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Stakeholder Engagement Guide

A Practitioner's Guide for Successful Stakeholder Engagement

ADM (HR-Civ) • Civilians in Defence

Canada

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1. Stakeholder engagement within DND

1.1 Introduction

Stakeholder engagement is integral to the Defence business. DND comes into daily contact with internal and external stakeholders, whether it be in the NCR, the regions and abroad. Key stakeholders influence and impact our policy development, the implementation of those policies, our programs and services, the nature of our work and the way we do business.

The way we work with our stakeholders is an important way of building strategic partnerships and being a strategic partner within the department.

Focusing on stakeholder engagement is a priority to support major initiatives within DND in introducing a more systemic and strategic approach at both the corporate and operational levels. *

1.2. Objective of this guide

This guide is specifically designed to assist managers in stakeholder engagement efforts. It presents stakeholder engagement in 4 steps for engaging internal and external stakeholders and also includes helpful hints and tools. The process outlined can be applied at a number of levels: entire organization; single business unit; on a specific program, initiative or service.

It is important to remember that stakeholder engagement should not be seen as a one-time occurrence to respond to a specific incident, but instead as an ongoing cycle of feedback between the organization and its stakeholders. This continuous exchange enables the organization to better understand stakeholders' interests and priorities, which in turn will help it make better decisions in the overall successful implementation of new initiatives, programs and services. This process will also help an organization determine cultural issues and operational efficiencies to focus on from a management perspective. In familiarizing yourself with the table of content, it will provide you with an overview of the content of the Practitioner's Guide to Stakeholder Engagement.

1.3 What is engagement?

Engagement is an umbrella term that covers the full range of an organisation's efforts to understand and involve stakeholders in its activities and decisions. Engagement can help organisations meet tactical and strategic needs ranging from gathering information and spotting trends that may impact their activities, to improving transparency and building the trust of the individuals or groups whose support is critical to an organisation's long-term success, to sparking the innovation and organisational change needed to meet new challenges and opportunities.

1.4 What is stakeholder engagement?

Stakeholder engagement is when an organization initiates open, two-way dialogue seeking understanding and solutions to issues of mutual concern. Stakeholder engagement occurs when an organization wants to consider the views and involvement, of someone or some group in making and implementing a business decision. This is not the same thing as "delivering a message" or "convincing a group to agree with us."

This guide is an initiative within ADM(HR) Civ, DC Mgt Directorate.

1.5 Why is stakeholder engagement important?

The overall purpose of stakeholder engagement is to drive strategic direction and operational excellence for an organization. Done correctly, engaging stakeholders can result in learning, innovation, and enhanced performance that will not only benefit the organization, but also its stakeholders and society as a whole. In addition, stakeholder engagement can be seen as a foundation that supports an organization's broader sustainability efforts to set strategic goals, implement action plans, and assess its performance over time.

1.6 Why do we engage with stakeholders? What are the benefits?

In addition to generally improving trust and good will with stakeholders, engagement can help an organization in the following ways:

Anticipate and Manage Emerging Issues

- Establishes a mechanism for organization to improve understanding of stakeholder priorities and to respond to emerging stakeholder concerns
- Helps identify, evaluate, address, and improve sustainability performance issues before they become serious threats or lost opportunities

Promote Productive Collaboration with Stakeholders

- Creates an information sharing platform whereby organizations can disclose sustainability performance, practices, strategies, and goals to stakeholders
- Serves as an opportunity for stakeholders to identify impact areas about which they have concern
- Creates opportunities to discuss priority issues together with stakeholders, thereby building trust and collaboration via dialogue
- Allows for increased, shared understanding of the organization's impacts, improvements and challenges, whereby organizations and stakeholders can build collaborative solutions and set goals to address challenges.
- Can potentially reduce negative reactions to future, unforeseen incidents and/or impacts because of better understanding and communication

Improve Decision-Making and Operational Performance

- Allows an organization to align its management plans and actions with the expectations, needs, and demands of key stakeholders
- Helps streamline responses to various information requests, and thereby potentially reduces reporting redundancies and time burdens
- Enables organizations to maximize opportunities for improving resource management and risk management by tracking performance over time
- Helps engage and motivate staff who is responsible for various aspects of performance
- Leverages performance improvements as the organization works to follow through on agreed upon commitments

There are detrimental impacts associated with poor engagement or lack thereof. Many of these are simply the opposite of the benefits mentioned above.

1.7 Who is a stakeholder?

In the broadest terms, a stakeholder is defined as any group or individual who can affect, or can be affected by, an organization or its activities, including employees, community groups, clients, and others.

Within the context of this guide, stakeholders are further defined as:

Stakeholders: any individual or group who has a vested interest in the outcome of a body of work.

Key stakeholder: any stakeholder with significant influence on or significantly impacted by the work and where these interests and influence must be recognised if the work is to be successful.

Clients: people who use our programs and services or are subject to our regulation.

Stakeholders can be defined by one or more of the categories simultaneously.

1.8 When to engage or not to engage

Before launching into stakeholder engagement activities, it is critical to decide what level and how involved you wish your interactions to be with your stakeholders. It is important to be clear as early as possible what would be the most preferable level of interaction needed for what you wish to accomplish and all the while managing expectations at every step of any engagement process.

The following checklists may help make that determination:

When to engage stakeholders:

- There is an opportunity to help shape organization strategies and goals.
- There is concern about the impact of an organization strategy or goal.
- The organization has sufficient control or influence over an issue.
- The organization needs to create more options for a planned action.
- There is a major issue confronting the organization.
- There is sufficient overlap between the objectives and concerns of the organization and those of the stakeholder.
- It is necessary to improve the organization's knowledge of an issue.
- All the decisions related to an issue have not yet been made.

When to use another form of stakeholder relations:

- There is low or no organization commitment to address the issue.
- The organization has already made key decisions on the issues.
- There is insufficient time to engage stakeholders.
- Addressing the issue is a relatively short-term business objective.
- The organization's primary concern is risk mitigation.
- The organization is seeking buy-in through advocacy and persuasion.

It would be important to be clear on the onset to identify the level in which you wish to include your stakeholder participation goals.

Would your goals be to *...	
Inform	To provide stakeholders with balanced and objective information to assist them in understanding the problem, alternatives, opportunities and / or solutions.
Consult	To obtain public feedback for decision-makers on analysis, alternatives and / or decisions.
Involve	To work directly with the stakeholders throughout the process to ensure that their concerns and aspirations are consistently understood and considered in decision making processes.
Collaborate	To partner with the stakeholders in each aspect of the decision including the development of alternatives and the identification of the preferred solution.

Source: Stakeholder Engagement – A toolkit – working towards more effective and sustainable...

2. Stakeholder Engagement

2.1 Principles of Engagement

The principles are meant to guide and govern the entire stakeholder engagement process. Which principles or values will guide your stakeholder engagement strategy?

Mutually agreed upon principles should be the underpinning of stakeholder engagement. Why? Principles are similar to a code of behaviour, a shared understanding of desirable ways of behaving and doing amongst stakeholders, it influences the way decisions are made. It ensures a common understanding of the values which will drive the stakeholders' actions and way of doing business. As a by-product, it builds a solid foundation of trust which favours positive outcomes.

