundation for communication architectures that are geared to reaching a consensus. It helps to improve cooperation, make the implementation of agreements more effective, and to achieve visible results.

In the following section, two models are presented that help stakeholder dialogue facilitators to
• improve their own dialogic competence and
• to foster constructive communication between stakeholders.

Both models are closely connected. The **four action modes** describe observable communicative behaviour. The **four dialogic practices** describe an underlying dialogic capacity – a mix between inner stance and communicative competence – that determines one's ability to contribute constructively to effective communication.

Facilitators can make a major contribution to the success of stakeholder dialogues by
• knowing their own strengths and weaknesses in the dialogue and expanding their own dialogic competence,
• being able to assess which of the four action modes and dialogic practices are lacking in a stakeholder dialogue or need particular attention,
• recognising how they can strengthen all aspects of constructive communication (modes and practices) in a stakeholder dialogue.

Both models will now be explained with reference to the personal level and the stakeholder dialogue system.[34]

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[33] A container is a team of enthusiastic people who ideally represent the different major stakeholder groups and who drive the stakeholder dialogue forward through all the anticipated ups and downs. See Chapter 4: Conducting stakeholder dialogues.
[34] A stakeholder dialogue system reflects all the participating and relevant actors in a stakeholder dialogue, see Chapter 5: Communication in stakeholder dialogues.

6.1.1 The four action modes

The action modes are based on decades of interpersonal communication research.[35] This has shown that communication is most effective when all action modes are present in a dynamic balance. If key action modes are missing, a stakeholder dialogue becomes imbalanced, giving rise to dissatisfaction. Results are not achieved, or crises will emerge and mistrust will spread.

Action mode 1: MOVE

The underlying intention is to push things forward.

■ **At the personal level**:
People with strengths in this field give direction, make proposals or take the initiative. If this ability is underdeveloped, there is a lack of focus, assertiveness or results orientation. If it is overdeveloped, others may feel under pressure or steamrollered.

▶ **KEY QUESTIONS**:
- **Am I actively promoting change?**
- **Am I considering other viewpoints?**
- **Do I leave and create room for innovation?**

■ **At the level of the stakeholder dialogue system**:
If a stakeholder group shows little inclination to 'move', this may be because it is not good at expressing itself, is poorly organised or, though influential, has little interest in change.

   If, on the other hand, a stakeholder group always wants to determine the direction to be taken, the stakeholder dialogue system may become imbalanced. Other stakeholders will feel they have been steamrollered and will get the impression that power is being exerted or a specific agenda is being promoted over which they have little influence. It is highly likely that they will withdraw from the dialogue.

▶ **KEY QUESTIONS**:
- **Are all stakeholders sufficiently engaged and can they articulate their interests appropriately?**
- **Is the stakeholder dialogue results-oriented?**

Action mode 2: OPPOSE

The underlying intention is correction. In a positive sense, it challenges the status quo by questioning something, showing a different perspective or pointing out something that has been overlooked. In a negative sense, things are questioned as a matter of principle.

■ **At the personal level**:
People whose strengths lie in this field are critical, quick to find mistakes, but also make sure that all aspects of a matter are taken into account. If this dimension is underdeveloped, critical response is lacking; if it is overdeveloped, having reservations or contradicting everything may become a habit.

▶ **KEY QUESTIONS**:
- **Do I give constructive criticism?**
- **Am I myself good at handling criticism?**
- **Am I oriented towards finding solutions?**

■ **At the level of the stakeholder dialogue system**:
If not enough attention is paid to a position within the stakeholder dialogue, communication may become rigid. Stakeholders may for instance threaten to withdraw, publicly criticise the content or form of a dialogue or subtly undermine progress.

▶ **KEY QUESTIONS**:
- **Are all the different stakeholder positions sufficiently known and have they been properly heard?**
- **How can I ensure that critical positions are also heard?**

'Moving' and 'opposing' are closely related and often form a communication pattern that may take place between stakeholder groups, e.g. between the private sector and civil society or between individual participants, for instance if one person makes a proposal and another is constantly against it. Such patterns are quite common in stakeholder dialogues. If they are not overcome, they may cause the dialogue to come to a standstill or fail completely. This is where multi-stakeholder dialogue facilitators have an important role to play.

