

INVOLVING STAKEHOLDERS IN IRRIGATION AND DRAINAGE DISTRICT DECISIONS: WHO, WHAT, WHEN, WHERE, WHY, HOW

Lisa Beutler¹

ABSTRACT

Many believe the public and other stakeholders should be considered in developing governance structures. Early engagement with stakeholders can provide an irrigation and drainage district with insight into their concerns and priorities, and outline relevant sustainability issues. Engagement also allows a district to manage expectations and concerns as well as assess strategic issues, opportunities and threats. Districts may utilize a variety of methods to identify stakeholders, discern when and where collaborative work should occur, and define the types of things stakeholders should or should not assist with.

INTRODUCTION

“Business as usual, government as usual, and perhaps even protest as usual are not giving us the progress needed to achieve sustainable development. Let’s see if we can’t work together to find better paths forward” (Hohnen 2001)²

In recent years numerous organizations, from government agencies to for-profit business, have realized the importance of engaging stakeholders in situation assessment and governance. The international community and particularly the United Nations (UN) have similarly embraced multi-stakeholder processes "to address issues that need public debate and stakeholder involvement and contentious issues of political, economic and technological development."³

Multi-stakeholder processes (MSPs) are *processes which aim to bring together all major stakeholders* in a different form of communication, fact finding, and possibly decision-making, on a particular issue."⁴

Stakeholder processes are often utilized when decision bodies acknowledge a need for systemic, sustainable, and inclusive approaches. Although complex

¹ Associate Director, Center for Collaborative Policy, Sacramento State University, 1303 J. St, Suite 250, Sacramento, CA 95814

² Hohnen, Paul, 2001 NGOs : Challenges and Opportunities. Presentation to UNEP Multi -stakeholder Workshop on “UNEP Today and Tomorrow”, Nairobi, 1-2 February, 2001

³ Hemmati, Minu, Multi-Stakeholder Processes for Governance and Sustainability - Beyond Deadlock and Conflict, London, Earthscan 2001

⁴ Ibid

stakeholder processes can require large amounts of financial and human resources, some argue that stakeholder based process are also more efficient and effective because they result in faster, less contested implementation of the resulting policies or projects, Many agencies have found it difficult to implement decisions without first gaining stakeholder buy-in.

WHO ARE STAKEHOLDERS?

Stakeholders are individuals or groups who can affect or be affected by an organization's activities. This may include communities concerned with environmental impacts, consumers who want product information, and employees or investors who wish to see a company prosper.

Stakeholders are also those with a stake in what happens as a result of any decision or action. In less generous terms, some who find stakeholders difficult to work with define them as "someone who can mess with your business."

With such broad definitions decision makers and project managers will need to distinguish between influencers and stakeholders. Some individuals with a real stake in an enterprise may have no influence, e.g. a job applicant, while some influencers of an organization may have no stake, e.g. the media.⁵ In some cases stakeholders also have influence (for example Board Members). In general, stakeholders are the appropriate parties to engage in situations involving governance and decision making issues.

Stakeholder identification begins with and is directly tied to project scoping. Many of the tools used to define stakeholders parallel those used to define customers. For example, there are several defined governmental sector customers, - ones who use or consume services, ones who regulate it (Judicial and Legislative), ones who authorize it (Executive Branch and Legislature), ones who manage public approval (Executive), and ones affected by the exercise of authority. Stakeholders may include representatives of affected environments or constituencies, such as formal advocacy groups, industry councils, and public interest groups.

In looking at particular issues it is useful to create a comprehensive map or outline of stakeholders needed to help clarify the desired policy outcomes. One approach includes expressing desired outcomes in terms of the impact on key stakeholder groups. From the initial stakeholder map, a more sophisticated analysis of

⁵ Donaldson, T. and Preston, L.E. (1995), The Stakeholder Theory of the corporation: concepts, evidence and implications, *Academy of Management Review*, **20**(1) 65-91.

interests and influence is needed to help assess whether or not to utilize some form of stakeholder group as part of decision-making.

CHARACTERISTICS OF STAKEHOLDER GROUPS

Wide use of stakeholder processes is relatively new and evolving. Methods are continually being adapted based on cultures and desired group products. Even so, while each stakeholder process contains unique features based on purpose and other factors, there are a number of common elements most collaborative efforts share. Table 1 outlines some of those elements.