For the reasons stated above, it is suggested that principles should be identified at two levels: strategic and operational. They are not absolutes and may need to be applied differently within Divisions and with each stakeholder issue.

2.1.1 Strategic principles

Strategic refers to a higher level of understanding and structuring of stakeholder engagement and involves identifying stakeholder, significant issues and expectations.

The over arching strategic principles which could guide the way engagement is done includes the following:

- **Relevance:** knowing what is important to you and stakeholders
- **Comprehensiveness:** understanding of your impact and what people think of you
- **Responsiveness:** demonstrating adequate and timely response

In the context of this guide, these three principles are understood to relate to the key questions that people (both inside and outside of the organisation) will ask you when considering your relationships and engagement with stakeholders:

Firstly, *"Is it genuine?"* Are you just going through the motions of consultation for public relations purposes, or are you serious about getting a complete and balanced picture of your organisation's impacts on its resources?

Secondly, *"Is it fair and well informed?"* Does the process of engagement allow all stakeholders to be considered or are significantly impacted stakeholders ignored? Are internal and external processes in place that enables the organisation to gain a good understanding of its impacts and what its stakeholders think of it?

Thirdly, and finally *"What difference does it make?"* What are you going to do about the issues raised, how does this impact on other aspects of your performance, and how does it benefit your organisation? Are you willing to make the changes that are required to integrate possibly new issues into your management processes and strategy?

*Source: THE PRACTITIONER'S HANDBOOK ON STAKEHOLDER ENGAGEMENT, page16

2.1.2 Operational principles:

Operational concerns are in the area of actions in dealing with stakeholders, for instance the stakeholder engagement plan and consultation.

These may include:

- **Communication:** Open and effective communication means listening and talking
- **Clearness:** Clear and agreed information and feedback process
- **Collaboration:** Work to seek mutually beneficial outcomes where feasible
- **Involvement:** Recognise, understand and involve stakeholders in process
- **Integrity:** Conduct engagement in a manner that fosters mutual respect and trust

These principles should guide your actions and way of doing business. If you wish to assess how your stakeholder engagement principles are applied in your organization/or specific initiative, you may wish to go to the Tools section – Appendix 1 and placing a check mark in the right hand columns to clarify whether you have actioned all appropriate operational principles in engaging your stakeholders. (Refer to: Appendix 1)

2.2 A proposed Stakeholder Engagement Model

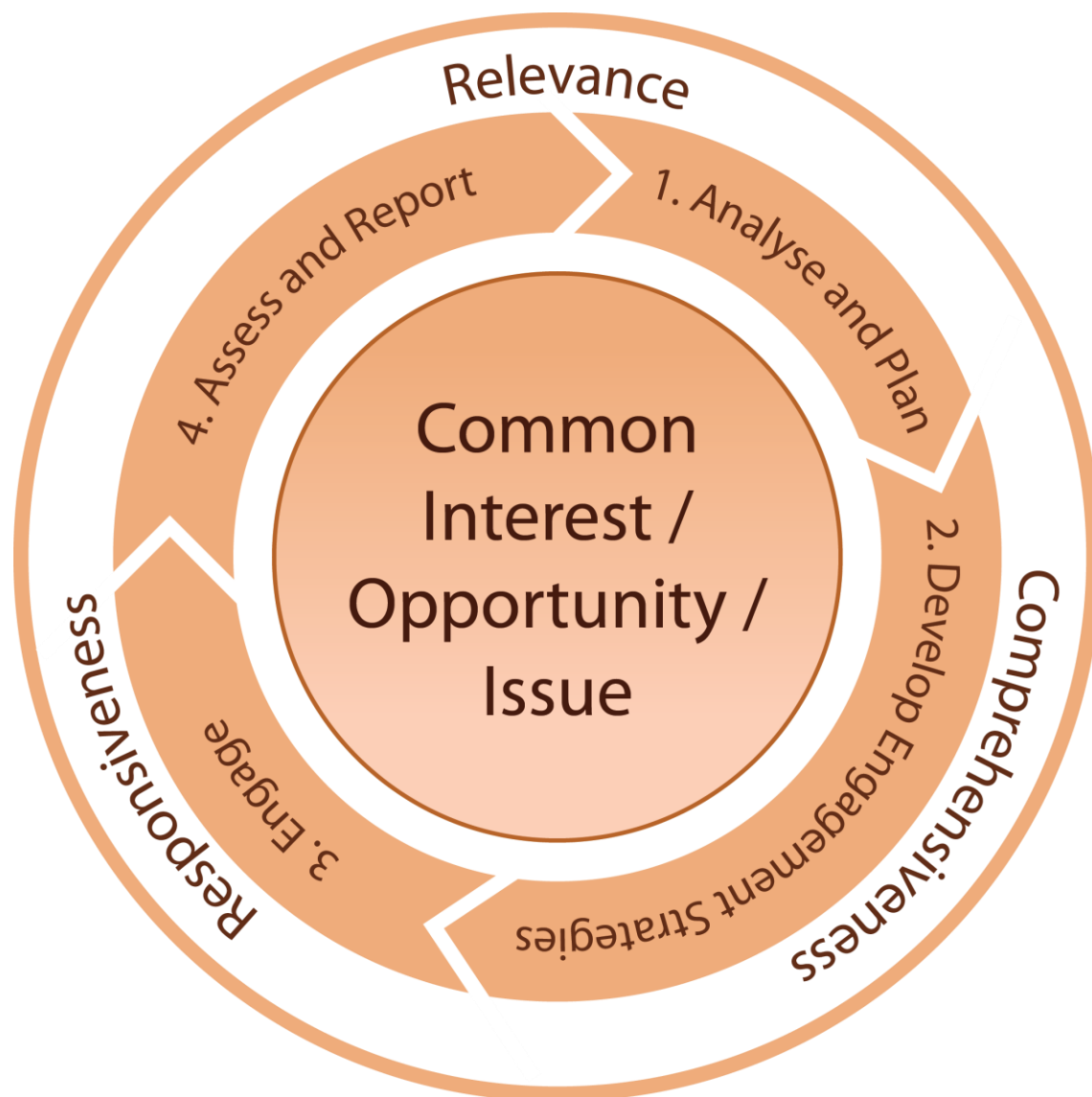
As mentioned earlier in this guide, developing a strategic approach to stakeholder engagement refers to a higher level of understanding and structuring of stakeholder engagement and involves in part a proactive approach to identifying stakeholder engagement initiatives.

Often the importance of exploring the opportunities for stakeholder's engagement is overlooked and organizations miss occasions to engage stakeholders which can be a critical element to the success of achieving your organization's goals. It may be useful to include your stakeholder engagement initiatives in your business planning activities and develop a stakeholder engagement plan (see Appendix 4).

As part of your stakeholder plan establish ways to monitor and assess the quality of your stakeholder engagement practice. When you document benefits and objectives, you need to work out how you will measure whether you have achieved them. Setting indicators of performance during the planning stage helps you to stay realistic about benefits and objectives. Some suggestions of possible performance indicators are in Appendix 5. You could also assess the quality of your processes against the checklist of operational principles and the action elements in Appendix 1.