[35] The model is based on David Kantor's action modes model, www.davidkantortheory.com.

They have to ensure that other opinions are adequately considered, that groups which want to proceed too quickly develop an understanding for other positions and must bring decisions forward if no consequences for action result from the dialogue. As far as critics are concerned, it is important to understand their motives and encourage them to propose solutions.

Action mode 3: FOLLOW

The underlying intention is to get the implementation of expedient matters underway by agreement and confirmation. Without followers there can be no consensus, which is why this action mode is essential for the success of a stakeholder dialogue.

■ **At the personal level:**
People whose strengths lie here are quick to voice agreement and often consensus-oriented. If this dimension is underdeveloped, it may lead to interminable discussions; if it is underdeveloped, no critical discussion takes place.

▶ KEY QUESTIONS:
- **When can I agree in good conscience to bring an issue forward?**
- **Can I support proposals even if they are not my own?**
- **Which compromise would I be prepared to accept?**

■ **At the level of the stakeholder dialogue system:**
If a permanent pattern of moving and following becomes established in a stakeholder dialogue, and participants do not voice reservations, the question is whether all important aspects have really been considered, whether this is really a dialogue or one stakeholder group is in the driving seat. This may be harmful to the stakeholder dialogue in the long run. A pattern of moving/following may appear effective in the short term, but the dialogue may suffer from a lack of multiple perspectives and corrective viewpoints. If joint decisions are not supported and implemented in a stakeholder dialogue, however, multi-stakeholder dialogue facilitators must ask whether consensus truly exists. They should find out through informal talks whether there is unvoiced criticism, and if necessary put the matter back on the agenda of the stakeholder dialogue.

▶ KEY QUESTIONS:
- **How can I determine whether agreement is well-founded and genuine?**
- **How can I encourage consensus?**

Action mode 4: BYSTAND

The underlying intention is to actively seek a perspective and a joint philosophy. This expresses itself as an effort to understand the actors' situation or interests, to describe observations or to mediate.

■ **At the personal level:**
People whose strengths lie in this area have an inner motivation to listen to different viewpoints and mediate between different positions. Multi-stakeholder dialogue facilitators often have a natural tendency towards active observation. They need this ability in order to step back in dialogues where stakeholders adopt opposing positions (pattern: move/oppose). This allows them to understand both sides and explore the reasons for disagreement. Without these active observers, the ability to reflect and to give a backseat to one's own position may become lost in the course of the stakeholder dialogue.

▶ KEY QUESTIONS:
- **How can I stand back and see a situation from a bird's eye view?**
- **Am I able to understand a position even if I do not share it?**

■ **At the level of the stakeholder dialogue system:**
If there is little tolerance for different opinions in a stakeholder dialogue, or stakeholder groups are too impatient to concern themselves with different standpoints or value systems, it is difficult to create the vital atmosphere of mutual respect. Stakeholder dialogue facilitators can have a constructive influence by setting a personal example of respect and tolerance and making sure all opinions are heard.

If many of the stakeholders involved in a dialogue assume the role of passive observers and do not recognisably commit themselves to the shared goal, the dialogue cannot be a success. On the contrary, results will then only be generated by individual actors, or too little emphasis will be placed on achieving results.

- **How can I ensure that different viewpoints are respected?**
- **How can I turn passive stakeholders into engaged participants?**
- **How can I create a forum for 'all' viewpoints?**

6.1.2 The four dialogic practices[36]

The dialogic practices refer to forms of communication and of entering into conversation with others. Given a dynamic communication balance and shared interest in the initiative among participants, these practices lead to a generative dialogue that enables creative thinking. Ideas emerge, decisions can be taken more easily and efficiently, and there is greater willingness to assume responsibility. These dialogic practices are the foundation on which the four action modes are based. They reflect both an inner attitude and an ability to shape communication in a constructive and solution-oriented manner.

Dialogic practice 1: VOICE

Voicing means more than saying something out loud. It is the ability to express one's concerns, ambitions, intentions or objectives with a voice from the heart, acknowledging that not everybody sees things in the same way. At the same time, it is necessary to realise when one's own competence, intention or view can bring things forward, and when a statement may make others feel insecure or fall silent. This calls for the ability of self-observation: What effect do my statements have on other people, a situation or the stakeholder dialogue?