Table 1. Sample Characteristics of Stakeholder Groups

Features	<ul style="list-style-type: none"> ■ Equity and accountability in communication between stakeholders ■ Equitable representation of three or more stakeholder groups and their views ■ Democratic principles of transparency and participation
Methods	<p>Dependent on issues, objectives, participants, scope, time lines, etc. may include:</p> <ul style="list-style-type: none"> ■ Dialogues on policy ■ Information sharing ■ Consensus-building, decision-making ■ Implementation of practical solutions
Outcomes	<ul style="list-style-type: none"> ■ Strengthened networks among and between stakeholders to achieve better system outcomes ■ Accountability of decision-makers to the public and to key stakeholders
Sample Products	<ul style="list-style-type: none"> ■ Policy statements ■ Response to agency prepared proposals ■ Strategic plans ■ Program plans ■ Litigation settlements and/or agreements reached via alternative dispute resolution ■ Site specific plans and agreements

As an example of products, the Extractive Industries Review, an entity within the World Bank, utilizes a multi-stakeholder approach to develop future policy on extractive industries, including oil, gas and mining. The objectives of this group were to record the positions of the stakeholders, assess consensus and dissent in selected pivotal issues, and to document them for political decision-makers. Where consensus existed the process aimed at formulating recommendations for the implementation of specific policies.

SELECTING A STAKEHOLDER PROCESS

Various studies have assessed stakeholder engagement methods. A United States Environmental Protection Agency (EPA) review of agency public involvement found, “Some stakeholder involvement activities appear to be conducted because they are considered a good thing but it might not be clear how the activities contribute to actual Agency decisions. This can lead to frustration as participant expectations do not coincide with Agency actions.”⁶ EPA also found that because regulatory, non-regulatory, and voluntary program activities had become more extensive and interwoven, “there is not always an understanding of the type of stakeholder involvement that is most appropriate in a particular situation and the model selected might not produce the type of results that are needed.”

Indeed, agencies may involve stakeholders at many levels. One size or method does not fit all. The degree of engagement should be determined by the scope of the issue, needs of decision makers, interest of stakeholders and expertise of the stakeholders.

Management writer Paula Bloom, in her research on internal stakeholders, focuses on the issues of interest and expertise. Bloom recommends designing strategies that match stakeholder interest and expertise with specific outreach methods. Bloom prescribes the following:⁷

- Low interest, low expertise—avoid involvement
- Low interest, high expertise—consult
- High interest, low expertise—consult. The goal of the agency may be to lower resistance among the stakeholders, but this will require great care, sensitivity, and skilled leadership.
- High interest, high expertise—involve as early as possible, and given as much freedom as possible to define the problem and set objectives either as a delegated approach or a collaborative approach.

The International Association for Public Participation (IAP2) has created a Public Participation Spectrum⁸ that defines stakeholder methods by degrees of involvement, increasing level of impact, goals of outreach, public expectations, and tools and methods. The model framework ranges from inform, consult, and involve, to collaborate and empower.

⁶ EPA Stakeholder Involvement, *Action Plan*, December 1, 1998, <http://www.epa.gov/publicinvolvement/siap1298.htm>

⁷ Bloom, Paula Jorde. 2000. *Circle of Influence: Implementing Shared Decision Making and Participative Management*. Lake Forest, IL: New Horizons.

⁸ <http://iap2.org/practitionertools/index.shtml>, IAP2 Headquarters, 11166 Huron St. Suite 27, Denver, CO 80234 USA, E-mail-iap2@iap2.org

Based on research of effective processes, EPA created a template of participation models by type of issue and degree of desired engagement. Table 2 illustrates the framework.

Table 2. US EPA Typology Of Stakeholder Involvement Techniques⁹

		ROLE OF PARTICIPANTS		
		EXCHANGE INFORMATION	DEVELOP RECOMMENDATIONS	DEVELOP AGREEMENTS
ROLE OF THE AGENCY	DECISION MAKER	<ul style="list-style-type: none"> ▪ Hearings ▪ Public comment periods ▪ Town meetings ▪ Open houses ▪ Interviews ▪ Focus groups 	<ul style="list-style-type: none"> ▪ Advisory group or task force ▪ Workshops 	<ul style="list-style-type: none"> ▪ Negotiated rule-making ▪ Consensus permits ▪ Mediation ▪ Negotiation
	PARTNER	<ul style="list-style-type: none"> ▪ Conferences ▪ Technical workshops ▪ Roundtables 	<ul style="list-style-type: none"> ▪ Task force ▪ Workshops ▪ Community visioning process ▪ Roundtables 	<ul style="list-style-type: none"> ▪ Partnering ▪ Memorandum of Cooperation
	CAPACITY BUILDER	<ul style="list-style-type: none"> ▪ Community Profiling ▪ Interviews ▪ Technical assistance grants 	<ul style="list-style-type: none"> ▪ Community consensus group ▪ Community visioning process ▪ Technical assistance grants 	<ul style="list-style-type: none"> ▪ Technical Assistance Grants

Both the EPA model and IAP2 spectrum are useful in selecting potential public involvement methods. In addressing complex issues it is not uncommon for organizations to utilize several different participation methods. An organization embarking on a very large, complex project may use many methods. For example, the public engagement process may include numerous and ongoing information exchanges with the general public, a focused stakeholder negotiation over environmental documents, technical assistance grants to a community to create capacity for managing new requirements created by the project, workshops to better define specific issues and use of an on-going stakeholder advisory group.