The following stakeholder engagement model identifies a four step process and is the foundation piece in the establishment of your stakeholder engagement plan.

2.2.1 Stakeholder Engagement Model:



While it is not obligatory that staff use the model when engaging with stakeholders, it is a useful reference to check that you are covering all aspects of successful stakeholder engagement and may give ideas for development.

The model is action oriented and consists of four elements of engagement, which are expanded in activities or steps.

These activities or steps take you into a sequential process from the preparatory work, through identifying the issues, identifying stakeholders; to prioritizing the stakeholders to engaging key stakeholders, to working collaboratively and reviewing and re-assessing.

3. A Step by Step Description of the Stakeholder Engagement Model

3.1 Step 1: Analyse and Plan:

The aim of this first step is to identify your reasons for stakeholder engagement and the key stakeholder groups and issues that relate to your organisation. This will provide a basis for ensuring that stakeholder engagement informs and becomes part of your business strategy.

As part of this phase of the engagement model, the following activities would be normally included:

- Identify and understand the territory to be explored through engagement with stakeholders.
- Establish cross functional team;
- Define your issue (s), goals and business case;
- Identify, map and prioritize stakeholders
- Identify and consider engagement risks

3.1.1 Identify and understand the territory to be explored through engagement with stakeholders:

At this level of analysing and planning, it is important to identify the most important issues where stakeholder engagement might be helpful and who should be working with you to address these issues.

3.1.2 Establish cross functional team

To start your analysing and planning phase, consider establishing a “corporate/organizational cross functional team” whose membership would be the most appropriate, suitable and fitting to work on the intended project or initiative. It is important that you bring team members together to brainstorm on issues possible stakeholders, identifying objectives, and think strategically about the interdependency of their work and relationships. You may want to explore team members’ different skills and background which can enhance your team’s capacity to engage with stakeholders in an effective manner. (Also refer to section 4.3 Strengthen engagement capacities)

3.1.3 Define your issue(s), objectives and establish your business case

The purpose of this activity is to clarify your overall reasons for stakeholder engagement and how they relate to broader strategic business objectives. To be effective, stakeholder engagement must be relevant to and aligned with your own business strategy. Getting involved in the wrong engagements can lead to a misuse of resources and distract you from your more pressing needs.

A very important activity in this phase is the identification of the team’s primary issue, interest or opportunity. What common issues are bringing together the members of the cross functional team.

As a first step, the team may wish to explore and identify their desired end state. This may be done by answering the following questions:

- Why engage?
- What to engage about?
- What do we wish to achieve? What are our business objectives?
- How do these objectives impact our relationship with our stakeholders?
- What does success look like and how will we get there? What are the key milestones? What actions must we undertake to achieve success?
- Are there constraints and opportunities? Risks and benefits?
- Given this, what level of investment is appropriate? (i.e. low, medium or high investment of resources and time?)

As a second step, the team may wish to consider the following questions with the aim to provide a comprehensive and forward looking pre-assessment that would help you to gain an overview and an understanding of the relative importance of the key issues and stakeholder groups that it should endeavour to address.

- What are the issues for our stakeholders? What do we know?
- Which are the most frequently expressed? What do they tell us?
- Are the real issues apparent? What do they say about us?
- What are our strategic engagement objectives and how do these relate to stakeholders?
- What are the specific issues in dealing with these stakeholders?

How important are these issues?

- Are they related to government or department policy, an organizational outcome or output?
- Are they related to our financial or mandatory reporting?
- Are the issues likely to impact on the decisions and behaviour of stakeholders – either towards the organization or in more general terms – the department?
- Who will be accountable? What will be the governance model and issues as we move forward?

In the establishment of your business case to receive the required senior support, you may follow your divisional or departmental or Treasury Board business case template. (RTF 747 KB) [Business Case Template - Canada.ca](#)

3.2 Identify, map and prioritize key stakeholders

3.2.1 Identify your key stakeholders:

Stakeholders are diverse and may be different for each team, directorate and division and may change depending on initiative or circumstances.

In identifying your stakeholders and key stakeholders, it is important to identify who has interest or stake in the issues recognized in previous step. The following questions will lead you to identifying your stakeholders:

- Who wants to achieve the same end?
- Who does this change affect directly or indirectly?
- Who would have the most interest in these issues?
- Who are the influencers? Who could help facilitate the decision?
- Who is likely to oppose or resist change?
- How will they be affected? What are their potential interests and concerns?
- What is the larger issue we all care about?
- What is the central question/issue for the engagement process?
- How can I undertake an initial prioritisation of stakeholders and issues for further analysis?

The next step is to start identifying all your stakeholders by drafting a map of them. Drafting a map, illustrating stakeholders and their relationship to each other is an effective way of identifying all relevant stakeholders.

3.2.2 Map: How to create a Stakeholder Map

To create your map, follow the simple process below:

- 1) Start with the issue or opportunity at the centre
- 2) Identify who has a stake in the issue or opportunity
- 3) Place key stakeholders on the map
- 4) You may want to show linkages and affiliations between stakeholders by asking:
 - Who might each stakeholder be influenced by? Who do they collaborate with? Who do they influence?
 - You may want to colour code each stakeholder based on position
 - Coding: red = barrier, clear = neutral, green= ally

Please refer to Appendix 1: Mapping your stakeholder template in the back of the guide.

To establish your priorities and focus your engagement activities, you may want to consider stakeholder's influence and interest as a way of prioritizing your key stakeholders.

- Influence includes attributes like power, control over resources, and perceived legitimacy.
- Interest means importance of the issue to the stakeholder.



3.3 Identify and consider engagement risks

A risk management plan should be in place at the onset of engagement. This plan should be monitored and reviewed while consulting with the stakeholders, as risks can fluctuate, change, or become more or less important.

As part of better understanding key stakeholders consider the risks that might relate to engagement. These will vary considerably, however there are three basic questions:

- What are the risks associated with engagement?
- What are the risks associated with not engaging?
- What are the risks associated with engaging poorly?

At the same time, clearly identify and continually capitalise on opportunities for both your own work and the stakeholders.

You may wish to follow the following five steps and apply these when analysing possible risks.

1. Establishing the context: you need to understand the situation clearly and without blinders. Ask yourself what type of stakeholder engagement this is, for example is it high-level strategic project or a localised initiative?
2. Identifying the risks: take the time with your team to brainstorm the risks, thinking strategically and outside the square.
3. Analyse the risks: what is the likelihood that this risk will occur and what broader implications will ensue?
4. Evaluate the risks: draw all the information together in a written document and prioritise them.
5. Treat the risks: action is required now, not after the issue has arisen. Look for methods to mitigate or dissipate the risk.
6. Monitor and evaluate: Keep a pulse on the risks identified and monitor mitigation plans or any emergence of new risks.

Throughout these six steps you should be consulting and communicating with stakeholders and monitoring and reviewing the process.