The ability to express oneself authentically fosters collective intelligence if it is linked with an ability to listen. The way in which we speak has an impact on listeners, and the way in which we listen has an impact on the way we speak. If other people genuinely listen, this allows a speaker to speak more authentically. It is important that stakeholder dialogue facilitators pay attention to domination by individual actors, insincere statements, informal intrigues or non-transparent communication.

Dialogic practice 2: LISTEN

Listening is the ability to create a space in which people can express themselves sincerely and freely. The ability to listen is the core element of every dialogue process. Truly listening to someone means being able to acknowledge the sense and legitimacy of other standpoints even if one does not agree with them. Listening creates trust and helps to make a stakeholder dialogue more robust. For a facilitator, this not only means listening authentically to the different actors, but also creating a space at stakeholder events, through their design and moderation, in which stakeholders can listen to each other. The more one develops the ability to listen to very different standpoints with respect, the better one is able to see the overall picture. This usually leads to better and solution-oriented decisions.

Dialogic practice 3: RESPECT

No stakeholder dialogue can be successful in the long run without genuine respect. This means respecting another person as an individual even if one does not agree with their behaviour or opinions. It includes the ability to seek for commonalities in the midst of disagreement. If stakeholders want to work together, respect is crucial for the success or failure of a stakeholder dialogue. There is no need to accept everything or agree with everyone. The point is to respect standpoints and boundaries, understand differences and embrace diversity. Respect means conceding that others have a right to be different. This ability grows with the will to acknowledge other people's integrity and to reach out to understand other perspectives. If people are treated without respect, they begin to treat others disrespectfully too. An important task for facilitators is therefore to set an example of respect. This helps them and the stakeholder dialogue system to withstand tensions without endangering the stakeholder dialogue. If facilitators succeed in creating an atmosphere governed by respect, this attitude will continue to grow as an element of the dialogue and be adopted by the stakeholders.

Dialogic practice 4: SUSPEND

Suspending is the ability to withhold judgement, in other words, to shut off the tendency to draw conclusions too quickly. We all have the tendency to judge others. As their ability to respect difference grows, facilitators can acknowl-

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[36] The dialogic practices are based on the approach of William Isaacs, 2000, www.dialogos.com.

edge different opinions and experiences without identifying with them. Suspending is the ability to distinguish consciously between listening/observing and assessing. Stakeholder dialogue facilitators should set as good an example as possible of this attitude. The more participants in a stakeholder dialogue develop this ability, the better the prospects of reaching a consensus, establishing constructive communication and focusing on finding solutions. By shaping the design and moderation of stakeholder events, stakeholder dialogue facilitators can create an atmosphere that fosters this ability to suspend. This can be done for example by having stakeholders present their different positions one after the other in a structured way.

> **The four dialogic practices** interact with each other. The conscious development of one aspect simultaneously supports the others. What applies to stakeholder dialogue facilitators naturally applies to other participating stakeholders. The better developed their communication skills, the more opportunity there is for reflecting together, the quicker a dynamic balance in communication can be achieved, and the easier it will be to make progress in finding solutions within a stakeholder dialogue.

6.1.3 How can the models be used?

■ **For self-reflection**:
It is important for multi-stakeholder dialogue facilitators to know their own strengths with regard to the action modes and dialogic practices and to be aware of the consequences. Introducing different perspectives is a crucial task for stakeholder dialogue facilitators. It may be useful to consider how one can achieve a dynamic balance between one's own action modes and dialogic practices, which dialogic practices are well developed and which can be expanded.

■ **To assess the quality of communication in the stakeholder dialogue**:
It is useful to observe communication patterns and action modes, even if they conflict, with regard to their corrective function. Communication patterns that pay too little attention to certain action modes or give them a back seat jeopardise the success of dialogues. Here, it is important to ask which action mode and dialogic practice is missing and who can contribute it in which form.

