



Australian Government

Department of the Prime Minister and Cabinet

Cabinet Implementation Unit Toolkit

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Engaging stakeholders



Working in partnership to improve policy design and delivery

- Be clear on the purpose of engaging with stakeholders. The purpose will underpin the entire approach, influencing who will be engaged, how they will be engaged and what to engage on.
- Explore using a mix of engagement methods. Tailor the approach to suit the purpose and your stakeholders.
- View stakeholders as your partners in delivery—they can inject new ideas and help identify risks.
- Plan and review your engagement approach to get the most out of interactions—real value is derived from thinking through the approach.
- Share practices across government to harness existing skills and experience and foster innovation.

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The Cabinet Implementation Unit within the Department of the Prime Minister and Cabinet provides whole-of-government advice on implementation and delivery, with a focus on capability building, implementation assessments and progress reporting.

Elements of effective stakeholder engagement

Every agency will have a wide range of stakeholders with different interests in the design and delivery of initiatives. Engaging effectively with stakeholders and involving them in design and delivery allows government agencies to tap into stakeholders' expertise, experience and knowledge (see Figure 1). It can also help in identifying new ideas as well as risks. Well-managed interactions will provide useful information to shape the design and implementation of an initiative.

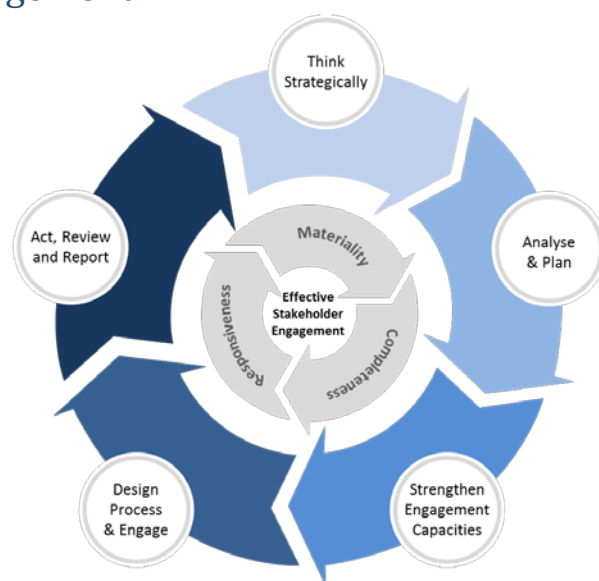


Figure 1. Five-stage stakeholder engagement framework (Source: AccountAbility 2005)

These are the key elements of effective engagement:

- **Involve the right people:** To identify the right stakeholders, it should be clear why there is a need to engage them and what the scope of the engagement will be. Who needs to know? Who has an interest? The answers will ultimately determine the composition of the target group of stakeholders. Consider also the risks to implementation if particular stakeholders are not engaged.
- **Use a fit-for-purpose approach:** There is no one-size-fits-all approach to engaging stakeholders—each interaction should be tailored. Stakeholders have different expertise, objectives and capacity to engage with government. Don't assume that what worked for one situation will work for another. Often a mix of approaches will be needed and you may need the flexibility to adjust your approach quickly.
- **Manage expectations:** Stakeholders should have a clear understanding of how their contributions will be used and the degree of influence their input will have as approaches to policy design and implementation are formulated. When stakeholders' expectations cannot be met, anger, frustration or cynicism may result, which will affect the current and future relationship with government. The purpose of the engagement and the role of participants, including how their input will be used, need to be clear from the beginning.
- **Use the information:** Engagement is not just about collecting information. It involves a process of responding to information to shape and improve the quality of the initiative. Information from stakeholders may also indicate whether the engagement approach itself needs to change. Greater organisational benefits will flow if you share lessons learned from engagement across the agency, particularly where your agency regularly engages with the same set of stakeholders on a variety of issues.

Hurdles to effective stakeholder engagement

While engagement approaches will vary, there are some common pitfalls.

Unclear purpose

If the purpose of the engagement is poorly defined, all the activities that follow will be affected, including identifying stakeholders, determining the methods to be used, and managing stakeholder expectations. You may need to involve stakeholders in defining the purpose of the engagement.

Differing capacity of stakeholders

Stakeholders have different levels of skills and experience in engaging with government. This can affect their ability to fully participate in an initiative, as well as the quality of the information they provide. You may need to work with stakeholders to build their capacity to contribute, or offer modified or different models of engagement.

Stakeholders may have limited resources (time, people and money) to engage and there may be competition between agencies for stakeholders' time. Both factors can result in low participation rates and contribute to 'engagement fatigue'. Be aware of the resource constraints of stakeholders and make sure flexibility (in time and approach) is built into the engagement strategy. Another good idea is to coordinate the timing of the engagement with other teams in your agency or in other agencies.

Insufficient skills in the implementation team

Effective stakeholder engagement requires a specific skill set. The absence of the right skills can hinder collaboration across organisational boundaries and make it harder to identify issues and opportunities. This can result in damaged relationships between government and stakeholders, and ending up with poor quality information. Don't assume that seniority will equate to skills. During the planning stage, identify the skills available and the skills required at subsequent stages. Explore options to develop skills and/or engage external expertise.

Unfocused dialogue

Stakeholder engagement can uncover a range of issues that are important to stakeholders but may be less so to the initiative. If this happens, it can distract from obtaining relevant input. The engagement plan should be clear on what issues are relevant and how to manage and respond to any ad hoc issues that are raised. Responding to ad hoc issues thoughtfully is important. For example, there may be another area in your agency where those issues could be considered further.

Failure to review and evaluate

Without robust review and evaluation it is difficult to know if the approach is working and whether changes are needed. Failure to review and evaluate also reduces the agency's ability to learn from and improve its engagement. The engagement plan should include review points throughout the policy design and implementation, with flexibility to adjust the approach if needed.