4. Step 2: Develop Engagement Strategies

This phase is about developing the engagement strategies, that is, to decide the best way to engage with your stakeholders. It involves defining the terms of reference; the rules of engagement; communicating proactively, learning together about issue(s) identifying common ground and synergies.

It is important to remember that there is no such thing as “one size fits all” approach to your initiatives and stakeholder engagement. Engagement strategies should be tailored to the level of influence and interest of stakeholders and thinking how you can engage stakeholders over time, if required.

4.1 Define Terms of Reference

Terms of reference for the creation of a working committee whose membership would include members of the functional team addressed earlier in this handbook, plus a representation of the various stakeholders should be established. These Terms of Reference (TOR) establish a common understanding of intent, definitions, roles, responsibilities, and processes for conducting business.

4.2 Define the rules of engagement

When dealing with stakeholders it is important to define the rules of engagement. In the initial stages of the engagement you should define your work, position, the reasons for dialogue, and your capacity to meet stakeholder needs. The stakeholder must know the rules of engagement and also the limitations. In many cases the departmental officer works within the bounds of policy, and is not able to comment on stakeholder wishes because of legislation or policy (government) constraints. The consultation may be occurring with regards to a whole-of-government activity, and the department may be constrained by what stage this has already reached. To clarify this issue you can explain the policy and legislation framework and how it applies to your engagement.

One of the most common mistakes and risk when engaging stakeholders is the management of expectations or lack thereof.

As part of defining the process of engagement it is important to be clear with your stakeholders about what is negotiable and what is set in stone. When dealing with policy and legislation, some aspects of consultation will be non-negotiable as there may already be an existing framework. Stakeholder engagement conducted merely to tick the boxes instead of for a consultative goal becomes arbitrary and consultation becomes superfluous, time consuming and unsatisfactory, especially for stakeholders whose opinions are not being heard.

You may be consulting with respect to basic policy, or ideas for implementation and value the stakeholder's opinion. However it is important to identify what element can and can't be changed. In instances such as this telling them what is and isn't possible is all about expectation management. It is important to indicate the possibilities and changes that can occur, and the benefits to the stakeholder of having input to the processes.

One of the most effective means of isolating a stakeholder is going into consultation, and having them later discover that their opinion has not in any way been taken into consideration. Stakeholders need to know what cannot be changed while they're in consultation, not later on through an email.

4.3 Identify and define the engagement strategies

The purpose of this activity is to identify the most suitable methods for engagement to meet you and your stakeholders' needs. They can range from a hands-off approach to a fully integrated part of decision making.

When identifying and defining the engagement strategies you may consider asking the following questions:

- Who are we targeting? Who are the key stakeholders?
- What level of engagement do we wish to have with our stakeholders?
- How can we reach our target audience?
- What information must we communicate?
- What is the best way to communicate?
- How should we engage the stakeholders around this issue?
- How can we link interested people and build networks?
- What issues are able to be addressed and which are not?

Once you have answered these questions, you can tailor engagement approaches to the stakeholder.

4.4 What are the main approaches to engagement?

Stakeholder engagement encompasses relationships built around the levels of engagement you wish to establish. Depending on whether you want to inform, consult, involve, collaborate or empower, each levels of engagement dictates different goals, communication, the nature of relationship you wish to establish. These factors will influence your engagement approaches. Each successive level of engagement as presented below represents a greater commitment on both sides in terms of time and money and risk and cooperation. Choosing an approach to engagement is not a technical question about focus groups versus public meetings but about understanding the drivers, risks and opportunities associated with an issue and the needs and aspirations of the organization and its stakeholders in relation to the issue.

Some of the most common stakeholder engagement approaches are outlined below, followed by an introduction to some of the interactive techniques and methods that can be used in small and larger group meetings.*

Level	Goal	Communication	Nature of relationship	Engagement Approaches
Inform	Inform or educate stakeholders	One-way; company to stakeholder, there is no invitation to reply.	Short or long term relationship with stakeholders.	Bulletins and letters. Brochure, reports and websites. Speeches, conference and public presentations. Open house and facility tours. Road shows and public displays. Press releases, press conferences, media, advertising, lobbying.
Consult	Gain information and feedback from stakeholders to inform decisions made internally.	Limited two-way: organization asks questions and the stakeholders answer.	Short-or-long-term involvement.	Surveys. Focus Group. Workplace assessments. One-on-one meetings. Public meetings and workshops. Standing stakeholder advisory forums. On-line feedback and discussion.
Involve	Work directly with stakeholders to ensure that their concerns are fully understood and considered in decision making.	Two-way, or multi-way between organisation and stakeholder. Learning takes place on both sides. Stakeholders and company take action individually	May be one-of or longer-term engagement.	Multi-stakeholder forums. Exploration Meetings. Advisory panels. Consensus building processes" Participatory decision making processes.
Collaborate	Partner with or convene a network of stakeholders to develop mutually agreed solutions and joint plan of action	Two-way, or multi-way between organisation and stakeholders. Learning, negotiation, and decision making on both sides. Stakeholders work together to take action.	Long-term.	Joint projects, voluntary two party or multi-stakeholder initiatives, partnerships.

The following engagement approaches are described in greater details:

- Inviting written responses from stakeholders
- One-to-one meetings
- Online engagement mechanisms
- Exploration meetings
- Focus groups
- Assembly Meeting
- Surveys
- Stakeholder advisory panels
- Multi-stakeholder forums

Inviting Written Responses from Stakeholder

Invite written responses to formal consultations or requesting ongoing response to enable stakeholders receiving issue briefings or reports to provide feedback.

Key things to consider:

- Generally low response rates, but provides an open mechanism for individual stakeholders to easily have their say without having to attend meetings.
- Helps to build mailing list of interested stakeholders for further engagement.

One-on-one meetings

Individual meetings with stakeholders.

Key things to consider:

- One-on-one meetings are often the first step in engaging with a particular stakeholder or group. They can be used for information gathering, exploring issues, getting feedback on how the organization is viewed, 'testing the waters', agreeing on shared objectives or ground rules and building trust with key stakeholders before going on with wider stakeholder engagement.
 - One-on-one meetings provide a safe space where stakeholders can discuss concerns without having to take or defend a public position.
-

Online Engagement Mechanisms

Web or email based feedback or discussion facilities (share point)

Key things to consider:

- Provided that stakeholders have access to the required technology, online engagement mechanisms reach across distance and enable stakeholders to participate without attending meetings. (It is important however consider who will and who will not meet the technical requirements.)
 - Design of online engagement mechanism important in relation to organisational and stakeholder needs.
-

Exploration meetings

Exploration meetings' purpose is to get to know your high priority organizations.

Key things to consider

- It may be the forum to jointly understand the current situation and emerging trends and review what brings all of you together.
 - The parties learn about each others' goals, priorities and issues.
 - It is also during an exploration meeting that you would define common ground – what all of you have in common and what each of you need.
 - And lastly, the agenda may include a dialogue to clarify expectations for working together.
-

Focus Group

Small group meeting to elicit feedback on a particular issue. Organisational representative may be present but group is facilitated by a third party.