■ **To achieve a better understanding of different stakeholders**:
The models help to develop an understanding of the differences between actors. Private sector companies, for instance, tend to stress the action mode 'Move/follow' more strongly than other stakeholder groups. In civil-society organisations, the action mode 'Oppose' is often predominant, and frequently involves giving a voice to other stakeholders, possibly those who are not involved, who have 'no voice', or speaking on their behalf. It is the task of the stakeholder dialogue facilitators to recognise these differences, to respect them and to make them transparent if necessary. In so doing, stakeholder dialogue facilitators also help the participating stakeholders to accept diversity and to overcome patterns that hinder communication.

7. Process monitoring in stakeholder dialogues

Just like other change processes, stakeholder dialogues call for monitoring instruments that are used to follow up the implementation of activities and measure the impact of the results achieved. Since the success of stakeholder dialogues crucially depends on the quality of the process, it is very important to regularly adjust the process design. Structured reflection paves the way for this, and should include at least the key actors, better still a broad group of involved actors.

Most actors in the field of sustainable development are familiar with monitoring tools and evaluation methods. Monitoring is part of the management repertoire of development cooperation in particular, but also in the private sector, in civil-society projects and in the sphere of public services. Its form, focus and concrete application may vary from sector to sector or organisation to organisation.

7.1 Introducing monitoring in stakeholder dialogues

It can be much more difficult to introduce monitoring systems in stakeholder dialogues than in an individual organisation. Stakeholder groups often have different monitoring approaches and methods. In addition, stakeholder dialogues are fragile systems, especially at the beginning, and their success depends on agreement between participants. It may therefore pose a risk to the process if one stakeholder group or supporting organisation tries to introduce a monitoring instrument by force. This may jeopardise the dialogue if there is little reciprocal trust or stakeholders are still sceptical about the project, cooperation arrangement or initiative. Some actors may perceive this as an attempt at manipulation or the inappropriate exertion of influence.

A few ground rules for introducing monitoring in stakeholder dialogues

- **Do not introduce monitoring too early on:** As long as the container[37] is still busy building trust and forming relationships, the introduction of monitoring jeopardises the process. Once the stakeholder dialogue has become established, monitoring can strengthen trust in implementation and stabilise the system. By substantiating results, monitoring supports the approach's trustworthiness.

- **Agree jointly on the form of monitoring:** All key actors, and ideally all stakeholders, in the dialogue must agree to the introduction of a specific monitoring instrument.

- **If the emphasis is on lessons learned from the process, self-assessment instruments should be used:** Self-assessment strengthens cooperation because it can also be used to reflect on the chosen approach. External evaluation only makes sense if this is explicitly wished by all participating stakeholders.

- **Use instruments that are easy for everyone to understand:** Stakeholder dialogues are already complex enough in themselves, so it is advisable to avoid overly complicated monitoring tools.

- **Respect and use the monitoring and evaluation tools of the participating institutions:** Often, stakeholder-specific monitoring approaches are already in place that can be used to monitor implementation or results. Monitoring in stakeholder dialogues should not create more work for stakeholders and should not conflict with the existing monitoring tools used by the participating institutions.

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[37] A container is a team of enthusiastic people who ideally represent different important stakeholder groups and drive the stakeholder dialogue forward through all the anticipated ups and downs. See also Chapter 4: Conducting stakeholder dialogues.

7.2   Types of monitoring in stakeholder dialogues

This section explains the following types of monitoring and the corresponding key questions:
- Monitoring of activities and results
- Impact monitoring
- Process monitoring

■ Monitoring of activities and results in stakeholder dialogues

The monitoring of activities and results in stakeholder dialogues is designed to ensure that the agreed activities are implemented and the agreed results achieved. Most of the familiar monitoring and evaluation tools can be used in this case. It is important to keep an overview of the agreed activities, the agreements signed, roadmaps and implementation plans. A project secretariat or steering committee is often responsible for process or project management. These usually summarise the progress achieved so far at the start of every major stakeholder meeting. Monitoring of activities for the container should begin in the first phase (exploring and engaging) of the stakeholder dialogue. A fundamental element of the second phase (building and formalising) is then to agree on a monitoring tool[38].

▶ KEY QUESTIONS FOR MONITORING ACTIVITIES AND RESULTS ARE:
- Have we done what we agreed in the stakeholder dialogue's implementation or action plan?
- Is what we agreed leading to the desired results?