If, after analysis, an agency determines collaboration is the right approach to resolve an issue or develop a proposed action, the Center for Collaborative Policy, Sacramento State University defines eleven specific conditions¹⁰ that should be assessed before moving into a formal collaborative process.

⁹ EPA Stakeholder Involvement, *Action Plan*, December 1, 1998,

¹⁰ <http://www.csus.edu/ccp/collaborative/sustain.htm>, Center for Collaborative Policy, Sacramento State University, 1303 J Street :: Sacramento, CA 95814

1. Clear Role and Purpose: Participants understand their role, their responsibilities, and the purpose of the effort.
2. Transparency of Decision-Making: How decisions will be made is discussed and identified in the first stages of a stakeholder process. This does not mean that stakeholders, as contrasted with authorized governmental bodies, need to be the ultimate decision-makers. Rather, it means that stakeholders understand the decision-making ground rules before they invest their time in the process. Based on their evaluation on the decision-making rules, they can choose to participate or not participate. This transparency extends to how the ultimate decision will be made as well as to how decisions, including advisory decisions, will be made within the stakeholder group itself.
3. Interest-Based Decision-Making: If consensus-building or collaboration among historical adversaries is a goal of the stakeholder effort, then the decision-making structure needs to reflect this goal. This would mean that for the outcome of process to be considered collaborative, the major interest groupings as defined by the collaborative would need to be supportive of the decision or recommendation.
4. Every Effort to Bring Affected Stakeholders into the Process: At the beginning of any process, a conscious and serious effort is made to identify and recruit stakeholders whose interests are affected by the discussions. This requires a thorough stakeholder analysis process at the start up of a collaborative process or advisory board process. Inclusiveness enhances the legitimacy of the process.
5. Stakeholders Represent Organized Constituencies: When organizing stakeholder processes, as a general rule the participants should represent and be accountable to established organizations, or communities of interest rather than serving as individual citizens.
6. Upfront Exploration of Interests: During the initial stages of a process, a genuine effort is made to explore and communicate the underlying concerns and needs (interests) of the stakeholders participating in the process.
7. Common Understanding of Problems and Joint Fact Finding: Time and resources are devoted to developing a common information base among stakeholders.
8. Policy and Technical Expertise: Meaningful stakeholder processes require some level of external policy and technical support to accomplish their goals.
9. Respectful and Authentic Process: The process is managed so that all are heard and respected. A key role of the collaborative specialist / facilitator is to

manage the dialogue so that the conditions of accuracy, comprehensibility, sincerity, and legitimacy are protected.

10. **Transparency of Products:** The product needs to accurately reflect the outcome of the stakeholder discussion, in terms of the level of stakeholder support expressed as well as the stakeholder rationale for their recommendation. Specifically, the policy recommendations developed by the stakeholder group clearly state those who support the recommendation, those who oppose and why, those who conditionally support and why, and those who abstain or did not comment and why.
11. **Resources:** Stakeholder processes need to be funded such that there are appropriate resources to accomplish the above objectives.

If an assessment indicates less than optimal conditions for collaboration, decision makers should either mitigate to improve conditions or select a less intense form of stakeholder engagement. If all indicators point to use of a stakeholder group the next step involves stakeholder selection.

Stakeholder Selection and Criteria

A variety of criteria may be used to select members of a stakeholder group. After creating a stakeholder map to identify the range of interests, several screening questions such as the following may be applied:

- What stakeholders will need to be present for the process to be considered credible?
- To what extent can one set of stakeholders represent the broader interests of others?
- To what extent will this set of stakeholders be needed to achieve a sustainable outcome?

In his recent review of research on successful, effective public participation and stakeholder involvement,¹¹ William Leach outlined findings on key participant traits. The following is excerpted directly from his report.

Active support and participation by agency staff. Several studies suggest support should come from the highest possible levels of the agency. Regular attendance by organization leadership helps legitimize the group and indicates to participants that their contributions will be taken seriously.

¹¹ Leach, William D., *Public Involvement and Facilitation Assistance*, Center for Collaborative Policy, Sacramento State University, Oct. 2004

Cooperative, enthusiastic, and committed participants. Personal qualities that are especially valued in collaborative settings include honesty and humility, perseverance, a community spirit, a willingness to take risks, to compromise, to listen and learn from others, to keep an open mind, to take criticism gracefully, to respect those with differing opinions, and to avoid attacking others personally.