Key things to consider:

- Effective and flexible means to obtain feedback on the organization handling of diverse issues or to learn about the breath of stakeholders' viewpoints. However, the views obtained from a focus group may deviate from the broader population of stakeholders. Making careful selection of reps is very important.
-

Assembly meetings

Large scale meeting open to different stakeholder groups. Particularly useful for dissemination of information, the sharing of opinions and the discussion of non-controversial issues.

Key things to remember:

- Can be facilitated by the organisation or by a third party. Can be hosted by the organisation or in partnership with other organisations. Involvement of other organisations that stakeholders already know or trust can help to attract participants and put them at ease.
 - Process needs to be designed to meet the aims of the organisation, concerns of the stakeholders and the nature of the issue. Traditional public hearings and encourage a “them and us feeling” and don’t necessarily promote constructive discussion. They are not suitable for decision making nor do they allow for deeper dialogue.
 - Other options include workshop sessions, role play, consensus building sessions; world café, open space technology.
-

Surveys

Mass surveys of large stakeholder groups can focus on general or specific issues. Can be conducted online, by post, using computer terminals, by telephone or in-person.

Key things to remember:

- Can be simple or complex, formal or informal. However, it can quickly get expensive and data heavy. Be clear about how you are going to use the results before the technique is deployed.
 - Its design is critical to receive the appropriate information.
 - Useful for obtaining or gathering baseline or standardised information that can provide good guidance for action. Given it is a one way communication; it does not directly contribute to building trust or developing consensus.
 - It is important that findings and the organisation’s response to them should be communicated back to the surveyed stakeholders.
-

Stakeholder advisory panel

Stakeholders are invited by the company to offer advice and comments on a particular project or ongoing set of issues

Key things to remember:

- Be clear about what capacity advisory panel members are acting in:
- Where stakeholders provide their advice as individuals, not as representative of their organisation or constituencies, this normally makes agreement of terms of reference easier.
- Where panel members are representing a group, be sure they are representative and have time and capacity to go back and consult their constituencies and ensure support.
- Good for dealing with long-term and complex issues and processes as members are able to develop good understanding of issues facing the organisation.
- Ensure good balance of sectors represented on the panel and be cautious that if a particular group/organisation is not invited, could that undermine the whole process?

Multi-stakeholder forum

Multi-stakeholder forums' purpose is to get the "whole system" in the room and develop a shared data base of information. It is a medium to learn about different perspectives and for each stakeholder to hear and gain greater appreciation of these diverse perspectives. Often convened and facilitated by an independent third-party.

Key things to remember:

- Forum meetings can take a number of formats depending on need, for example: a one-off roundtable discussion about an issue with no commitment to do anything other than report on the meeting or a consensus building or participatory planning process.
- Useful where issues are complex and cannot be addressed by an individual organisation acting alone.
- It builds natural understanding, trust and the ability to collaborate.
- It also provides opportunities to identify and address barriers and conflicts, and identify gaps and synergies /opportunities for collaborative action.

*Source: THE PRACTITIONER'S HANDBOOK ON STAKEHOLDER ENGAGEMENT, page 97 – 108.

4.5 Communication

The core of all stakeholder relationships is communication, and stakeholder engagement is essentially a complex relationship.

Communication involves being open and honest about your objectives and planned activities. It is about keeping the stakeholders in the loop as much as possible, whether it is through information sharing, bulletins, brochures, reports, newsletters, web sites, briefings, speeches and presentations, displays, open house, press releases, email trails, phone calls or face-to-face engagement. The latter is often the most effective form of stakeholder engagement as it gives the relationship a more human element.

If your organization has a Communications function, consulting with your subject matter experts or specialists in communication is advisable to help you establish a strategic communications plan.

Refer to Appendix 4 for a more thorough communication checklist.

4.6 Strengthen engagement capacities

There is no generic stakeholder engagement skill-set, as different expertise and experience may be needed to engage with public policy makers, supply chain workers, or to moderate an internet discussion with clients for example. However, a basic range of skills and characteristics can be identified. These include: project management, analytical skills as well as certain personality traits such as integrity, ability to focus on solutions, motivation and creativity. In terms of technical skills some may have stronger IT, communications, negotiation or managerial skills. Each of these can be harnessed effectively to maximise your stakeholder engagement.

As part of strengthening engagement capacities a review of the strengths of your organisational systems and also identify the gaps and weaknesses would be useful. Similarly it is important to consider the individual skills and capacities needed for engagement and areas of improvement. In doing so, think about your own team and the various skills individuals bring to the role(s).

One way to use this guide is to discuss some of the issues and processes it raises in the team and to jointly develop ways to realise team capability.

It is essential to also consider the capacities of and practical issues for, your key stakeholders and identify ways to address these. Each stakeholder has their own plan(s) and may have constituents that they are representing. In effect the stakeholder may be drawn from their own core business or constituents. They may also be working within financial and time constraints. Departmental processes are often time consuming. Acknowledging, understanding and recognising these issues and the role they play in the engagement will allow you to tailor your strategy more effectively to the stakeholder.

You may also consult the following link for a comprehensive list of ways to build capacity in your own organisation and strengthening enablers for successful response. It is found on page 82 of the link.

Source: THE PRACTITIONER'S HANDBOOK ON STAKEHOLDER ENGAGEMENT, page 82.

5. Step 3: Engage

5.1 Define the plan and take action

Once you have identified your key stakeholders and issues, thought about overall engagement strategies, done some high level planning and considered capacities, implementation can occur.

At this point you may consider developing a stakeholder engagement plan, which outlines your objectives, scope and methods. This could be an integral part of your overall business plan. See Appendix 4 for further information on developing a stakeholder engagement plan. An implementation schedule identifies (and potentially provides to key stakeholders) related information on timing. Be as open and honest with stakeholders as possible. Identifying viable timeframes may enhance their confidence in the engagement. This might be as simple as notice of a series of meetings of a formal advisory group, or published dates and agenda for workshops.

You then need to consider ways of engagement that work for you and also the stakeholder. As indicated previously location, timing, number of meetings and methods will impact greatly on your result. It is important that the method suits the need and the client.

In creating your stakeholder engagement plan keep in mind that the engagement plan needs to relate to the overall business plan objectives, however contain more explicit reference to the task. You may wish to consider the following when developing an engagement plan:

- What is the purpose of the engagement?
- Stakeholder representation (what groups and at what level of representation?)
- Level of engagement (from passive monitoring and informing to more active consultation and collaboration)
- The engagement medium (for example: internet, telephone, video conference, direct (local) interaction, print, broadcast, or any mixture of these)
- Timing (set specific timeframes for each step in the process)
- Facilitation type (for example facilitated, debate, convened, mediated)
- Method of engagement (for example surveys, focus groups, local representatives, one-on one, online forum, road shows, stakeholder networks, panels or committees, public meetings or forums, partnerships including alliances, collaborative projects, initiatives or ventures).
- How do we measure the success of overall outcomes?

In deciding how you will work, be especially conscious of the following points.