■ Impact monitoring of stakeholder dialogues

Impact monitoring establishes whether the stakeholder dialogue and its results achieve the expected impact, beyond activities and their results. The instruments used should be geared to the relevant context.

▶ KEY QUESTIONS FOR IMPACT MONITORING ARE:
- What impacts do the results of a stakeholder dialogue have on the participating institutions, beneficiaries and other actors?
- To what extent has the stakeholder dialogue helped to achieve the goals agreed by the stakeholders at the start of the process?
- Has application of the stakeholder dialogue fulfilled its purpose?

■ Process monitoring in stakeholder dialogues

Process monitoring continuously examines whether the process is leading to the anticipated results and making a major contribution to joint responsibility for success. Key actors like the container or a project secretariat and a larger group of stakeholders can thus gain a better understanding of the requirements for a successful stakeholder dialogue and can promptly learn from experience.

▶ KEY QUESTIONS FOR PROCESS MONITORING:
- Which strategies for engagement processes were successful?
- Is the stakeholder dialogue system[39] sufficiently able to cooperate?
- Which process design elements help to foster joint responsibility for success?
- How does the process contribute to results orientation?

Process monitoring is best performed by self-assessment and should be based on the crucial key factors[40] of stakeholder dialogues. It should always be performed in connection with results monitoring and impact monitoring.

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[38] For an explanation of the four phases of a stakeholder dialogue, see Chapter 4: Conducting stakeholder dialogues.
[39] A stakeholder dialogue system reflects all participating and relevant actors in a stakeholder dialogue, see Chapter 5: Communication in stakeholder dialogues.
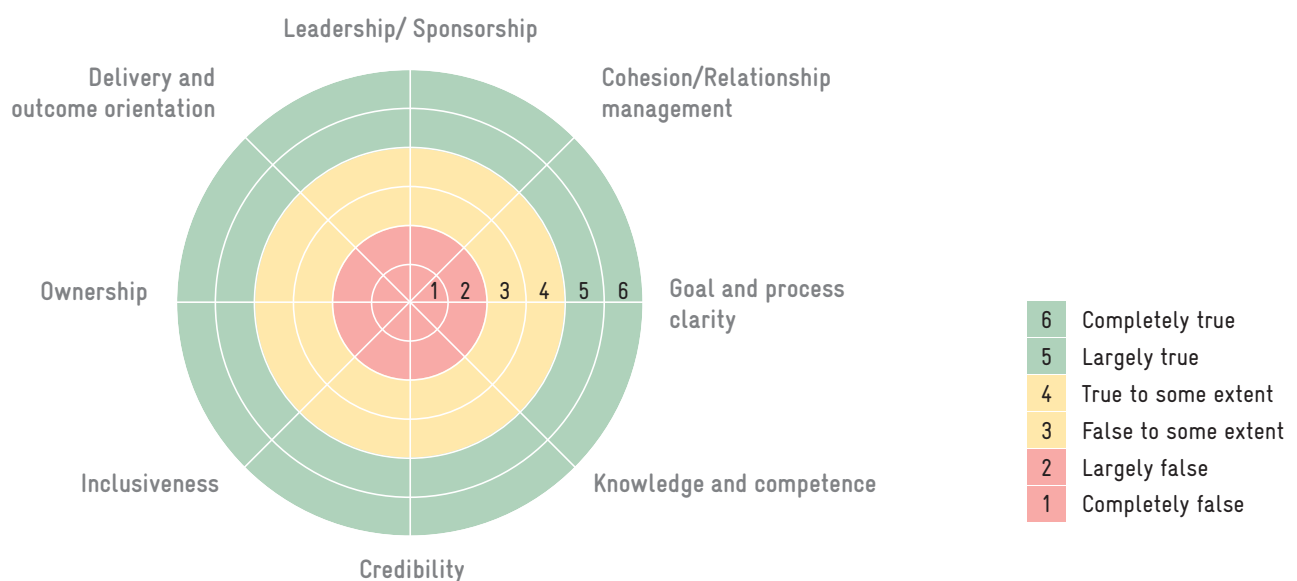[40] With regard to the key factors for stakeholder dialogues, see Chapter 8: Key factors for the sucess of stakeholder dialogues.