Trust and social capital. According to stakeholders surveyed in one study, the keys to successful public participation include helping participants “gain insight about others' views and values” and “improving communication among participants.”

Continuity in participants over time.

Sense of place—a heartfelt affection for and commitment to a geographic location such as a watershed or town. Several studies conclude that it is easier to sustain a successful public participation process when the participants share a strong sense of place.

Strong motivation to resolve the conflict. This motivation can stem from a significant resource problem or crisis, or from a shared recognition that the participants' interests are interdependent. Motivation is also heightened when participants perceive a political stalemate in which they each lack viable alternatives to the collaborative process.

In addition to the research by Leach our field experience and other studies such as the ones by EPA indicate a few other traits that increase participant effectiveness:

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|--------------------------------------------------------------------------------|----------------------------------------------------|
| 1. Collaborative skills | 5. Ability to represent more than one interest |
| 2. Other skills or expertise useful to the process | 6. Appropriate time and resources to commit |
| 3. Leadership ability | 7. Ability to make commitments and reach decisions |
| 4. Degree of legitimacy as a spokesperson for a specific stakeholder community | |

A list of desired participant traits may be used by organizations as part of a participant selection processes.

BEST PRACTICES FROM SUCCESSFUL PROCESSES

Leach's literature review¹² also explored key features of successful stakeholder process and found substantial consistency among all the studies for the following:

¹² Leach, William D., *Public Involvement and Facilitation Assistance*, Center for Collaborative Policy, Sacramento State University, Oct. 2004

- *Effective facilitator and/or coordinator.*
- *Focused scope and realistic objectives.* Have clear purpose, goals and objectives. Focus on measurable, quantifiable, or tangible goals. Demonstrate action and not just talk. Work with a manageable number and complexity of projects, having a well-defined geographic scope and making sure that the focus is sufficiently compelling to sustain the participant's motivation
- *Tractability of the disputes.* Careful selection of issues that are appropriate for collaborative planning. Disputes must be negotiable and not driven exclusively by value conflicts.
- *Early successes.* Early in a process focus on a few easily attainable goals to build momentum, confidence, and reputation. Set both short term and long term goals, and celebrate achieved milestones.
- *Early engagement.* Act early to receive the public's comments. Participants are more satisfied when involved in pre-decisional scoping activities, rather than simply commenting on fully formed policy proposals. Use conflict management methods as early in the planning process as possible. Periodically set new goals to maintain the momentum of a partnership.
- *Pay attention to the big picture.* Focus on more than project implementation. Conduct frequent meetings and frequent communication outside of meetings to maintain relationships.
- *Pre-work.* Allow facilitators sufficient time to help participants identify their underlying interests and avoid focusing solely on stated policy positions. Successful public participation takes time. Assert the importance of abstaining from judging collaborative processes prematurely.
- *Funding.* Convening agencies can improve the likelihood of success by ensuring adequate funding is available for various startup costs such as retaining skilled facilitators or conducting situation assessments or public outreach. On the individual participant level, success requires that agencies and organizations and agencies earmark funding to support consistent staff attendance and participation.
- *Broad and inclusive participation* is desirable. At the same time emphasize the importance of having the right *mix* of participants to ensure compatible personalities and a diversity of skills and resources.
- *Adequate scientific and technical information.* To the extent information is beyond the control of the participants, this factor is contextual. However, several process design choices will influence how well any public participation process avails itself of available information. Conveners should solicit both expert knowledge and local knowledge, the latter being frequently overlooked and undervalued. Provide information to help participants achieve

- common understanding in areas of scientific uncertainty, and design suitable protocols for monitoring and evaluating the outcomes of the process.
- *Collaboration skills training* is another frequent theme in the literature. Convening staff and other stakeholders are urged to seek out training for participants in communication, outreach, leadership, & collaborative problem solving skills
 - *Well-defined decision rules and process rules*. Some suggestions include: rights and responsibilities of all participants clearly articulated from the beginning; effective process rules, communication rules, or bylaws; a predictable schedule of meetings; and clear duration of the process.

Based on the literature review and anecdotal experiences, not convening a stakeholder process is preferable to a poorly run process. This is because a poorly run process creates unmet expectations that often lead to cynicism and damaged relationships.

SUMMARY

Stakeholder processes continue to be used in growing numbers and in various settings ranging from local irrigation and drainage districts to issues of the United Nations. Modern leaders recognize the importance of stakeholders and collaborative process. A variety of techniques, features and criteria may be used to determine the best course for a collaborative. Four primary recommendations can be drawn from this paper:

1. Engage the right stakeholders as early as possible
2. Select the appropriate public processes
3. Use best practices drawn from other successful efforts
4. Adequately support the process.