- Be clear to stakeholders where the department does not control the decision making.
- Be clear about what is negotiable and what is not negotiable.
- Consider related management issues: governance implications; sign-off and associated implications; stakeholders' willingness to engage; conflicts of interest; differing and/or conflicting stakeholder interest; time frame; cultural differences; capacity implications; maturity of issues.

5.2 Establish Stakeholder Engagement Charter

When engaging stakeholders, you may wish to establish a Stakeholder Engagement Charter including as example, the following elements:

Create shared vision and goals

- In identifying what you all wish to achieve working together
- Develop a partnership action plan together
- Identifying where you all want to go, describing the future possibility

Define roles and accountabilities

- Who is responsible for what activity?
- Who has decision making authority?
- Obtain resources if applicable, and commitments

What resources will be required to accomplish our activities?

- What assets can each party leverage?
- What resources can we share?
- Work alone and in partnerships

What action must we take individually to realize our shared vision?

- What actions will we undertake together?

When do we expect the activity to be complete?

6. Step 4: Assess and Report

The key aim in this element is to translate the learnings, insights and agreements from the engagement into action. Organisations and departments often conduct stakeholder engagement and review the process, however fail to appropriately document the results and act on the information gained through engagement.

The ideal is that we would provide complete, coherent and consistent responses to all significant issues identified during the engagement and communicate with stakeholders on how they will be managed. This is a practice which may appear daunting but is key to build long term credibility with your stakeholders and sustainability.

Engagement is a two way activity and if stakeholders invest time and other resources to enable us to improve our practice, and we wish them to continue to do so, it is reasonable to respond to that input. Where possible, stakeholders should be informed of the impact of their contribution, if only in a generic way.

Government processes sometimes take many months before approval but strong ongoing relationships provide opportunity to supply some information on outcomes. All information gained from the consultation should be brought together in a formal evaluation, either conducted by an internal staff member, or an external source. Periodically, and especially following major engagements, we should review, and if needed revise, our stakeholder maps, strategy, objectives and scope, plans and performance measures.

Measuring performance in stakeholder engagement is difficult and sometimes may be subjective. At the beginning of the process, however, you should decide how you are going to determine whether your engagement was, or is, working and what benefits were/are being achieved. If the outcome is less than satisfactory all parts of your process should be reviewed to find where it can be changed.

Ideally, a final evaluation would need to assess the following key criterion:

- a. Whether the engagement process met its own aims;
- b. Whether the process met the explicit and implicit demands of the participants;
- c. Whether the process met the standards of "good practice" in participatory working.

Then assessment process may also aim to evaluate whether:

- a. The level of participation was appropriate to the context and type of participants;
- b. The methods and techniques were appropriate and worked as expected;
- c. The level and range of responses from participants legitimised the exercise;
- d. The costs were reasonable and within budget;
- e. What was organised helped towards achieving the desired outcomes;
- f. The ways in which the responses from the process were effectively dealt with.

7. Recognise all stakeholder engagement is different

All stakeholder engagement is different. There is no single model; however it is important to have a guide to help you in the process.

You may have to engage interdepartmentally, with industry, non-profit organisations or with community groups. Each of these groups has specific needs, wishes and constraints that you must identify. Tailor your engagement to the stakeholder.

Similarly you may be working within policy, contractual or other work related constraints. These too will dictate the manner in which your engagement is conducted, for example the forum, tone and communication.

8. Conclusion

The nature of our business brings us into contact with hundreds of stakeholders each day, and many of these relationships are successful and thriving and should be applauded.

Strong stakeholder engagement does not always reflect perfect communication, relations and results from start to finish. Stakeholders may be initially unreceptive, or disagreeable during the course of the consultations for both internal and external reasons, the important factor is how you deal with these hurdles.

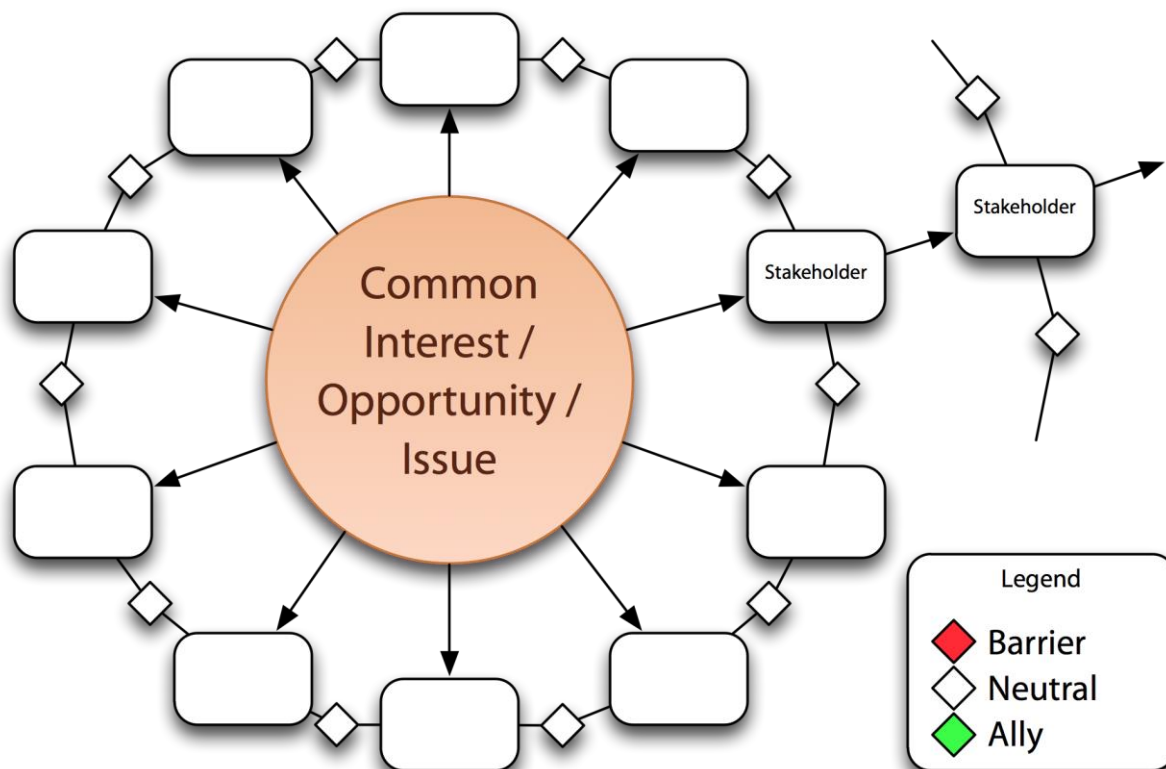
9. Tools

Appendix 1: Mapping your stakeholders template

It is a good practice to map your stakeholders by inserting the issue/opportunity/common interest in the centre square and filling out the boxes with the names/groups of your stakeholders which you will have identified using Appendix 2 and 3. You may add as many boxes as the number of stakeholders you identify and you may add sub groups to main groups, for example: staffing officers as main group with staffing officer assistants as a sub group. To assist you in the identification of your stakeholder you may wish to create your own template based on this format below.