7.2.1 Self-assessment in stakeholder dialogues

Self-assessment serves less to make an objective measurement that to subjectively assess the current situation of a stakeholder dialogue. The result can be used as a point of departure for a learning process and may prompt an internal dialogue about success-oriented process management. If self-assessment is continuously used in a process, it may also serve as an interesting form of documentation of the process with all its progresses and difficulties. Before using self-assessment, it is important for all participants to understand the key factors and if appropriate, to adapt them to the situation of the ongoing stakeholder dialogue.

Option 1 – Spider chart: Everyone participating in self-assessment must be familiar with the key factors. They rate these factors in the diagram, individually or together, on a scale of 1 to 6. Afterwards, they discuss the rating of the situation with regard to the individual key factors in order to agree on measures to improve the situation.

Option 2 – Questionnaire and spider chart: With this option too, everyone participating in self-assessment should be familiar with the key factors. Using the questionnaire, they examine how the described aspects are to be rated for each key factor. Rating is performed on a scale of 1 to 6, which is individually entered in the spider chart. Afterwards, participants discuss what might help to improve the situation and agree on corresponding activities.

6	Completely true
5	Largely true
4	True to some extent
3	False to some extent
2	Largely false
1	Completely false

Key factors and key questions

1. Leadership/ Sponsorship	6	5	4	3	2	1
• There is a strong and committed container that represents the participating stakeholders.						
• High-ranking and influential people support the stakeholder dialogue.						
• Next to the container, there are enough participants who identify with the initiative.						
• The top management of the participating institutions identifies with the initiative.						

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	6	5	4	3	2	1
2. Cohesion and relationship management						
• Stakeholders have enough time to form relationships with each other. The people involved are able to meet in a mutual spirit of respect and acceptance.						
• A communicative and inspiring exchange takes place.						
• Relationships between the participating stakeholders and the institutions they represent are given adequate attention.						
3. Goal and process clarity	6	5	4	3	2	1
• The contribution of the stakeholder dialogue to the shared goal is clear to all participating stakeholders.						
• Process design and participation patterns are transparent and reliable.						
4. Knowledge and competence	6	5	4	3	2	1
• All stakeholders have the required knowledge and competencies.						
• Capacity development for implementing stakeholder dialogues has been built into the process design.						
• Sufficient resources are available for the stakeholder dialogue and its implementation.						
5. Credibility	6	5	4	3	2	1
• Initiators, the container and/or process managers have a sufficient mandate and are trusted by all participating stakeholders.						
• All relevant stakeholders are sufficiently and adequately represented within the stakeholder dialogue.						
• Decision-making processes are transparent and are jointly agreed on by stakeholders wherever possible. They take into account the different backgrounds and cultures of the participating stakeholders and their relevant institutions.						
6. Inclusiveness	6	5	4	3	2	1
• Weak stakeholder groups are adequately integrated into the process. The stakeholder dialogue and the associated meetings and workshops are designed and held in such a way that all participating stakeholders have a sufficient say and are heard.						
• There is an agreed procedure for dealing with criticism and complaints. Critical voices are either involved or, at least, good relationships are maintained with critics.						
• Stakeholders with a high degree of influence have become sufficiently enthused by and integrated into the stakeholder dialogue initiative.						
7. Ownership	6	5	4	3	2	1
• The relevance of goals and results is regularly reviewed with all relevant stakeholders.						
• All stakeholders have the same right to contribute their viewpoint and/or are equally entitled to make decisions. Decisions are reached by consensus.						
• The container ensures that the contributions of the various stakeholders are sufficiently acknowledged.						
8. Delivery and outcome orientation	6	5	4	3	2	1
• Stakeholder meetings are designed such that participants can work out solutions together. The meetings are concluded by an overview of results and of the next steps to be taken.						
• The institutions of the participating stakeholders implement joint decisions.						
• All participants are familiar with the various roles and with the steering and implementing structures.						
• The participating stakeholders have agreed on the form of progress review and of monitoring.						
• Regular progress reviews are performed.						

