

# Stakeholder Involvement



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# Definition of Stakeholder

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Any actor – institution, group or individual – *with an interest or role* to play in the decision-making process.



# Why Stakeholder Involvement?

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- Both public and private sector organizations have found that stakeholder involvement programs can address stakeholder concerns and improve the quality and sustainability of decisions.
- Time spent dialoguing and in bringing stakeholder input into the organization is seen as time well spent.



# Stakeholder Involvement Changes Decision-Making

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- Best practice has begun to move from the “decide, announce, and defend” model where the focus is almost exclusively on the technical content of the issues to one of “engage, interact and cooperate” for which both technical content and quality of processes are both important.



# Five Principles of Effective Stakeholder Involvement

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- **Openness**
- **Accountability**
- **Effectiveness**
- **Technical competence**
- **Participation**



# Stakeholder Involvement can take many forms

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- **Sharing information**
- **Consulting**
- **Dialoguing**
- **Deliberating on  
decisions**



# Levels of Stakeholder Participation or Involvement

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## **Low level**

Inform,  
educate, share  
or disseminate  
information

## **Mid level**

Discuss through  
two-way  
dialogue

## **High level**

Fully engage on  
complex issues  
Partner in the  
implementation  
of solutions



# Preliminary Design Issues

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- Stakeholders may desire, expect, or be entitled to a particular level of involvement.
- Discussions with target stakeholder groups, as well as review of legal requirements, will help determine the appropriate level.
- How much involvement the organization can offer must be clearly defined.
- Must be clearly communicated to potential stakeholder participants, at the outset of the program.





# Effects of Stakeholder Involvement Programs

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Bottom-up, inclusive approaches are likely to enhance the credibility of the decision-making process and have three benefits:

- **Substantive** (concrete decision outcomes);
- **Procedural** (modifications to the process of deciding); and
- **Contextual** (the “side” effects).



# Substantive Benefits of Stakeholder Involvement Programs

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## **Substantive results can include options that are more:**

- Environmentally sound;
- Economically advantageous;
- Technically viable; and
- Socially acceptable.



# Procedural Benefits of Stakeholder Involvement Programs

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## **Better procedural choices can:**

- Improve quality of information used to make decisions;
- Better integrate the wider context that influences the range of choices for a decision;
- Open up the domain of choices under consideration;
- Result in better conflict management;
- Increase the legitimacy of the decision process; and
- Be more cost-effective than other options



# Contextual Benefits of Stakeholder Involvement Programs

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## **Improved contextual benefits include:**

- Better information to stakeholders/public;
- Improvement of strategic capacity of decision-makers;
- Increased confidence in institutional parties;
- Better relationships between parties; and
- Modifications of relationships in *other* matters between parties.