You may also want to show linkages with lines between the boxes showing affiliations between stakeholders by asking:

- Who might each stakeholder be influenced by? Who do they collaborate with? Who do they influence?
- You may want to colour code each stakeholder (box) based on position
- Coding: red = barrier, clear = neutral, green= ally



Appendix 2: Identifying your stakeholders

There is no generic list of stakeholders for all organisations – as those who are affected depends on the mandate of your organisation, nature of your business, geography and the issue in question. New business strategies may often mean a new set of stakeholders.

There are a number of different dimensions that you can consider when identifying stakeholders and these may be as follows:

By influence: Stakeholders with influence or decision-making power internal and external to the organisation (for example: Senior Management and Central agencies).

By interest: Stakeholders with whom you interact most, including internal stakeholders, those with long-standing relationships and those on whom you depend for day-to-day operations.

By representation: stakeholders from geographic, or regulatory structures or culture, such as: the four employment equity groups; headquarters and regional representation; union representatives etc... (This group might equally be in the interest and/or influence category.)

List your stakeholders on the left hand-side column below and then check which box relates to the stakeholders. If the stakeholder has several checks you can then identify them as central/key to your process.

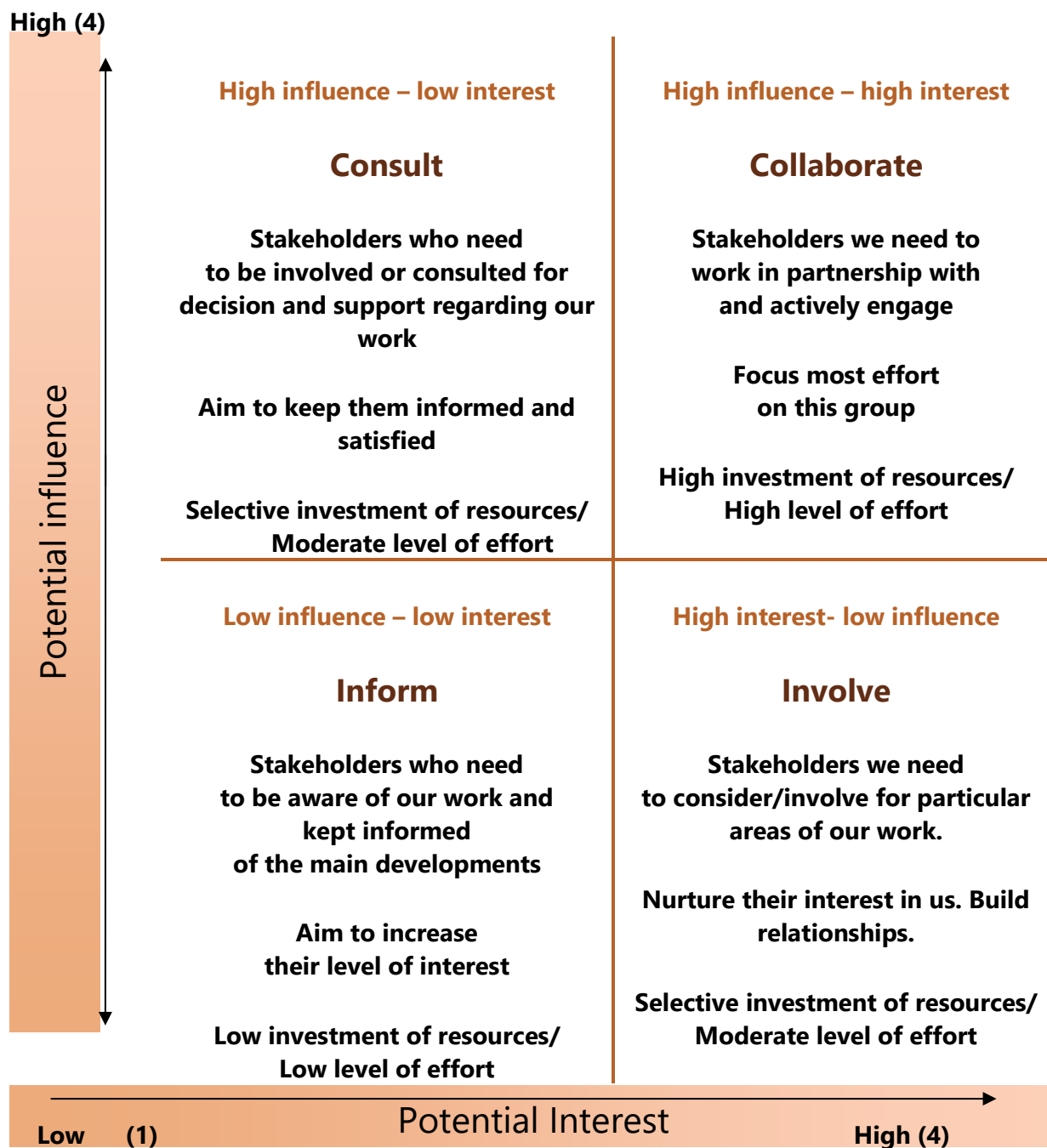
Name of Stakeholder	Influence	Interest	Representation

You may also wish to create a stakeholder Profile for each of your stakeholders and consult a summary template at the following reference:

Source: THE PRACTITIONER'S HANDBOOK ON STAKEHOLDER ENGAGEMENT, page 69.

Appendix 3: Prioritization of Stakeholders Grid

From your mapping exercise done at Appendix 1, please re-group stakeholders (one by one) in respective quadrant using the criteria: high influence, low interest; high influence, high interest; low influence, low interest; and high interest, low influence. Each quadrant dictates different engagement strategies.



Appendix 4: Stakeholder Engagement: operational principles and actions

The following functions as a checklist. Place a check mark in one of the right hand columns to clarify whether you have actioned all appropriate operational principles in engaging with stakeholders

Operational Principle 1: Communications: open , effective and timely communications

In working with your stakeholder, do you

	Yes	No	N/A
Encourage co-ownership of the communication process?			
Clearly establish roles and responsibilities with clear lines of communication?			
Use the right channels of communication to ensure the method of communication is appropriate to the relevant stakeholders?			
Take full advantage of opportunities for stakeholders to say what they want and to provide input and feedback?			
Ensure your organization's representatives are visible, accessible and actively take part in consultations with stakeholders?			
Respond in a timely fashion to the issues and concerns of each stakeholder group?			
Identify appropriate stakeholders to ensure the right people are engaged and are also representative of their group?			
Build and maintain sincere working relationships through the provision of accurate and timely information?			
Seek stakeholder views as early as possible in the process.			
Understand and recognize the need to build relationship, capacity and knowledge before making decisions.			
Allow enough time for stakeholder issues to be raised and addressed and for stakeholders to review and respond to information.			
Establish clear and realistic timeframes for stakeholder input and to allow adequate stakeholder representation.			
Maintain engagement throughout the life of the project, from the planning stage through to implementation and review and finally through to closure.			
Provide information within appropriate timeframes and contexts and identify the reporting period. Make any critical deadline and timeframes clear to communities and stakeholders.			
Recognise, respect and accommodate changes to timeframes where necessary.			