8. Key factors for the success of stakeholder dialogues

There are a series of factors that have a decisive influence on the quality of the outcomes achieved by a stakeholder dialogue. None of them can be considered separately; each influences the other. They are all leverage points for improving process design and therefore also for enhancing the impact of a stakeholder dialogue. The key factors help the container[41] to successfully implement the dialogue. They may serve not just to give general guidance, but also act as a basis for process monitoring[42]. The following section explains the individual key factors for successful implementation of stakeholder dialogues.

Key factor 1:
LEADERSHIP/ SPONSORSHIP

Leadership in stakeholder dialogue systems[43] is different from that in hierarchically structured organisations. Although there are hierarchies in stakeholder dialogues and the wielding of different degrees of influence plays an important role, there is no disciplinary ranking among stakeholders. There is no 'boss' who has the final say about future developments. In this sense, leadership is the ability to promote a process with joint responsibility for achieving results. This is an ability that stakeholders, and especially the members of the container, have to develop together.

Key factor 2:
COHESION AND RELATIONSHIP MANAGEMENT

Stakeholder dialogues are more than just cooperation between different actors. They develop their own dynamics with their own internal rules. The degree of cohesion makes a crucial contribution to the dialogue's success. If the participating stakeholders show little identification with the dialogue, its impact will also be low. Stakeholders will not implement the results of the dialogue and introduce them at their institutions. External influences may also jeopardise the process. In this case, trust is an important cornerstone of cohesion. If participants learn to trust the stakeholder dialogue despite occasional differences of opinion and possible mistrust, the dialogue stands a chance of meeting expectations.

Key factor 3:
GOAL AND PROCESS CLARITY

Solid process design is essential for developing a common goal and driving the stakeholder dialogue forward to achieve concrete results. All participants have to be aware of the next steps. Clarity about the goal and about the process are interdependent. Especially if the goal still needs to be given more concrete shape, if there is a change in objective or it appears to be beyond reach for the time being, it is important to have a well-designed process that creates trust.

Key factor 4:
KNOWLEDGE AND COMPETENCE

Stakeholder dialogues are based on the assumption that integrating different interests leads to better solutions. They use different viewpoints as a form of collective intelligence[44]. Both aspects call for expertise, experience and knowledge of the dialogue's content. Equally important is the ability to work together constructively. If participating stakeholders lack knowledge and competence, this has a negative effect on results.

Key factor 5:
CREDIBILITY

Stakeholder dialogues must be credible if they are to achieve impact. Credibility refers to a number of factors, for example

- the reputation, neutrality or credibility of the initiators and implementers of the dialogue
- the appropriate representation of different stakeholders in the dialogue process
- the transparency of decision-making processes
- the strategic importance that participation in the process has for participants
- the importance of the issue addressed by the stakeholder dialogue
- the degree to which the stakeholder dialogue is embedded in relevant societal processes.

The more credible the stakeholder dialogue, the more likely stakeholders are to identify with the goal and the

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[41] A container is a team of enthusiastic people who ideally represent different important stakeholder groups and drive the stakeholder dialogue forward through all the anticipated ups and downs. See also Chapter 4: Conducting stakeholder dialogues.
[42] See Chapter 7: Process monitoring in stakeholder dialogues.
[43] A stakeholder dialogue system reflects all participating and relevant actors in a stakeholder dialogue, see Chapter 5: Communication in stakeholder dialogues.
[44] Collective intelligence means that a group of people can achieve more through cooperation that could be achieved by the sum of their individual achievements. See also Chapter 6: Dialogue – the basic principle of stakeholder dialogues.

process. This also makes it easier for them to legitimise their participation in the stakeholder dialogue vis-à-vis their own stakeholder groups, organisation or superiors.

Key factor 6:
INCLUSIVENESS

Stakeholder dialogues that exclude key actor groups lose their credibility and create mistrust among stakeholders who do not take part in them. It also reduces their impact if actors who are important for implementing or supporting the dialogue are not included in the process. It is important to involve weaker stakeholders so that the stakeholder dialogue is based on a broad range of opinions. This also applies to stakeholders who are not skilled at articulating their interests. The art is to find out in the first phase of the dialogue (exploring and engaging[45]) which stakeholders are truly relevant for bringing about the desired changes.