Strategies for success

There is no single success factor that delivers effective stakeholder engagement. However, there are some common strategies that will help make stakeholder engagement fruitful and worthwhile.

Map your stakeholders

Identify all the stakeholders that will have an impact or influence on the initiative, as well as those who are affected by it. Narrow this list down to identify groups and subgroups of stakeholders, and record what their interests are and their level of influence and impact. This stakeholder mapping will inform your engagement plan, which should be a living document that evolves during the initiative. Mapping also allows for better tailoring of engagement methods.

Plan the engagement

Think strategically about the engagement, and be clear on why you and your stakeholders want to engage, what the issues are, what you want to achieve and how you will know if you're successful. Incorporate this thinking into your engagement strategy to help ensure the approach focuses on material issues and effectively targets the right stakeholders.

Develop an engagement plan that outlines the methods, timeframes, roles and responsibilities. The plan should pull together all elements of engagement from beginning to end, providing a pathway to guide team members through the engagement approach. Invest time in developing contingency plans for key engagement risks to help reduce delays.

Use a mixed approach

A mixed approach provides flexibility to manage the differences in relationships between stakeholders, allowing either a light-touch engagement or deeper partnerships where they are needed. This approach may include activities to inform, consult and collaborate with stakeholders and use a combination of tools such as discussion papers, public forums, one-on-one discussions and social media.

Learn from others

Tailoring an approach doesn't have to mean reinventing the wheel. When planning, find out who else has undertaken a similar engagement and take the opportunity to share information and harness the skills and experience that already exist. This path can foster innovation and help make the process more efficient and effective for both government and stakeholders. Knowing the 'vibe' and outcomes from recent engagement with similar stakeholders can also help you prepare for what other issues may be raised and how they should be addressed, and avoid going over old ground with the same people.

Integrating stakeholder engagement

Consider the following questions when developing the stakeholder engagement section of your implementation plan.

Planning

- How will stakeholder engagement help achieve the outcomes and objectives of the initiative?
- Does the plan allow for results of stakeholder engagement to be incorporated into key decisions?

Governance

- Have clear roles, responsibilities and accountabilities for engagement been identified?
- Will stakeholders play a part in the governance framework?

Risk

- What risks are posed to the program by stakeholder engagement?
- What risks from the program may affect the degree and quality of stakeholder engagement?

Monitoring, review and evaluation

- Is review of stakeholder engagement included in monitoring, review and evaluation?
- How will the implementation plan be adjusted based on feedback from stakeholders?

Resource management

- Have the resources for stakeholder engagement been factored into the implementation plan?
- Does the team have the skills and expertise to engage stakeholders effectively, or will you need external expertise?

Management strategy

- Are the timeframes to conduct the proposed stakeholder engagement approach realistic?
- Can you incorporate feedback from stakeholders into the selected project management tools?

Resources and further help

AccountAbility 2011, AA1000 Stakeholder Engagement Standard, www.accountability.org/standards/aa1000ses/index.html.

This publication provides an overview on how to design and conduct stakeholder engagement. It would be useful to guide initial thinking about engaging stakeholders, both when developing proposals and commencing implementation planning.

AccountAbility, United Nations Environment Programme & Stakeholder Research Associates 2005, *From words to action: the stakeholder engagement manual. Volume 2: The practitioner's handbook on stakeholder engagement*, www.accountability.org/images/content/2/0/208.pdf.

This publication is a comprehensive, step-by-step guide through the processes of engaging stakeholders. It includes examples and tools to support practitioners to engage stakeholders, making it helpful to those developing the engagement strategy and plan.

Australian Government 2006, *Implementation of programme and policy initiatives: making implementation matter*, Department of the Prime Minister and Cabinet & Australian National Audit Office, Canberra, www.anao.gov.au/uploads/documents/Implementation_of_Programme_and_Policy_Initiatives.pdf.

This publication provides key questions and considerations to assist chief executives and senior responsible officers (within government) to be confident about the stakeholder management of initiatives and projects.

Australian Government 2008, *Stakeholder engagement practitioner handbook*, Department of Immigration and Citizenship, Canberra, www.immi.gov.au/about/stakeholder-engagement/initiatives/handbook.htm.

This handbook provides guidance to practitioners on how the department designs and conducts stakeholder engagement, including a range of real-life examples. It also provides tools that government officers can use to plan and conduct engagement.

Australian Government 2012, *Biosecurity engagement guidelines: principles and practical advice for involving communities*, Department of Agriculture, Fisheries and Forestry, Australian Bureau of Agricultural and Resource Economics and Sciences, http://adl.brs.gov.au/data/warehouse/napbed9abps001/napbed9abps00120120302/BiosecNatActPlanPrinciples_v1.0.0.pdf.

This guide provides principles and advice for effective engagement in a biosecurity context and would be useful when engaging a diverse range of stakeholders.

International Association of Public Participation 2007, *Spectrum of public participation*, www.iap2.org/associations/4748/files/IAP2%20Spectrum_vertical.pdf.

This practical one-page guide maps participation goals and promises against six engagement types. It would be most relevant when developing a stakeholder engagement strategy.

Organisation for Economic Co-operation and Development 2009, *Focus on citizens: public engagement for better policy and services*, OECD Publications.

This publication presents comprehensive research on international engagement practices and trends. It includes country-specific examples from a number of OECD members that could help inform the overall approach of the engagement.

Contact us

If you have any questions regarding implementation planning and delivery, please contact the Cabinet Implementation Unit:

www.dpmc.gov.au/implementation

implementation@dpmc.gov.au

02 6271 5844

Cabinet Implementation Unit

PO Box 6500

Canberra ACT 2600

Australia