Operational principle 2: Clearness : Clear communications; reporting on agreed upon information and establishing feedback mechanisms

Do you....

	Yes	No	N/A
Clearly identify objectives for the project. Clearly articulate the preferred outcomes of the engagement process.			
Clearly explain or negotiate (where required) the decision making processes and ensure that stakeholders understand government or departmental objectives?			
Clearly outline or negotiate (where required) the boundaries of the engagement process, commitment of resources and level of influence of the various parties involved in the process?			
Clearly articulate the preferred outcomes of the project (for example operating conditions, environmental objectives, effective implementation of changes to minimise impact on clients)?			
Clearly set out the process and provisions for two-way feedback.			
Emphasize the expected outcomes throughout the process. Provide information immediately on any changes to the expected outcomes.			
Provide research information and analysis (where appropriate) that is theoretically or scientifically sound and relevant?			
Provide information in a form that is understandable by the target audience and in a way that genuinely helps people to understand and make informed decisions.			
Use Communication specialists' advice when appropriate.			
Ensure documentation is kept for potential access to information requests.			
Ensure the information is provided in a culturally appropriate manner.			
Document decisions and outcomes of meetings with communities and stakeholders.			
Report appropriate performance information on the consultation through an agreed process.			
When appropriate and practicable, support performance information with verification.			

Operating principles 3: Collaboration : Working cooperatively to seek mutually beneficial outcomes

How capable are stakeholders and community groups of participating in the process?
Where can help be found to support community groups in this process?

	Yes	No	N/A
Recognise that adequate time and resources are needed by industry, governments and communities to effectively engage.			
Share expertise.			
Work in cooperation.			
Establish joint ownership of outcomes, seeking mutually beneficial outcomes where feasible.			
Comprehensively deal with the issues and seek stakeholder input into responses.			
If appropriate, take an active role in local community affairs.			
Consider independent mediation processes to deal with disagreements and disputes.			
Report openly the input from all communities and stakeholders and include feedback on their input.			

Operating Principle 4: Involvement Recognise, understand and involve stakeholders in process

What are the cultural characteristics of communities and stakeholders? Do they have the ability, experience and/or access to support or deal with this process?

	Yes	No	N/A
Identify the relevant communities and stakeholders, recognising they may change over time.			
Identify and, where possible, understand community and stakeholder issues, interests, aspirations and concerns to better define what matters most to the community.			
Facilitate (where appropriate) community and stakeholder engagement.			
Accept the different agendas of different stakeholders and ensure that dominant groups are not the only voices heard.			
Ensure there are appropriate systems, with minorities and other marginalised groups having equitable and culturally appropriate ways to engage, so groups that may be under-represented or hard to reach take part.			
Acknowledge that in few circumstances is it feasible to involve the entire communities (whole system) of stakeholders.			

Prepare a consultation plan and tailor engagement strategies to meet the needs of community and/or stakeholder groups, their accessibility and information needs.		
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Operational Principle 5: Integrity**Conduct engagement in a manner that fosters mutual respect and trust**

To build credibility and confidence, do you.....

	Yes	No	N/A
Agree on the ground rules for the process and obey them — explain what the process is trying to achieve.			
Talk about the nature of the engagement process and make it clear from the beginning what decisions are outside the scope of the process.			
Clearly articulate what is negotiable and what is not negotiable in the engagement process. Give reasons for decisions.			
Ensure realistic expectations are set and agreed early in the process.			
Take responsibility for departmental actions and live up to promises.			
Report often on progress — accurately and promptly.			
Ensure the proclaimed values of departmental policies and codes of behaviour at the corporate level are consistent with practice on the ground.			
Ensure that all stakeholder opinions and rights to object or support a project/policy are respected. Acknowledge and respond to stakeholder concerns.			
Treat people fairly and without discrimination.			
Respect legal, ethical, and human rights.			
Share even when the news are not good or favours the department.			

Appendix 5: Stakeholder engagement plan

The owners (lead) of the engagement should initiate an engagement plan. The engagement plan should be made available to stakeholders and stakeholders should have the opportunity to provide input onto the plan.

The engagement plan documents the engagement process and at a minimum should include the following:

Overview:

- Subject of Engagement – purpose and scope (what are the issues associated with the engagement)
- The mandate for the engagement
- The partners in the engagement, their roles and responsibilities
- Strategic Objectives – Intended outcomes
- Methodology for and results from identifying stakeholders – who are the stakeholders (internal and external)
- Engagement Approaches and levels – methodology

In addition, the engagement plan should document various aspects related to managing the engagement process and at a minimum include the following:

- Tasks and timelines
- Contact persons
- Technologies used
- Logistics – venue
- Ground rules – explicit principles of doing business
- Engagement opportunities and risks
- Resource requirements, budget
- Channels of communications
- Monitoring and evaluation
- Reporting the engagement outputs and outcomes
- Performance measurement and lessons learnt

When developing engagement plans it is important to consider factors that can impede the ability of stakeholders to engage and to address these in the plan. These could be factors like:

- Accessibility of the location
- Capacity to travel
- Availability of technology
- Timing
- Family and other responsibilities

Appendix 6: Benefits and possible performance indicators

Indicators allow an organisation to measure and evaluate the progress towards achieving quality stakeholder engagement, to identify areas for improvement and to demonstrate the value added through engaging with stakeholders. Indicators can be quantitative or qualitative and may have levels of performance rating and each level further defining the performance.

The following are examples only of possible performance indicators which could be used to measure the effectiveness of your stakeholder engagement.

Strategic /high level Indicators	Measure of performance
Increased organisational effectiveness	Strategic Engagement activity aligned to strategic intent as outlined in level 1 and 2 Business plan. No instances of systemic 'poor' practice reported by stakeholders which are not being addressed.
Enhanced stakeholder confidence	A significant number of difficult issues identified and addressed before they impact on confidence and trust.
Improved engagement to emerging issues	Issues identified and engagement strategies in place prior to their intensification. Percentage of specific practice suggestions made by key stakeholders that have been adopted in whole or part.
Enhanced two-way communication skills	Department staff and stakeholder satisfaction with quality of two way dialogue, especially amongst formal reference/advisory group members.
Reduced Costs and greater efficiencies	Estimate of resources realised by effective engagement.
Bridge Cultural Gap	Appropriate and ongoing relationships with specified cultural groups.
Promote a culture of innovation and learning in policy advice and practice responses by incorporation of stakeholder perspective	These issues formally considered in preparation of policy advice and practice plans (specific identification in templates used.)
Operational Level Indicators	Measurement of performance
Streamlined feedback or input process	Processes in place for key stakeholders to provide input, feedback or ways to express their dissatisfaction which are not being addressed.
Stakeholder Identification	A formal and documented system is in place for Stakeholder Identification
Effective Stakeholder Engagement and Dialogue	Formal and documented Stakeholder engagement and dialogue systems are in place.
Stakeholder response mechanism	A formal complaint and response system is in place with processes for follow-up and tracking.
Reporting	Formal reporting systems on community engagement and dialogue activities are in place.

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This handbook was inspired and derived from the following sources:

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