Key factor 7:
OWNERSHIP

People implement what they have helped to shape. This rule of ownership also applies to stakeholder dialogues. Participants in a dialogue process who have the impression that it is uncertain whether and how their recommendations will be used are more reticent about committing themselves. If they cannot promote their initiative and their viewpoints are not integrated, they withdraw from the stakeholder dialogue. They do not put decisions into practice or they observe the process without being really committed.

Key factor 8:
DELIVERY AND OUTCOME ORIENTATION

If stakeholders get the impression that a stakeholder dialogue is not really geared to implementation or their recommendations are not being used in a verifiable manner, they show little commitment or will probably withdraw from the dialogue process. It must be borne in mind that results orientation is important for commitment, i.e. identification of actors with the stakeholder dialogue, both in consultation and cooperation processes[46]. Tangible results are therefore extremely important and may take the form of agreeing on another meeting, of an action plan in implementation-focused stakeholder dialogues, or of a progress report on process implementation. For this to succeed, it helps to examine the implementation capacity of the stakeholder dialogue system in the first phase (exploring and engaging) and to monitor this during all the subsequent phases.

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[45] For an explanation of the phases of a stakeholder dialogue, see Chapter 4: Conducting stakeholder dialogues.
[46] Chapter 3: Forms of stakeholder dialogues, explains the different forms of stakeholder dialogues.

9. Facilitating stakeholder dialogues — a leadership role with a future

Stakeholder dialogues need support by facilitators who broker between the different stakeholders and their interests. They take constructive and committed action to bring the dialogue process forward by providing information or mediation. Stakeholder dialogue facilitators can initiate a stakeholder dialogue, coordinate it, handle process management, advise on a dialogue process or moderate dialogue events. The container usually consists of stakeholder dialogue facilitators. These have to understand the different backgrounds and worldviews of the various stakeholders and build trust in their work and in the dialogue process.

The success of stakeholder dialogues often depends on the initiative of individual participants. The term 'stakeholder dialogue facilitator' denotes a new leadership skill that goes beyond hierarchical or heroic leadership models.

Stakeholder dialogue facilitators provide possibilities for development that would otherwise remain untapped. They assume leadership tasks in complex systems that can only lead to innovative solutions if the stakeholders think and work together beyond traditional, personal and ideological positions.

Stakeholder dialogue facilitators are visionaries because they are prepared to enter unknown territory and take risks. They have a need for new solutions and explore unorthodox approaches. They then convince their colleagues and all process participants of these solutions. They know that people can only find creative and constructive solutions if they remain within the dialogue despite all differences. They are intuitively aware that complex solutions call for a wide range of perspectives and that only respect for differences leads to pragmatic collaboration and honest consensus.

Stakeholder dialogue facilitators are innovative because they promote ideas that some people find unrealistic. They typically have a strong will to persevere because they believe that collective intelligence will win through in the end. They have the inner conviction that dialogue is the better way to solve a complex problem and that it is worthwhile to successfully overcome crises. They can intuit future developments because they keep an eye on the bigger picture and can envisage other, quite different possibilities. This enables them to meet crises and conflicts with relative calm.

Stakeholder dialogue facilitators make sure that all relevant people stay on the ball, that stakeholders continually review and renegotiate objectives, and that they regularly assess the dialogue together. They are capable of forming networks, are masters of both formal and informal communication and keep an eye on the overall process.

Stakeholder dialogue facilitators have the ability to see things openly from different perspectives, to handle resistance constructively and to resolve complex situations with composure. They organise structured dialogues and enthuse stakeholders for a greater goal.

Mistrust, withdrawal and the tendency to take positions are recurring features of stakeholder dialogues, especially if stakeholders are not accustomed to working together in this way. That is why stakeholder dialogues need stakeholder dialogue facilitators, who assume this new leadership role in non-hierarchical systems. They play a key part in the context of collective leadership, which leads to the assumption of collective responsibility for change for the common good: They ensure that highly diverse stakeholders remain committed to the shared objective of the dialogue process. They help to achieve a situation in which all participants see not only their own interests, but the overall good, because this frequently makes new solutions possible in the first place.